



**SAN JUAN WATER DISTRICT
BOARD MEETING AGENDA
9935 Auburn Folsom Road
Granite Bay, CA 95746**

**December 18, 2024
6:00 p.m.**

This Board meeting will be conducted both in-person at the District's Boardroom at the address above and via videoconference. When all Board members are in the Boardroom, the District's Board meetings are not required to be broadcast via videoconference and are done so as a convenience to the public; furthermore, if the transmission is interrupted for any reason, the meeting will continue in person as scheduled. Members of the public may participate in Board meetings via videoconference per the instructions below.

To attend via videoconference, please use the following link:

**Please join the meeting from your computer, tablet or smartphone.
<https://meet.goto.com/245724141>**

**You can also dial in using your phone.
United States: [+1 \(872\) 240-3212](tel:+1(872)240-3212)**

Access Code: 245-724-141

Please mute your line.

Whether attending via videoconference or in person, the public is invited to listen, observe, and provide comments during the meeting. The Board President will call for public comment on each agenda item at the appropriate time – if you are attending via videoconference at that time, please unmute your line in order to speak.

*****Important Notice: For any meetings that include a Closed Session, the videoconference will be terminated when the Board adjourns into Closed Session. Members of the public who would like to receive the report out from Closed Session and time of adjournment from Closed Session into Open Session and adjournment of the meeting should provide a valid email address to the District's Board Secretary, Teri Grant, at: tgrant@sjwd.org, before or during the meeting. No other business will be conducted after the Board adjourns from Closed Session into Open Session. Promptly after the meeting, the Secretary will email the written report to all persons timely requesting this information.**

The Board may add an item to the agenda (1) upon a determination by at least three Board members that an emergency situation exists, or (2) upon a determination by at least four Board members (or by three Board members if there are only three Board members present) that the need to take action became apparent after the agenda was posted.

Public comment on items within the jurisdiction of the Board is welcome, subject to reasonable time limitations for each speaker. The order of agenda items may be changed to accommodate those in attendance wishing to address a particular item. Please inform the General Manager if you have such a request.

Documents and materials that are related to an open session agenda item that are provided to the District Board less than 72 hours prior to a regular meeting will be made available for public inspection and copying at the District office during normal District business hours.

If you are an individual with a disability and need assistance or accommodation to participate in this Board meeting, please call Teri Grant, Board Secretary, at 916-791-0115, or email Ms. Grant at tgrant@sjwd.org.

Please silence cell phones and refrain from side conversations during the meeting.

I. ROLL CALL

II. OATH OF OFFICE

1. Oath of Office for Michael McRae and Pam Tobin

III. PUBLIC FORUM AND COMMENTS

This is the opportunity for members of the public to comment on any item(s) that do not appear on the agenda. During the Public Forum, the Board may ask District staff for clarification, refer the matter to District staff or ask District staff to report back at a future meeting. The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determination to add the matter to the agenda.

IV. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item removed before the motion to approve the Consent Calendar.

1. Minutes of the Board of Directors Meeting, November 20, 2024 (W & R)

Recommendation: ***Approve draft minutes***

2. Fiscal Year 2023-2024 Annual Audit and Comprehensive Audited Financial Report – DavisFarr, Certified Public Accountants (W & R)

Recommendation: ***Receive and file***

3. Esri Small Utility Enterprise Agreement (SUEA) Renewal (W & R)

Recommendation: ***Approve executing a three-year Small Utility Enterprise Agreement (SUEA) with Esri, the software firm that provides the licensed software for the District's Geographic Information System (GIS)***

V. NEW BUSINESS

1. 2025 Board Officers (W & R)

Action: ***Elect the Board President and Vice President***

2. Power Monitor Project (W & R)

Action: ***Authorize the Director of Operations to execute a construction contract with Lords Electric, Inc.***

3. Presentation on Draft Retail Financial Plan Update and Proposed 5-Year Rate Schedule (R)

Discussion

VI. OLD BUSINESS

1. Resolution 24-10 Censure of Director Tobin

Action: ***Consider a motion to suspend the Board Rules to allow for consideration of a motion to reconsider Resolution 24-10***

2. Board Policy on the Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Behavior (W & R)

Action: ***To approve BOD-2.5 Policy on Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Conduct and to amend BOD-2.3 Ethics Policy***

3. Records Management Policy Revisions (W & R)

Action: ***To adopt Resolution 24-08 revising Board Policy Adm-3.6 Records Management Policy***

4. District's 457 Deferred Compensation Plan (W & R)

Discussion

5. Potential Combination With SSWD (W & R)
Consider action to suspend further discussions of a potential combination of San Juan and SSWD
6. Evaluation of Potential Groundwater Well Sites (W & R)
Discussion and possible direction to staff
7. Conjunctive Use and Groundwater Banking Activities Update (W & R)
Discussion
8. 2024 Hydrology and Operations Update (W & R)
Discussion

VII. INFORMATION ITEMS

1. General Manager's Report
 - 1.1 General Manager's Monthly Report (W & R)
Staff Report on District Operations
 - 1.2 Miscellaneous District Issues and Correspondence
2. Director of Finance and Human Resources' Report
 - 2.1 Miscellaneous District Issues and Correspondence
3. Director of Operations' Report
 - 3.1 Miscellaneous District Issues and Correspondence
4. Director of Engineering Services' Report
 - 4.1 Miscellaneous District Issues and Correspondence
5. Legal Counsel's Report
 - 5.1 Legal Matters

VIII. DIRECTORS' REPORTS

1. Sacramento Groundwater Authority (SGA) – T. Costa
2. Regional Water Authority (RWA) – D. Rich
3. Association of California Water Agencies (ACWA)
 - 3.1 ACWA – P. Tobin
 - 3.2 Joint Powers Insurance Authority (JPIA) – P. Tobin
4. Central Valley Project (CVP) Water Association – T. Costa
5. Other Reports, Correspondence, Comments, Ideas and Suggestions

IX. COMMITTEE MEETINGS

1. Finance Committee – December 10, 2024
<https://www.sjwd.org/2024-12-10-committees-meeting-finance>

X. UPCOMING EVENTS

1. ACWA DC2025 Conference
February 25-27, 2025
Washington, DC
2. 2025 ACWA Legislative Symposium
March 26, 2025
Sacramento

3. 2025 ACWA Spring Conference
May 13-15, 2025
Monterey, CA

President Zamorano to call for Closed Session

XI. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) (one case)

XII. OPEN SESSION

1. Report from Closed Session

XIII. ADJOURN

UPCOMING MEETING DATES

January 15, 2025
February 19, 2025

I declare under penalty of perjury that the foregoing agenda for the December 18, 2024, regular meeting of the Board of Directors of San Juan Water District was posted by December 13, 2024, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and was freely accessible to the public. The agenda and the board packet is also posted on the District's website at sjwd.org.

Teri Grant, Board Secretary

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes
November 20, 2024 – 6:00 p.m.

BOARD OF DIRECTORS

Manuel Zamorano	President (absent)
Ted Costa	Vice President
Ken Miller	Director
Dan Rich	Director
Pam Tobin	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Devon Barrett	Customer Service Manager
Greg Turner	Water Treatment Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Nancy Ashjian	General Counsel
Elizabeth Ewens	Water Counsel

OTHER ATTENDEES

Anonymous	
Amber Beckler	
Anthony Wong	
Cheryl Berkema	
Clovis Miller & Family	
Gary Flanagan	
Heather Boyce	
Hunter	
Karen Humphrey	
Kevin	
Sandy Harris	
Stacy Helliker	
Steve	
Tammy	
Wes Trummell	
Ray Riehle	Citrus Heights Water District
Caryl Sheehan	Citrus Heights Water District
Al Johnson	Citrus Heights Water District
Shawn Huckaby	Fair Oaks Water District
Mike McRae	Fair Oaks Water District
Kris Johnson	Granite Bay MAC
Suzanne Jones	Placer County Board of Supervisors

Jim Peifer	Regional Water Authority
Craig Locke	Sacramento Suburban Water District
Entela Fallstead	SJWD Employee
Jed Thorne	SJWD Employee
Mark Hargrove	SJWD Employee
Mike Spencer	SJWD Employee

AGENDA ITEMS

- I. Roll Call
- II. Public Forum and Comments
- III. Consent Calendar
- IV. New Business
- V. Old Business
- VI. Information Items
- VII. Directors' Reports
- VIII. Committee Meetings
- IX. Upcoming Events
- X. Adjourn

Vice President Costa called the meeting to order at 6:00 p.m.

I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in the Boardroom: Ted Costa, Ken Miller, Dan Rich and Pam Tobin. President Manuel Zamorano was absent.

II. PUBLIC FORUM

Ms. Suzanne Jones, Placer County Board of Supervisors' Board Chair, addressed the Board and voiced concern about Brown Act violations and stated that the Placer County District Attorney has been notified. She strongly recommended that the Board think about their actions at the meeting and about their communications outside of a public meeting.

Mr. Ray Riehle, Citrus Heights Water District Board Member, addressed the Board and stated that the CHWD Board is very concerned with any movement forward with the merger with SSWD, mainly due to concerns regarding future water rights. In addition, he voiced concern regarding the governance of a merged agency. He respectfully asked that the Board reconsider spending money on the merger.

Ms. Cheryl Berkema addressed the Board and voiced concern that there has been little communication to the public about the proposed merger and no opportunity for public input, as compared to the public hearings regarding rates.

Ms. Sandy Harris addressed the Board and voiced concern regarding communications to the public about the merger and would like the Board to reconsider spending money on a study at this time.

III. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and are approved by one motion. There was no separate discussion of these items unless a member of the Board, audience, or staff requested a specific item removed. Consent Calendar item documents are available for review in the Board packet.

1. Minutes of the Board of Directors Meeting, October 16, 2024 (W & R)

Recommendation: Approve draft minutes

2. Treasurer's Report – Quarter Ending September 30, 2024 (W & R)

Recommendation: Receive and file

3. Board Policy on the Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Behavior (W & R)

Recommendation: To approve BOD-2.5 Policy on Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Conduct and to amend BOD-2.3 Ethics Policy

4. Records Management Policy Revisions (W & R)

Recommendation: To adopt Resolution 24-08 revising Board Policy Adm-3.6 Records Management Policy

Director Tobin requested that Consent Calendar items 3 and 4 be removed for discussion.

Director Miller moved to approve the Consent Calendar items 1 and 2. Director Rich seconded the motion, and it carried with 4 Aye votes. (President Zamorano absent).

Vice President Costa opened the floor to Director Tobin regarding Consent Calendar item 3. Director Tobin suggested that any policy changes be held off until the new Board member is seated. In addition, she suggested that a third party be hired to review current policies to ensure that they align with legal requirements and best practices. She also had concern that the policies were placed on the Consent Calendar instead of under the regular agenda items.

In response to Director Miller's question, General Counsel Ashjian informed the Board that Legal Counsel Jones did review the policy. GM Helliker explained that the policy is composed of elements that are included in the Personnel Manual and are being moved into a Board policy since there is no Board policy on these particular items. He explained that the policies on the Consent Calendar were reviewed by Legal Counsel and the Legal Affairs Committee, and it is the standard practice of the Board to place items on the Consent Calendar that have been reviewed by a committee.

Vice President Costa stated that Director Tobin's comment regarding that the full Board is not present, and a new Board member will be at the next Board meeting had merit; however, he stated that her other arguments were without merit.

Director Tobin moved to move Consent Calendar item 3 (Board Policy on the Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Behavior) to the next Board meeting when there is a full Board present. Director Rich seconded the motion.

Mr. Mike McRae addressed the Board and noted that once Sacramento County confirms the votes, he anticipates filling the Division 4 seat on the San Juan Board. He voiced concern that Board members are not considered regular employees and questioned the legality of this policy.

Ms. Berkema addressed the Board and agreed with Mr. McRae's position and voiced concern regarding staff and Board member inter-relationships. In addition, she was concerned with whistleblowing and ethics training for District staff and Board members.

Ms. Jones addressed the Board and stated that this item should have been an action item on a previous Board agenda and not on the Consent Calendar.

Mr. Gary Flanagan addressed the Board and believes that this item is a way to control and manipulate Board members.

Director Miller stated that this item was reviewed by the Legal Affairs Committee (2 directors) and a recommendation was provided to the Board for consideration which was very transparent. He called for the question.

The motion carried with 4 Aye votes. (President Zamorano absent).

Vice President Costa opened the floor to Director Tobin regarding Consent Calendar item 4. Director Tobin voiced concern regarding Board policy 2.3.32 and a 30-day retention policy. The Board Secretary inquired what section Director Tobin was reviewing in order to present it to the audience on the projector. It was discovered that Director Tobin was reviewing and commenting on the previous policy which was delayed until the December Board meeting.

Director Tobin moved to move Consent Calendar item 4 (Records Management Policy Revisions) to the next Board meeting when there is a full Board present. Director Rich seconded the motion.

Director Tobin would like to meet with Legal Counsel Jones prior to the Board meeting to discuss the policies – Vice President Costa directed GM Helliker to arrange that meeting.

Mr. McRae addressed the Board and encouraged the Board to delay the revisions to the Records Management Policy since the District is a party to a lawsuit and he believes that it would be best not to change this policy at this time.

Ms. Berkema addressed the Board and was concerned about the 30-day retention period for audio recordings and whether or not the District is following the state guidelines. Vice President Costa encouraged the public to return to the next Board meeting when this topic will be discussed.

Ms. Jones addressed the Board and encouraged the Board to make sure that the retention periods match state and local laws. GM Helliker explained that Legal Counsel reviewed the document thoroughly and confirmed the citations in the retention schedule. The Board Secretary informed the Board and public that the Retention Schedule, located on the District's website, contains links to the authorizing code that the retention period is based on for each item.

Ms. Kris Johnson addressed the Board and inquired what the compelling reason was for making the retention so short. The Board Secretary explained that it was set at 30 days based on prior legal counsel's recommendation.

The motion carried with 3 Aye votes. (Director Miller voted No and President Zamorano was absent).

IV. NEW BUSINESS

1. Recognition of Service of Kenneth H. Miller (W & R)

GM Helliker conducted a brief presentation recognizing Director Ken Miller's 40 years of service at the District and thanked him for his service and guidance. A copy of the presentation will be attached to the meeting minutes. Director Miller thanked the Board and staff and stated that it has been a very rewarding experience, especially seeing the District's accomplishments over the years. Director Rich read Resolution 24-09 and highlighted the amendment to the resolution to include naming the Administration Building the Kenneth H. Miller Administration Building. The Board and public members congratulated Director Miller and thanked him for his service.

Director Rich moved to adopt Resolution 24-09 Recognizing Kenneth H. Miller for 40 Years of Service to the District with an amendment that the Board hereby names the Administration Building the Kenneth H. Miller Administration Building. Vice President Costa seconded the motion, and it carried with 4 Aye votes. (President Zamorano absent)

2. Censure of Pamela J. Tobin (W & R)

Vice President Costa announced the agenda item and Director Tobin stated that her middle initial is E. Director Rich stated that he added this item to the agenda and would like to amend the resolution to correct the middle initial to E. Director Rich explained that a censure is a formal vote of disapproval of a member's conduct and he read a written statement that will be attached to the meeting minutes. The written statement outlines the reasons he brought this request for the Board's consideration. In response to Vice President Costa's comment, Director Rich indicated that the comments in the written statement are consistent with the resolution.

Vice President Costa commented that the Brown Act violation allegations are pretty serious and then questioned if Director Tobin sent out a mailer. Director Tobin confirmed that she sent out a mailer and that the use of the District's logo was totally unintentional and that it was not her intention to misrepresent and that she did not seek endorsement from the Board. She stated that she received a cease and desist notice from GM Helliker and did not do further mailers. In addition, she questioned the posting indicating that there was an illegal use of the District's logo and who determined that it was illegal.

Director Tobin stated that she disagrees with a lot of Director Rich's comments and that she brought issues to the Board that they needed to be made aware of that were disregarded. In response to Vice President Costa asking if the District's logo was still on her website, Director Tobin stated that it was not and that she took it off. Director Rich commented that the logo on her website is the District's logo.

Vice President Costa inquired if there was any evidence that the four Board members conspired to censure Director Tobin. Director Tobin responded that she did not have a source but there was no due process. She rebutted that she was not taken off as the RWA representative for the reasons that Director Rich stated, and that she wants to be open and transparent and able to discuss actions that put the District at risk.

Vice President Costa and Director Tobin discussed President Zamorano's conversation with her that occurred in November, and her interactions with GM Helliker, her attorney, and the FPCC. Vice President Costa inquired of Directors Rich, Miller and Tobin if they had discussed any topic that was on tonight's agenda with him and none of them had done so. They discussed the committee assignments, and Vice President Costa commented that if he is chair next year, he will move committee assignments around.

Vice President Costa voiced concern regarding Director Tobin's campaigning at the Citrus Heights Chamber of Commerce event at City Hall. Director Tobin informed the Board that she asked in advance to speak at the event, and it was approved for her to do so.

Director Miller asked the public if they had attended more than one Board meeting over the last six months, and a few raised their hand that they had. He stated that to understand the Board and their actions, attending one or two meetings is not adequate to have knowledge about the process.

Director Rich commented that the resolution does not prohibit Director Tobin from performing the duties that she was elected to do. Vice President Costa commented that she could perform her duties for internal meetings but would not be allowed to represent the District in any external meetings.

Vice President Costa opened the floor for public comment.

Ms. Caryl Sheehan, Citrus Heights Water District Board member, addressed the Board and indicated that she is opposed to the resolution and requested that this item be removed from the agenda or at the least delayed until the next Board meeting when the newly elected Board members are seated.

Mr. Wes Trumell, from Fair Oaks, addressed the Board and voiced concern that there may be a conflict of interest with regard to Director Rich and Tobin voting on this issue since they are implicated in the resolution, and made some comments about the contents of the resolution.

Mr. McRae addressed the Board and commented that it's clear that there is friction on the Board and that this process is not extending the olive branch. He also commented that using the logo should not be an issue or be considered a show of endorsement or be considered illegal. He recommended that the Board delay this permanently or until the next Board meeting. Director Miller commented that it would be a copyright infringement as well and it is strictly prohibited by state law – Mr. McRae added that may be true if a court of law determines his interpretation is true.

Ms. Amber Beckler addressed the Board, stating that she has attended previous Board meetings, and voiced concern about censuring a newly elected, not certified, Board member. She suggested hiring an independent conflict management consultant to help the Board work through underlying challenges. Vice President Costa informed the public that the Board already did this. In addition, she was concerned with taking away Director Tobin's ability to represent her division. She stated that censuring is highly serious and encouraged the Board to remove this item completely.

Mr. Flanagan addressed the Board and stated that he received the email regarding improper use of the District's logo and that the District does not support any candidates and thought it was fine until the part regarding pursuing legal action. He commented that the information sent out showed bias and was wrong.

Ms. Johnson addressed the Board stating that she supports Director Tobin as an active member of the Board, believes there should have been previous discussions with Director Tobin prior to this action, and is very disappointed in seeing this being considered.

Ms. Berkema addressed the Board and pointed out that the censure resolution does not have a time limit. She stated that, on social media, Director Rich and GM Helliker repeatedly posted messages in opposition of Director Tobin and gave a bad impression of San Juan Water.

Ms. Jones addressed the Board and highly recommended that the action be tabled or removed completely from the agenda. She stated that there are some very potential illegalities and unethical conduct by members of the Board and the General Manager if the Board passed the resolution tonight. In addition, she informed the Board that she spoke to Placer County District Attorney, Morgan Gire, today and

based on what he has read and has seen here, there is enough cause for them to have an investigator look into all of this. Vice President Costa encouraged her to proceed and provide his name. She stated that if they find anything substantive, the Placer County DA is good friends with the Sacramento County District Attorney as well. She then stated that if the Board passes this without due process for Director Tobin, she will recommend that Director Tobin file a complaint with both the Sacramento County grand jury and the Placer County grand jury. She further commented that the Board works for the ratepayers as elected officials.

Ms. Sandy Harris addressed the Board and voiced concern regarding the 3rd statement of the resolution since Director Tobin represents the District on the regional committees and provides detailed summaries of those meetings to the Board and feels it would be a huge mistake to remove her from those responsibilities.

Director Miller explained that he asked his question earlier about attendance at Board meetings since Board meetings are open to the public and it seemed like some members of the public do not believe that the Board is transparent. In response to Director Miller's comment of whether there is a ratepayer or a Supervisor giving the Board direction, Ms. Jones responded that she is both. He commented that the situation that the Board is dealing with needs to be acted upon.

Director Tobin commented that she has had a differing opinion on how the District should be run, with accountability being key. She commented that the District was removed from the CIA Voluntary Settlement Agreement due to a breach of confidentiality by the General Manager which removed the District from attending meetings and the District had to hire a Water Attorney because the District was not involved in those talks. She stated that each time she brings something to the attention of the Board that she gets retaliated against. She informed the public that she filed a complaint with the California Department of Civil Rights regarding the retaliation and bullying that she has experienced and feels that the censure is a way to shut her up and make her go away. In addition, she commented that the District used to be a leader in the region and the District is no longer there. She further commented that the General Manager was not appointed to the ACWA Water Management Committee due to his actions. She suggested that the Board hire a consultant to bring the Board together and teach them how to be better Board members and work cohesively.

In response to Vice President Costa's questions about the Board's attempt to shut Director Tobin up and the use of the District's logo, Director Tobin responded that the censure is an attempt to shut her up and it was not her intention to use the District logo.

GM Helliker asked to provide Ms. Karen Humphrey's written chat comments, as she was having technical difficulties with her audio. The Board Secretary read Ms. Humphrey's comments which stated that she strongly opposed the censure and asked that it be withdrawn. In addition, she commented that she was concerned with Director Tobin being unable to continue to hold external positions including as Past

President of ACWA, one of the few women ever to hold the position. GM Helliker responded in the chat that Director Tobin was not being prevented from serving as Past President, only from representing San Juan.

Director Rich commented that he presented the resolution because it has been an accumulation of many actions by Director Tobin over the years, including misrepresentation and name calling, which became public over the election period. He commented that the censuring will not stop Director Tobin from performing the duties that she was elected to do and is basically a formal complaint from the Board. In addition, he explained that the 2nd item is an attempt to have Director Tobin stop making false allegations, which has been discussed in the past. He explained that the 3rd item is to remove her from external committees during the censure since she has been making statements that are unprofessional and unqualified to people outside the Board.

In response to Director Tobin's comment about ACWA Immediate Past President position, Director Rich responded that she would continue to be the ACWA Immediate Past President, as nobody could take that away from her.

Vice President Costa commented that San Juan has a problem that started when GM Helliker came on board with a specific management style that has been backed by the Board and that one Board member cannot supersede the policy of the Board. He commented that when Director Tobin became ACWA Vice President, she was removed from being the RWA representative. In addition, he pointed out that when the Board voted not to send Director Tobin to the ACWA DC conference in Washington, that was the Board's decision which should not be challenged.

Director Tobin commented that Washington was very important to attend and denying her that opportunity was nothing more than a retaliatory move. She commented that President Zamorano stated in a public meeting that he was voting no because she needed to be nicer to staff. Ms. Jones commented that it was protected speech, and the Board can't censure Director Tobin for protected speech. Vice President Costa responded that the Board is not censuring her for protected speech.

Vice President Costa commented that the Board requested Director Tobin to meet once a month with GM Helliker, about three years ago, to get their differences straightened out but she refused to meet. Director Tobin stated that she started meeting with him but discontinued doing so because he has more twists and turns than a country road. Ms. Jones stated that Director Tobin does not work for the General Manager, he works for her, and Vice President Costa commented that Ms. Jones, as a County Supervisor, meets with her general manager and other staff, which she responded that she meets twice a month with her staff person.

Director Rich moved to adopt Resolution 24-10 Censuring Pamela E. Tobin. Vice President Costa seconded the motion.

Director Tobin commented that the Board should listen to the ratepayers.

Ms. Berkema commented that she would like to be on Director Tobin's EEOC complaint and that she would like to file a complaint with the Board regarding Paul Helliker and Director Rich.

Ms. Jones inquired if Vice President Costa interacts with any other water agencies. Vice President Costa stated that he attends a lot of those meetings as that's the only way to know what's going on in those agencies. Ms. Jones commented that she works closely with PCWA and they are not happy about anything that is happening with this Board.

Ms. Beckler asked Legal Counsel to clarify the rules around conflict of interest for voting on this particular matter. Legal Counsel Ashjian responded that she does not know the circumstances of Director Rich's involvement regarding campaigning for Director Miller. Legal Counsel Ashjian stated that for censuring there is not any kind of recusal and there is no conflict to have both Director Rich and Director Tobin included in the vote. In addition, Legal Counsel Ashjian commented that as for campaigning, she is not aware of the circumstances and that would need to be investigated.

Mr. Flanagan commented that this action should be delayed and the attorney should look into the Nextdoor posts and whether or not Director Rich should be allowed to vote or recuse himself. In addition, he commented that Director Miller should also recuse himself since he lost the election to Director Tobin and may be vindictive.

Vice President Costa asked Legal Counsel Ashjian about the accusations that were just made. The member of the public said he did not make any accusations and that he made recommendations. Vice President Costa asked Legal Counsel Ashjian if there were any reason why any of the four Board members should not vote on this agenda item. Legal Counsel Ashjian responded that Legal Counsel Jones looked into the Nextdoor posts and there does not seem to be any conflict. Director Rich stated that he was concerned about the resolution, so Legal Counsel Jones reviewed it as well. In response to Vice President Costa's question regarding delaying this action, Director Rich stated that he did not want to hold this over to the next meeting.

A member of the public inquired if the censure would impact Director Tobin's job in any way or not allow her to serve on any committees. Vice President Costa said that it would not impact her job and that she would be allowed to serve on internal committees.

Legal Counsel Ashjian informed the Board that she had talked to Legal Counsel Jones on this particular item with regard to NextDoor and there is no conflict of interest with the censure motion.

Director Miller inquired how Mr. Flanagan would know his state of mind after the election and possible vindictive actions since the election results have not been finalized and certified. Mr. Flanagan stated it could be the perception.

Mr. Tom Gray addressed the Board and stated that at least four times, in public meetings, a director has used foul language during a Board meeting, and the Board has never taken any action.

The motion carried with 3 Aye votes and 1 No vote (Director Tobin voted No and President Zamorano was absent).

Director Tobin wanted her objection noted in the minutes and then left the meeting.

Vice President Costa called for a break at 8:15 pm.

Vice President Costa called the meeting back to order at 8:22 pm.

3. Water Treatment Plant Memorandum of Understanding (W)

Ms. Silva reviewed the staff report which was included in the Board packet. She explained the Water Treatment Plant operators' work schedules and the fact that a Memorandum of Understanding (MOU) is needed due to the unique work schedules. She informed the Board that there is an existing MOU, but it was not approved by the Board, which is a requirement of CalPERS. She explained that without Board approval, the shift operators will not be entitled to a pension that is based on the compensation they receive for working their assigned normal work schedule under the terms of the MOU that has governed their employment for the past 20 years.

Ms. Silva reported that the revised MOU does not include substantive changes to the WTP Operator pay or benefits, and is similar to the existing MOU, but she pointed out two changes: 1) a change to the work week from Saturday 3:00 pm through Saturday 2:59 pm to Saturday 12:00 am through Friday 11:59 pm so that the WTP Operators can be in alignment with the rest of the District and utilize the electronic timesheet system, and 2) a change in the work schedule from one 24-hour day on, and two off, to two days on-four days off.

Ms. Silva explained that it was discovered that the method that the District has been utilizing to report the WTP Operator's time to CalPERS is incorrect and it needs to be corrected. She explained that part of the \$7,500 is to correct the erroneous reporting that has occurred over the years and the other part is to capture the overtime from their regular pay.

Ms. Silva informed the Board that, if approved by the Board, staff will be sending the MOU to the CalPERS Special Compensation unit for review; therefore, if there are substantive issues with the MOU, staff will return to the Board with recommended edits. In addition, she informed the Board that the shift operators and the day operators would like to further discuss and analyze the unpaid sleep shift, so this might be brought to the Board at a later date for consideration.

Director Miller moved to approve the Water Treatment Plant Memorandum of Understanding. Director Rich seconded the motion, and it carried with 3 Aye votes. (Director Tobin and President Zamorano absent)

4. District's 457 Deferred Compensation Plan (W & R)

Vice President Costa delayed this agenda item to the December meeting so that President Zamorano will be in attendance.

5. ACWA General Session Membership Meeting Delegate (W & R)

GM Helliker explained that the Board needs to appoint a delegate for the ACWA General Session Membership meeting.

Vice President Costa moved to appoint Director Dan Rich as delegate to serve as the authorized voting representative at the December ACWA General Session Membership meeting. Director Miller seconded the motion, and it carried with 3 Aye votes. (Director Tobin and President Zamorano absent)

V. OLD BUSINESS

1. Fiscal Year 2023-2024 Results of Operations – Budget to Actual (W & R)

Ms. Silva provided a staff report which was included in the Board packet. She informed the Board that the independent audit is complete, and she expects the auditors to meet with the Finance Committee in December. She informed the Board that the Annual Comprehensive Financial Report is being worked on as well. She reported the following information for the fiscal year ending June 30, 2024:

Wholesale Operations	Revenues higher than budget and mid-year estimate Expenses lower than budget and mid-year estimate Transferred \$3,204,740 into the Capital Reserve
Wholesale Capital	Revenues slightly higher than budget Expenses lower than budget and mid-year estimate Capital Reserve at \$27,364,647 as of June 30, 2024
Retail Operations	Revenues higher than budget and mid-year estimate Expenses lower than budget and mid-year estimate Transferred \$4,607,311 into the Capital Reserve
Retail Capital	Revenues lower than budget (due to funding delays on the Kokila Reservoir Replacement Project) Expenses lower than budget and mid-year estimate Capital Reserve at \$23,110,283 as of June 30, 2024

In response to Vice President Costa's comment, Ms. Silva agreed that she will be meeting with the new Division 4 Director, presumably Mr. McRae once the election is certified, and will go over the District's financials with him. In response to Mr.

McRae's question, Ms. Silva reported that the wholesale debt is approximately \$41.5 million and the retail debt is approximately \$15 million.

2. Evaluation of Potential Groundwater Well Sites (W & R)

Vice President Costa delayed this agenda item to the December meeting so that President Zamorano will be in attendance.

3. Conjunctive Use and Groundwater Banking Activities Update (W & R)

GM Helliker reported that he spoke with Dan York, Sacramento Suburban Water District, regarding the financial information on the groundwater banking activities. He explained that the item was put on hold while the merger discussions were happening and SSWD will be providing a financial proposal for an agreement. Vice President Costa mentioned that he is meeting with Trevor Joseph tomorrow to discuss potential of banking water.

4. 2024 Hydrology and Operations Update (W & R)

GM Helliker reviewed data which included the current reservoir storage levels across the state, data on releases, temperature and precipitation outlooks, and storage levels and projections at Folsom Reservoir. He informed the Board that releases were increased in November due to issues with dissolved oxygen and temperature.

VI. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 General Manager's Monthly Report (W & R)

GM Helliker provided the Board with a written report for October which was included in the Board packet.

1.2 Miscellaneous District Issues and Correspondence

GM Helliker reported that he participated in a meeting with the SGA Ad Hoc Committee regarding the Water Bank. The meeting was focused on the previously banked water issue, and he attended in order to support FOWD and CHWD. He expects the committee to provide its recommendation to the SGA Board in the next few months regarding the amount of Water Accounting Framework water that should be credited in the new water bank accounting system.

GM Helliker reported that the Water Forum met on October 31st and reached an agreement regarding the funding methodology. He reported that the final agreement divides up the Water Forum budget as follows: 40% based on connections; 40% based on American River diversions; and 20% based on groundwater use. He reviewed the allocations and explained that the District's pro-rated share will be \$219,000 for the wholesale customer agencies. He mentioned that when the Healthy Rivers and Landscape's funding is figured in, the District's share will drop to \$197,000.

GM Helliker reported that the State Water Resources Control Board will hold five workshops on the Bay-Delta Water Quality Control Plan and the Healthy Rivers and Landscapes program (the Voluntary Agreement Program) through January, with the first one held today. He informed the Board that the workshop focused on the unimpaired flows approach, which the State Water Board is proposing to be the foundation of their Water Quality Control Plan.

2. DIRECTOR OF FINANCE AND HUMAN RESOURCES' REPORT

2.1 Miscellaneous District Issues and Correspondence

No report.

3. DIRECTOR OF OPERATIONS' REPORT

3.1 Miscellaneous District Issues and Correspondence

No report.

4. DIRECTOR OF ENGINEERING SERVICES' REPORT

4.1 Miscellaneous District Issues and Correspondence

No report.

5. LEGAL COUNSEL'S REPORT

5.1 Legal Matters

No report.

VII. DIRECTORS' REPORTS

1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)

Vice President Costa reported that SGA will meet next month.

2. REGIONAL WATER AUTHORITY (RWA)

Mr. Zlotnick reported that he attended the RWA meeting and voted against authorizing Mr. Jim Peifer to participate formally in the discussions on the update of the Water Forum Agreement. Mr. Zlotnick explained that there was nothing provided that showed how Mr. Peifer's participation would be guided as an RWA representative since the RWA board had not discussed it. GM Helliker noted that it was in the context of what the SJWD Board discussed last month regarding the Purveyor Specific Agreement that was discussed at the Water Forum. GM Helliker stated that Mr. Peifer was to talk about the Water Bank but decided to talk about creating an environmental block of water instead, even though that idea had not been discussed with interested parties.

3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

3.1 ACWA - Pam Tobin

No report.

3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin
No report.

4. CVP WATER USERS ASSOCIATION

Vice President Costa reported that CVP Water Users Association will meet at the ACWA Fall Conference. GM Helliker stated that he will attend that meeting and noted that he also attended the recent Open House that was well attended.

5. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS

Vice President Costa reported that the 2025 officers will be elected at the next Board meeting, and if he is elected Board President then he would like to have the committee list in the Board packet and an agenda item to appoint the committee members. In addition, he mentioned that the evaluation of the General Manager is in March and he would like the process to go smoother; GM Helliker mentioned that he will be providing his retirement plan to the Board at that time.

Director Miller thanked everyone for their support over the years that he has been on the Board and the recognition for that service. The Board Secretary noted that Director Miller holds the record for one of the shortest regular Board meetings at 16 minutes in June 2000.

VIII. COMMITTEE MEETINGS

1. Finance Committee – November 12, 2024

The committee meeting minutes were included in the Board packet.

2. Legal Affairs Committee – November 13, 2024

The committee meeting minutes were included in the Board packet.

IX. UPCOMING EVENTS

1. 2024 ACWA Fall Conference

December 3-5, 2024
Palm Desert, CA

X. ADJOURN

The meeting was adjourned at 9:20 p.m.

MANUEL ZAMORANO, President
Board of Directors
San Juan Water District

ATTEST: _____
TERI GRANT, Board Secretary

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

Board of Directors
San Juan Water District
Granite Bay, California

Independent Auditor's Report

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the San Juan Water District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

2024-001 Purchasing Noncompliance for Inventory Purchases Over \$50,000

During our test of purchasing compliance, we identified an instance of noncompliance with the District's purchasing policies related to inventory purchases exceeding \$50,000. The District's policy requires Board of Director's approval for purchases exceeding \$50,000. Due to the nature of inventory purchases typically not exceeding this threshold, the District staff

did not identify that the transaction required Board approval. The District staff identified this issue prior to our testing and took action to obtain retroactive Board approval prior to the start of the audit.

Recommendation

To address this issue, we recommend the District reinforce the policy requiring Board approval for inventory purchases above \$50,000 through additional training for procurement and finance teams. The District could also utilize a reporting mechanism to periodically review high-value transactions to monitor compliance.

Management's Response Regarding Corrective Action Taken or Planned

In the June 26, 2024 Board meeting, management received approval from the Board to amend the District's procurement policy to increase the General Manager's purchasing limit, exclude certain expenses from procurement policy, add language allowing the use of other governmental procurement contracts and approve specific invoices/purchase orders paid/issued in Fiscal Year 2023-24 in excess of the purchasing authority in the current procurement policy. Training on the revised policy was provided through the District's training software Target Solutions. Additional in-person training is also planned.

Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described previously. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Davis Fan up

Irvine, California
December 5, 2024

Board of Directors
San Juan Water District
Granite Bay, California

We have audited the financial statements of the governmental activities and each major fund of the San Juan Water District (the "District") as of and for the year ended June 30, 2024, and have issued our report thereon dated December 5, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 15, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

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

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

We have provided our letter regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated December 5, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in our letter dated June 11, 2024.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence under the American Institute of Certified Public Accountants ("AICPA") independence standards, contained in the Code of Professional Conduct.

We identified independence threats related to the preparation of the financial statements and proposing journal entries. We have applied certain safeguards to reduce the threats to an acceptable level, including using an independent party within the firm to perform a quality control review of the financial statements, and obtaining confirmation from the San Juan Water District management that their review of the financial statements included comparing the financial statements and footnotes to the underlying accounting records.

Significant Risks Identified

During the planning of the audit, we identified the accounting and disclosures related to new SRF loans and compliance with Federal grant requirements as a significant risk.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

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

Significant Accounting Estimates

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

The most sensitive accounting estimates affecting the financial statements include management's estimate of the pension and opeb liability and related balances based on actuarial reports. We evaluated the key inputs and assumptions used by the actuary to calculate the balances and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to the District's Defined Benefit Pension Plan and Other Post-Employment Benefits Plan.

Significant Difficulties Encountered during the Audit

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

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no such misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There was one uncorrected misstatement detected during the audit process to record approximately \$46,000 in interest receivable for investment interest earned through June 2024. The effects in the current and prior period, as determined by management, is immaterial to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no material misstatements that we identified as a result of our audit procedures.

Disagreements with Management

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

Representations Requested from Management

We have requested certain written representations from management in a letter dated December 5, 2024.

Management's Consultations with Other Accountants

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

Other Information Included in Annual Comprehensive Financial Report

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's Annual Comprehensive Financial Report, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the other information and considered whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated.

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

Other Significant Matters, Findings, or Issues

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

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Davis Far up

Irvine, California
December 5, 2024



Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2024



**SAN JUAN WATER
DISTRICT**
GRANITE BAY, CALIFORNIA

Cover Photo: Kokila Reservoir

Kokila Reservoir is a 4.56 million gallon Hypalon lined and covered earthen reservoir. The reservoir serves as an operational and emergency storage facility at a high elevation point within the District's Bacon Pressure Zone, approximately 5 miles north of the District's Water Treatment Plant. The cover and liner were installed in 1984 with an estimated life of 25 years. Regular maintenance has extended its life; however, it is now in need of replacement. The Kokila Reservoir Replacement Project will replace the aged reservoir cover and liner with a concrete tank.

SAN JUAN WATER DISTRICT
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2024

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SAN JUAN WATER DISTRICT
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Fiscal Year Ended June 30, 2024

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INTRODUCTORY SECTION

December 05, 2024

To: Members of the Board of Directors San Juan Water District and
Ratepayers of the San Juan Water District

Directors

Edward J. "Ted" Costa
Kenneth H. Miller
Dan Rich
Pamela Tobin
Manuel Zamorano

General Manager
Paul Helliker

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the San Juan Water District (District) for the fiscal year ended June 30, 2024 (fiscal year 2024).

REPORT PURPOSE AND ORGANIZATION

The purpose of this letter is to introduce the basic financial statements and provide an analytical overview of the District's financial activities. The information presented in this ACFR is intended to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition. Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A, which can be found immediately following the report of the independent auditors.

The ACFR is published in accordance with State law that requires financial statements be published within twelve months of the close of each fiscal year and be presented in conformity with GAAP and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. It is also prepared to meet reporting standards set forth by the Government Finance Officers Association (GFOA). This report contains management's representations concerning the finances of the District. Management is responsible for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to both protect the District's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free

from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Davis Farr, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2024, are free from material misstatement. Information on the audit, and the auditor's opinion, can be found in the Independent Auditor's Report beginning on page 1.

ABOUT THE DISTRICT

Not everyone who reads this report is familiar with our District and it is hard to understand a government's finances without knowing something about the entity and how it operates. Let us tell you a little about the San Juan Water District!

History

The District was formed as a result of petitions being presented to the Board of Supervisors of Sacramento and Placer Counties by Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and a group of homeowners in South Placer County. An election was held within the boundaries of the sponsoring districts on February 10, 1954. At this election, voters approved the formation of the San Juan Water District by nearly a two-thirds majority and elected five Directors. The District is a community services district formed under Section 60000 et seq., Title 5, Division 3 of the California Government Code.

The District provides water on a wholesale and retail basis to an area of approximately 17 square miles for retail and 46 square miles for wholesale (which includes the retail area) in Sacramento and Placer Counties.

The District's wholesale operations include: protecting access to reliable and sufficient water supplies; operating and maintaining a surface water treatment plant; operating and maintaining treated water storage; pumping and transmission facilities; delivering treated water to five retail agency customers (San Juan Water District retail division, Fair Oaks Water District, Citrus Heights Water District, Orange Vale Water Company and the City of Folsom); and providing the administrative support necessary to successfully carry out those functions.

San Juan's retail operations consist of operating and maintaining storage, pumping, transmission and distribution facilities, which deliver water to approximately 10,900 retail service connections located in a portion of Northeast Sacramento County and the Granite Bay area of South Placer County, and providing the administrative,

customer service, water efficiency and engineering support necessary to successfully carry out those functions.

Mission Statement

The District's mission is to ensure the delivery of a reliable water supply of the highest quality at the lowest reasonable price.

Water Supply

The District's existing water supply consists of three separate raw water contracts. The first source of water comes from a settlement contract with the U.S. Bureau of Reclamation (Reclamation) whereby it is required to deliver the District's pre-1914 and post-1914 water rights water from the American River, totaling 33,000 acre-feet. The second source is a water service contract with Reclamation for 24,200 acre-feet of Central Valley Project water. The District secured a long-term (40 year) renewal of this contract in 2006. The third water source is a contract with Placer County Water Agency for up to 25,000 acre-feet of water.

All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by the U. S. Bureau of Reclamation Folsom Pumping Plant. Total raw water delivery for the fiscal year 2024 was 49,469.74 acre-feet.

In response to the recent drought and in preparation of future drought conditions, the District recently partnered with two nearby water districts, Placer County Water Agency and the Sacramento Suburban Water District, to construct inter-ties to allow water supplies to be shared and transferred if normally available supplies are reduced and/or inadequate to meet immediate demands for either district.

Water Efficiency

The District has long been a proponent and practitioner of cost-effective water efficiency programs. The implementation of these programs has been highly successful, and the District complies with best management practices that are required by the Sacramento Area Water Forum Agreement, California legislation SBx7-7 (2009), the California Department of Water Resources, and the Central Valley Project Improvement Act.

The District's water efficiency programs include:

- Water Awareness Poster Contest and Calendar – Since 1992, the District and its wholesale agency customers, Citrus Heights and Fair Oaks water districts and Orange Vale Water Company, have promoted water awareness at the elementary school level through an annual water conservation poster contest.

- Rebate Program – The District provides rebates for the purchase of high-efficiency washing machines, and hot water on-demand recirculation systems as well as irrigation efficiency rebates to both residential and non-residential customers.
- Free Programs – District staff provides free indoor and outdoor water audits, leak detection, and recommendations to improve irrigation system performance. Staff also creates landscape water budgets and irrigation schedules to improve efficiency. The District conducts and hosts a variety of workshops on drip systems and proper irrigation techniques, landscape design, soil health, tree maintenance, controller management and other water efficiency topics. A speakers' bureau is available to talk to groups about water efficiency programs and water supply and reliability issues.
- Water Efficient Landscape (WEL) Garden – Located behind the District's administrative office are gardens to inspire visitors to create a water efficient landscape that looks beautiful every season. The garden demonstrates efficient irrigation and non-water-using materials to create a beautiful landscape.

The benefits of these programs include more cost-effective and efficient use of water and increased customer awareness of the importance of water efficiency to contribute to future reliability of water supplies.

The District became 100% metered and began billing all customers on a metered rate on January 1, 2005.

Water Treatment Plant

The District's water treatment facility, the Sidney N. Peterson Water Treatment Plant (WTP), was constructed in three phases beginning in 1975 and completed in 1983. The WTP includes two flocculation-sedimentation basins, two filter basins, an operations building and a covered 62-million-gallon storage reservoir. Major upgrades and improvements to the WTP have been made over the years, including increasing its maximum seasonal capacity (May 15th to September 30th) to 150 million gallons a day (mgd) from its original 100 mgd. Those past upgrades, and ongoing efforts to identify and implement projects and process improvement to increase efficiency, cost effectiveness, and productivity, all contribute to the District's success in reliably satisfying customer demands while continuing to meet or exceed all Federal and State regulatory requirements.

The WTP receives delivery of raw water directly from Folsom Dam outlets. The raw water undergoes an extensive water treatment process to ensure the highest quality of water for all customers. From the WTP, the water flows into the District's 62-million-gallon Hinkle Reservoir for storage and distribution. The District maintains approximately 220 miles of transmission and distribution pipelines, which transport the high-quality treated water to wholesale and retail customers.

During the fiscal year 2024, the District worked on and/or completed several capital improvement projects to improve the water system reliability:

- Hinkle Reservoir Cover and Liner Replacement Design– critical to operations, the Hinkle Reservoir is a 62-million-gallon earthen reservoir, lined and covered with hypalon, which is a flexible membrane used to protect the water from contamination. The hypalon was installed in 1981 with an estimated life of 25 years. Regular maintenance has extended its life, but it needed replacement. The reservoir was taken offline in November 2022, and while it was put back online in June 2023, project completion was not completed until July 2024.
- Replacement of the Transmission pipeline in Eureka Road between Barton and Auburn Folsom Road - This project replaced 3,925 linear feet of aged steel transmission pipeline in Eureka Road from Barton Road to Auburn Folsom Road. This aged pipeline replacement will ensure system redundancy by improving the backbone intertie between the Bacon and Lower Granite Bay Zones, allowing either zone to supply the other in the event of a pump station loss.

Other projects underway in the fiscal year 2024-2025 will continue to improve and efficiently maintain District water facilities.

Accounting System and Budgetary Controls

The District operates on a fiscal year that runs from July 1 through June 30. The District's accounting records are maintained using the accrual basis of accounting. The revenues of the District are recognized when they are earned, and the expenses are recognized when they are incurred.

The District staff works with the Finance Department to develop the annual budget. The budget is used as a management tool for projecting and measuring revenues and expenses. The process typically begins in January when managers begin developing their budget requests to fulfill the District's mission, goals and objectives for the next fiscal year. The Finance Department prepares the proposed budget which is presented to the Board of Directors in May for their review. A public hearing is usually held in June, with anticipated finalization and adoption scheduled for the following meeting or ideally no later than June 30th. The District is legally required to adopt a budget by September 1st of the budget year.

Enterprise Operations

The District is one legal enterprise but is accounted for as two separate enterprise operations. The financial management and accounting for the two enterprise operations is recorded separately with an operating and a capital outlay fund for each enterprise. However, for financial reporting purposes all four funds are presented in a consolidated report. As additional information, the accounting for the four funds on a budget versus actual basis is provided.

FACTORS AFFECTING FINANCIAL CONDITION

Economic Outlook

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific economy within which the District operates. The District is located in Northern California approximately 20 miles Northeast of Sacramento and between the Cities of Folsom and Roseville. The District spans two counties in the region with the wholesale-only service area primarily in Sacramento County, and the wholesale/retail service area primarily within Placer County. Consistent with the national economy, the region as a whole has been experiencing a rebound in economic strength. After a two-year decline the Placer County unemployment rate ticked upwards to 4.2%, still a relatively low rate of unemployment. Sacramento County also ticked upwards from 4.5% to 4.8%¹. The national average unemployment rate in June 2024 was 4.1%¹. Unemployment rates in both Placer and Sacramento County were slightly higher than the national average.

Total assessed property values in both counties have improved. Placer County experienced a 11.0% increase in assessed property values in fiscal year 2023-2024 over the prior fiscal year², and Sacramento County experienced a 7.3%³ increase in fiscal year 2023-2024 values over the prior fiscal year. The San Juan Water District is located in a relatively low growth area of both counties. There were 138 more retail service connections for the current fiscal year, which represents a growth rate of approximately 1.27% for the year.

Water Supply Outlook

As a result of California's severe multi-year drought that began in 2013, the State required the District's retail enterprise to achieve a 36% reduction in water use from June 2015 through February 2016, and a 33% reduction in water use from March through May 2016, as measured against 2013 usage. Over that time period the District achieved an actual overall reduction in use of 35.6%. In June 2016, the State's conservation mandate was lifted.

Though increasing slightly from 2016 to 2021, water demands did not fully rebound to pre-drought/pre-2015 levels. This was anticipated as some customers permanently modified their landscapes to use less water.

In July 2021, Governor Newsom signed an executive order encouraging all Californians to reduce water use by 15% as 50 of the state's 58 counties were declared to be in another drought-related state of emergency. On October 19, 2021,

1 United States Department of Labor - Bureau of Labor Statistics

2. Placer County Auditor-Controller

3. Sacramento County Auditor-Controller

he issued a proclamation extending the drought emergency statewide and further urging Californians to step up their water conservation efforts as the western U.S. faced a potential third dry year.

On May 31, 2018, Governor Brown signed legislation intended to help the state better prepare for droughts and climate change by establishing various water efficiency mandates. On July 3, 2024, The State Water Resources Control Board formally adopted the regulation to implement the framework effective January 1, 2025. The framework requires: district-wide water budgets that will continue the need for programs to reduce indoor and outdoor water use by residential customers; increase water use efficiencies by commercial customers; and requires agencies to aggressively address distribution system water loss.

California's increasing regulatory focus on reducing water use over the last decade or so, and financial lessons learned during drought periods, prompted the District, and many other water agencies, to begin to modify its rate methodology to shift charges from being primarily volumetric based to being focused on fixed cost recovery regardless of usage. This refinement provides better long-term alignment of revenues with costs.

Based upon the previous 5 Year Retail Financial Plan, the District applied its rate increases to the daily (fixed) base rate, as opposed to the volumetric rate. This resulted in a shift in the proportion of total revenue derived from the base rate from 55%, to close to 68% of total rate revenues. The financial plan and rate schedule adopted by the Board in January 2022 continues this shift towards the base rate for one more year, at which point approximately 72% of retail revenues will be derived from the base rate, which aligns more closely with the ratio of the District's fixed versus variable costs. The Wholesale rates were subsequently adjusted to achieve maximum alignment between costs and revenues. This rebalancing has helped strengthen the District's financial stability and reduced the need for special drought related rate increases.

Long-term Financial Planning

In order to ensure funds are available to meet both operating and capital needs, the District (for both Wholesale and Retail Operations) established a financial planning process with development of a Master Plan that contains a review of current infrastructure, and that recommends projects for a 20 to 30-year period. The District then estimates current and future operating needs and works with a rate consultant to develop a water rate study and financial plan.

The District completed an update to the Wholesale Financial Plan, resulting in a five-year rate schedule adopted by the Board of Directors at the December 13, 2023, board meeting. Rates will increase approximately 5.0% for each of the next three

years, commencing with January 2024 and an increase of 4.0% for the year 2027 and 2028.

The District is finalizing its Retail Financial Plan and Rate Study and anticipates board adoption of the new five-year rate schedule in early 2025.

Relevant Financial Policies

The District's adopted budget document contains a listing and explanation of relevant financial policies, including reserve policies. Information regarding District reserves can be found in Note H to the Financial Statements.

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the San Juan Water District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish as easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the annual comprehensive financial report was made possible by the dedicated services of the entire staff of Finance, Retail Operations (Water Efficiency, Customer Service, Engineering Services, and Field Services), and Wholesale Operations. This specifically includes the continuing support of the Board of Directors of the District in the planning and implementation of the financial affairs of the District.

Respectfully Submitted,



Donna Silva, CPA
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Juan Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Monell

Executive Director/CEO

SAN JUAN WATER DISTRICT
List of Elected and Appointed Officials June 30, 2024

BOARD OF DIRECTORS – ELECTED OFFICIALS

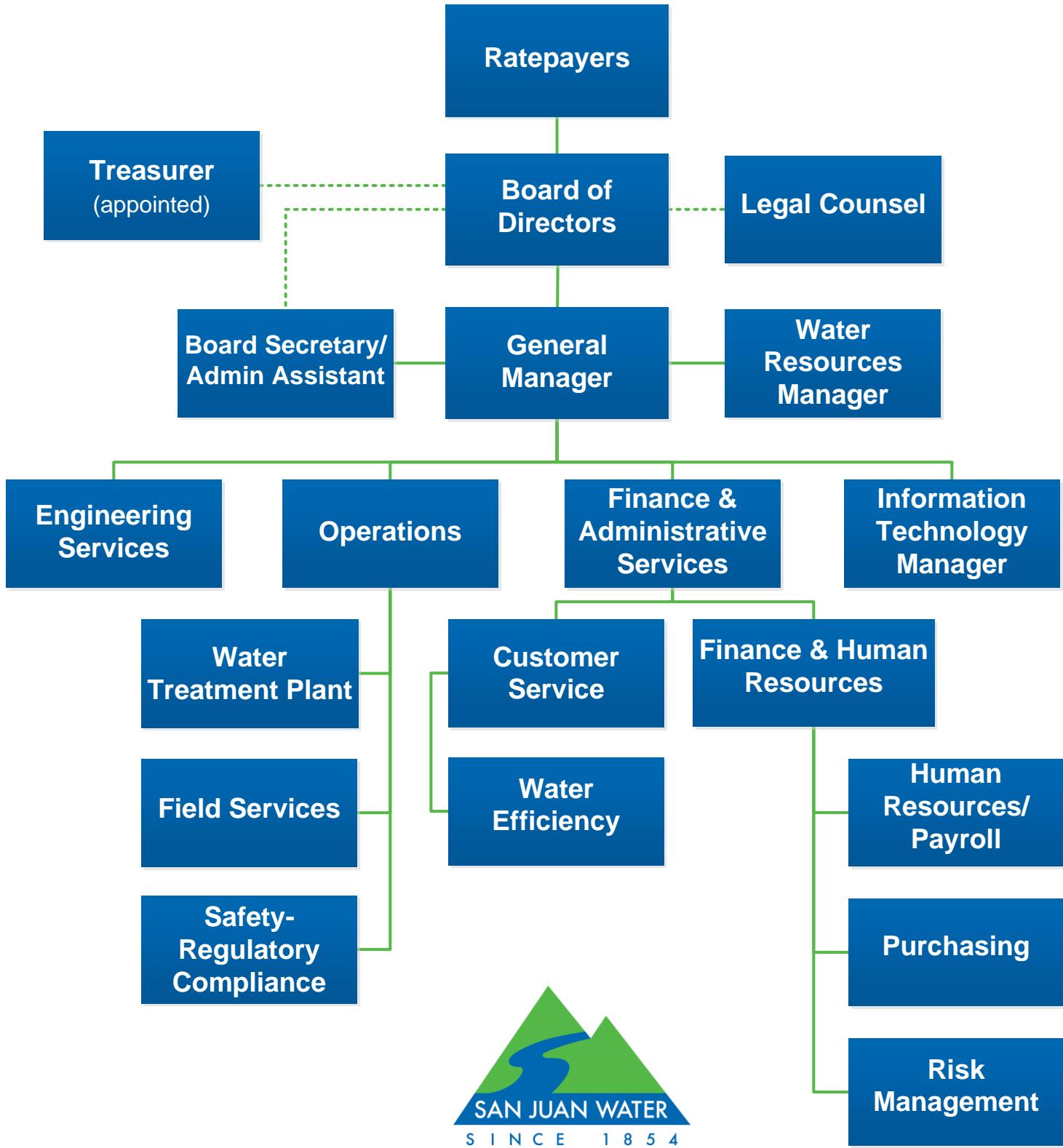
<u>Title</u>	<u>Name</u>	<u>Term</u>
President	Dan Rich	12/2022 – 12/2026
Vice President	Manuel Zamorano	12/2022 – 12/2026
Director	Edward J. “Ted” Costa	12/2022 – 12/2026
Director	Kenneth H. Miller	12/2020 – 12/2024
Director	Pamela Tobin	12/2020 – 12/2024

STAFF – APPOINTED OFFICIALS

General Manager	Paul Helliker
Administrative Assistant/Board Secretary	Teri Grant
Director of Finance/Treasurer	Donna Silva
Operations Manager	Tony Barela
Customer Services Manager	Devon Barrett
Engineering Services Manager	Andrew Pierson
Field Services Manager	Adam Larsen
Water Treatment Plant Manager	Greg Turner

Organization Chart by Functional Area

As of June 30, 2024



FINANCIAL SECTION

Independent Auditor's Report

Board of Directors
San Juan Water District
Granite Bay, California

Report on the Audit of the Financial Statements

We have audited the financial statements of the San Juan Water District (the "District") as of and for the year June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the District, as of June 30, 2024, and the respective changes in financial position and cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the San Juan Water District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, pension and other post employment benefit schedules*, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The *supplemental sub-fund statements and schedules and capital asset rollforward schedules* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *supplemental statements and schedules* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic

financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *supplemental statements and schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *introductory section* and *statistical section* but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Davis Fan, CPA

Irvine, California
December 5, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

In order to enhance the information provided in the transmittal letter, management offers this narrative overview and analysis of the financial activities of the San Juan Water District (District) for the fiscal year ended June 30, 2024 (Fiscal Year 2024). We encourage readers to consider the information here in conjunction with that transmittal letter, which can be found on pages i-viii of this report. The information is intended to provide a better understanding of the District's financial operations and performance.

HIGHLIGHTS

The District's activities vary, sometimes significantly, from year to year resulting in changes to the District's revenues, expenses and capital project spending, and overall cash flows. Operating revenues were stable with just a 9.46% increase over the prior year. Operating expenses were 33.73% higher than the prior year. Non-Operating Revenues and Expenses combined were 43.01% more than the prior year and capital contributions were down 70.60%. The activities that affected District revenues and expenses most notably for the period ending June 30, 2024, are highlighted below, in order of magnitude and discussed in greater detail starting on page 10.

- Retail Water Sales: For the period ended June 30, 2024, the District had retail water sale revenues of \$16.8 million, an increase of \$1.7 million or 11.4%, from the prior year, and 1.2% higher than anticipated in the budget.
- Investment Income: the District investment income increased by \$1.0 million from the prior year. The 133.6% increase is primarily due to a combination of more cash in the investment portfolio and higher interest rates than the prior year.
- Capital Charges and Other Capital Revenue decreased by \$2.3 million over the prior year, a 61.6% decrease. Revenue from Contributed Assets decreased by \$3.0 million from the prior year.
- Pension Expense: the District had a pension revenue of \$533,209 in the prior year due to the District's commitment to paying off its unfunded pension liability and a 21.3% investment return experienced by CalPERS in 2021. This year the District has a pension expense in the amount of \$4.4 million, an increase in expense of 921.4% from the prior year. The shift from revenue to expense is due to factors such as an investment loss of 6.1% in 2022, discount rate adjustments, which is the assumed rate of return on investments. Rising interest rates, inflation, and an increased life expectancy are leading to a larger gap between the present value of future pension obligations and the current value of the pension fund's assets.

OVERVIEW OF THE FINANCIAL STATEMENTS

The four sections of the District's financial statements are: 1) introductory section, 2) financial section, 3) supplemental information section, and 4) statistical section.

The Introductory Section includes the letter of transmittal, list of Board of Directors and Staff, and organization chart.

The Financial Section includes the auditor's report, management's discussion and analysis and basic financial statements. The District's basic financial statements are comprised of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows. The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these items reported as net position. When evaluated over a period of time, increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position reflects the revenues and expenses for the fiscal year ended. The Statement of Cash Flows shows the sources and uses of cash in the operating, non-capital, capital and related financing, and investing activities. The notes provide in-depth information that is vital to gaining a full understanding of the data provided in the financial statements. The notes to the financial statements begin on page 17.

The Required Supplementary Information Section provides information on the funding progress of the District's pension and postemployment benefits plans.

The Supplemental Information Section provides additional information on administrative and general expenses and budget versus actual comparisons.

The Statistical Section provides additional information not contained in the financial section on District activities.

FINANCIAL ANALYSIS OF THE DISTRICT

Unlike a private company, as a government agency, the District is not in the business to make a profit. The District has two major financial goals, which are:

1. Recovering the cost of providing services to its constituents and other customers, and
2. Securing the financial resources needed to maintain and improve the capital facilities used in providing those services.

The financial statements assist a reader in determining whether the District is meeting these goals. In general, net position provides a realistic indicator of a government's financial position. For the fiscal year ending June 30, 2024, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$116,835,110. In the prior year, assets exceeded liabilities by \$108,667,107.

A summary of the Statement of Net Position follows:

Condensed Statement of Net Position

	2024	2023	Change
Assets			
Current Assets	\$ 61,480,132	\$ 33,295,912	\$ 28,184,220
Capital Assets, Net	120,905,315	115,590,202	5,315,113
Other Noncurrent Assets	2,045,155	452,914	1,592,241
Total Assets	<u>184,430,602</u>	<u>149,339,028</u>	<u>35,091,574</u>
Deferred Outflows of Resources			
Deferred Amounts on Refunding	1,185,025	1,266,287	(81,262)
Deferred Pensions Related Outflows	5,186,351	8,077,424	(2,891,073)
Deferred Other Post Employment	-	-	-
Benefits Related Outflows	<u>2,887,397</u>	<u>1,613,579</u>	<u>1,273,818</u>
Total Deferred Outflows of Resources	<u>9,258,773</u>	<u>10,957,290</u>	<u>(1,698,517)</u>
Liabilities			
Current Liabilities	6,696,221	8,349,855	(1,653,634)
Noncurrent Liabilities	66,250,862	40,452,646	25,798,216
Total Liabilities	<u>72,947,083</u>	<u>48,802,501</u>	<u>24,144,582</u>
Deferred Inflows of Resources			
Deferred Amounts on Refunding	301,316	338,982	(37,666)
Deferred Pensions Related Inflows	1,447,356	1,746,583	(299,227)
Deferred Other Post Employment	-	-	-
Benefits Related Inflows	<u>273,169</u>	<u>370,689</u>	<u>(97,520)</u>
Lease Related	<u>1,885,341</u>	<u>370,456</u>	<u>1,514,885</u>
Total Deferred Inflows of Resources	<u>3,907,182</u>	<u>2,826,710</u>	<u>1,080,472</u>
Net Position			
Net Investment in Capital Assets	63,516,489	83,718,447	(20,201,958)
Restricted	3,511,830	4,329,966	(818,136)
Unrestricted	49,806,791	20,618,694	29,188,097
Total Net Position	<u>\$ 116,835,110</u>	<u>\$ 108,667,107</u>	<u>\$ 8,168,003</u>

As shown in the table above, total assets increased \$35.1 million or 23.5% compared to the prior fiscal year. Capital Assets increased by \$5.3 million primarily due to \$2.1 million in capital asset additions, offset by current year depreciation and disposals and \$30.4 million in construction-in-progress for capital improvement projects under construction throughout the District. Notable projects would be the Hinkle Reservoir Rehabilitation with a cost of \$24.1 million, and Eureka Rd. Pipeline with a cost of \$3.7 million. Both projects were substantially completed and in service during the current fiscal year. Noncurrent assets increased by \$1.6 million primarily due to an increase in leases receivable. The district renewed their cell tower lease with T-Mobile in March 2024 for an additional 5 years with 5 options to extend another 5 years until termination date of February 28, 2053.

Deferred Outflows of Resources decreased by 15.5% or \$1.7 million. The decrease is attributable to pension and OPEB related deferred outflows of \$1.6 million, predominately due to the difference between the District's actual contributions and

the District's proportionate share of the pooled plans contributions between the prior and current year, offset by a decrease in deferred charges on refunding \$81,262, which is due to the refunding of the 2012 Refunding Bonds.

Total liabilities increased by \$24.1 million, 49.5% from the prior year. The majority of the increase is due to the increase in long-term debt by 77.9% or \$23.8 million. The District received State Water Board California's Drinking Water State Revolving Fund (SRF) loan proceeds for both Hinkle Reservoir Rehabilitation project and Eureka Rd. Pipeline project as discussed in note 6. In addition, there was an increase of 30.1% or \$1.2 million in the OPEB liability and an increase in pension liability of \$877,826 million or 16.9% as discussed above and on notes 10 and 9 respectively.

Deferred Inflows of Resources increased by \$1.1 million or 38.2%. Most of the increase is due to lease related deferred inflows of \$1.5 million with an offset of \$434,413 in pension, OPEB and 2012 Refunding Bonds related deferred inflows.

The District realized an overall increase in net position of \$8.2 million for the year ended June 30, 2024. The components of net position as of June 30, 2024, are:

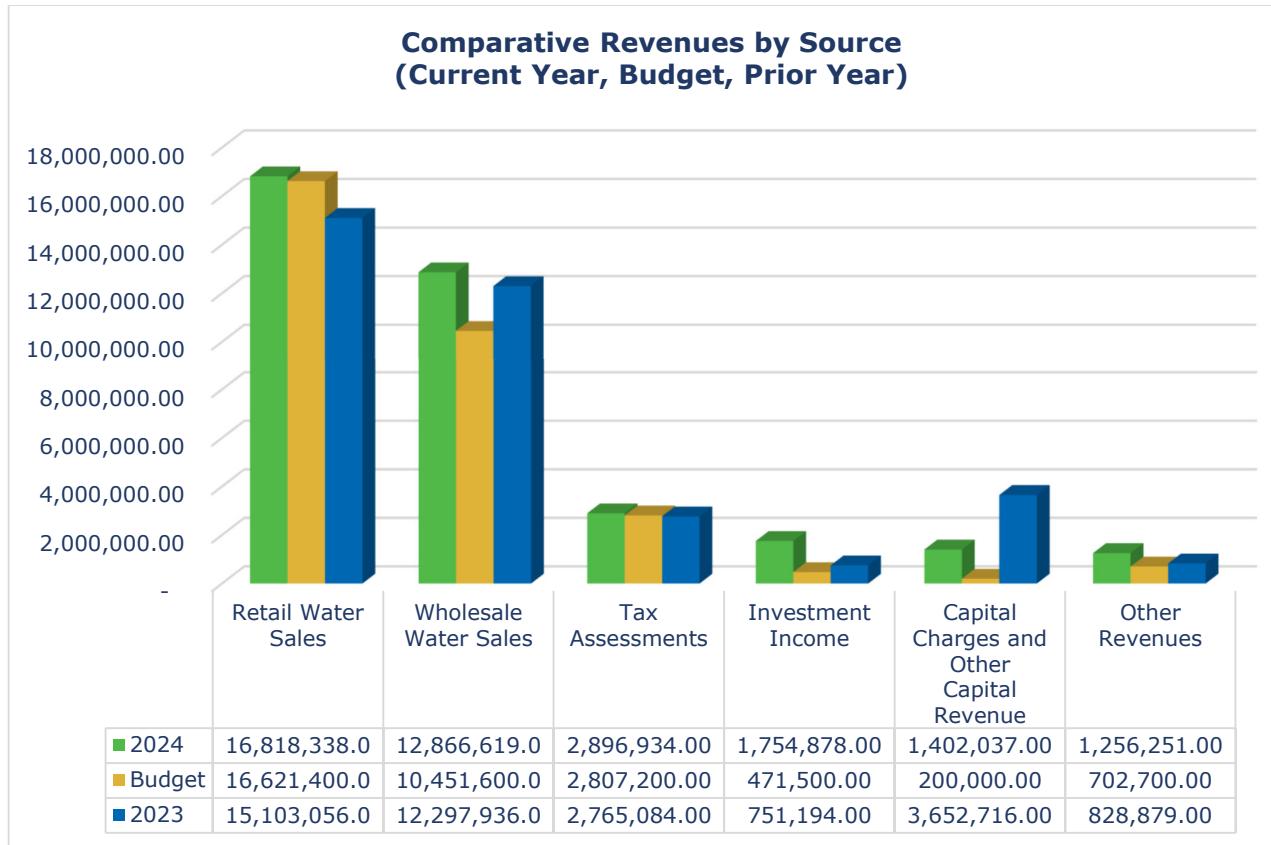
- Net Investment in Capital Assets: is the largest portion of the District's net position, 54.4% and reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. In the prior year, net investment in capital assets represented 77.0% of net position. The District utilizes capital assets to serve its customers; therefore, these assets are not available for future spending. While the District's investment in capital assets is reported net of related debt, the funds needed to repay this debt must be contributed from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
- Restricted Net Position: The District charges Capital Facility Fees to new development. A portion of the fee is designed to help pay for the expansion of the system to accommodate new development. As such, a portion of the fees collected, but not spent by the end of a fiscal year are restricted for future use on the designated capital projects. As of June 30, 2024, the District held \$3.4 million of capital facility fee revenues earmarked for such expansionary projects. In addition, the District set aside an additional \$131,522 to establish a debt service reserve for the Eureka Rd. Pipeline State Water Board California's Drinking Water State Revolving Fund (SRF) loan as required by the loan agreement. The State Water Resources Control Board loan agreement states that the loan recipient (District) must establish a restricted reserve fund equal to one year's debt service on the loan obligation and must maintain the reserve fund throughout the term of the loan agreement.
- Unrestricted Net Position represents resources available to the District to utilize in the future for various needs. The Board of Directors has designated the unrestricted net position for various specific purposes. An explanation of these reserve funds can be found in Note 8 to the financial statements.

Unrestricted Net Position increased by \$29.2 million due to total revenues exceeding total expenses, as described below and receipt of SRF loan proceeds for both Hinkle Reservoir Rehabilitation and Eureka Rd. Pipeline projects.

Condensed Statement of Revenues, Expenses and Changes in Net Position

	2024	2023	Change
Revenues			
Retail Water Sales	\$ 16,818,338	\$ 15,103,056	\$ 1,715,282
Wholesale Water Sales	12,866,619	12,297,936	568,683
Tax Assessments	2,896,934	2,765,084	131,850
Investment Income	1,754,878	751,194	1,003,684
Capital Charges and Other Capital Revenue	1,402,037	3,652,716	(2,250,679)
Other Revenues	1,256,251	828,879	427,372
Total Revenues	36,995,057	35,398,865	1,596,192
Expenses			
Depreciation	4,872,868	4,121,918	750,950
Transmission and Distribution	4,431,892	4,543,970	(112,078)
Source of Supply	4,382,794	4,206,450	176,344
Pension Expense	4,380,017	(533,211)	4,913,228
Administration and General	3,801,142	3,080,725	720,417
Water Treatment	3,674,429	3,429,895	244,534
Interest Expense	1,083,988	1,010,509	73,479
Engineering	904,489	870,265	34,224
Customer Service	816,368	854,064	(37,696)
Retirement Benefits (OPEB)	679,095	262,821	416,274
Water Efficiency	564,234	480,448	83,786
Other Non-Operating Expenses	5,409	38,993	(33,584)
Total Expenses	29,596,725	22,366,847	7,229,878
Change in Net Position Before Contributed Assets			
	7,398,332	13,032,018	(5,633,686)
Contributed Assets	769,671	3,735,026	(2,965,355)
Change in Net Position	8,168,003	16,767,044	(8,599,041)
Net Position, Beginning of Year	108,667,107	91,900,063	16,767,044
Net Position, End of Year	\$ 116,835,110	\$ 108,667,107	\$ 8,168,003

As shown in the table above, the District's net position increased by \$8.2 million for the period ending June 30, 2024. Revenues were relatively stable, increasing 4.5%, which was largely due to increases in water sales and investment income over the prior year. Expenses increased 32.3% or \$7.2 million mainly because of the \$5.3 million increase in retiree medical (OPEB) and Pension Benefit expenses and \$1.9 million increase in operation expenses. Contributed assets (infrastructure donated by developers upon completion of their projects), decreased by \$3.0 million, due to a real estate market decrease in development activity. Year-over-year changes and variances from the budget are more fully described and depicted below.



The graph above shows revenue sources, in order of magnitude, as compared to the budget and the prior year.

Water Sales:

Retail water sales were up by \$1.7 million while wholesale water sales were up \$568,683 from the prior year while for a combined increase of \$2.3 million over the prior year.

- **Retail Water Sales:** For the period ended June 30, 2024, the District supplied 10,340 acre-feet of water to 11,014 retail connections, compared to 10,083 acre-feet of water to 10,876 connections in the prior fiscal year. This, combined with a January 1 8% rate increase, resulted in total retail water sale revenues of \$16.8 million, an increase of \$1.7 million or 11.4%, from the prior year. Actual revenues were 1.2% higher than those anticipated in the budget.
- **Wholesale Water Sales:** Revenues from wholesale water sales increased by \$568,683, a 5% increase over the prior year. The District has five core wholesale water customers. It periodically enters into separate agreements with other agencies to provide for the sale of water that is surplus to the needs of the core customers. In the prior fiscal year, the District sold 28,712 acre-feet of water to the core customers, as compared to 34,203 acre-feet in the current year. Increased sales, plus a mid-year rate increase contributed to the increased

revenues. In addition to sales to its core customers, the District had one agreement in place with entity outside of the wholesale service area as follows:

- Sacramento Suburban Water District (SSWD): SSWD relies primarily on groundwater to serve its customers but occasionally purchases raw water from the Placer County Water Agency (PCWA). When they do so, they pay the District to treat the raw water on their behalf. SSWD is only able to purchase raw water from PCWA when the estimated March-November unimpaired inflow to Folsom Reservoir is 1.6 million acre-feet or more, a condition which existed this year. As a result, the District received revenues of \$3.1 million for treating SSWD's PCWA water. In the prior year the District sold its own water to SSWD, in addition to treating their PCWA water. Current year revenues from SSWD were 1.6%, or \$48,683 more than in the prior year.

Tax Assessments:

Revenues from Property Taxes increased by \$131,850 or 4.8%, a result of increasing assessed values within both Sacramento and Placer counties.

Investment Income:

Investment income increased \$1.0 million compared to the prior year. The District realized interest income of \$1.3 million and a \$420,408 unrealized market value gain on its investment. During FY23-24, the District received \$22,019,068 of reimbursement loan proceeds from the State Water Board California's Drinking Water State Revolving Fund (SRF) for the Hinkle Reservoir Rehabilitation project and \$3,345,186 of loan proceeds for the Eureka Rd. Pipeline project. These loans proceeds were transferred to the State of California Local Agency Investment Fund (LAIF) upon receipt and later a portion transferred to CAMP investments. LAIF interest rates increased to 4.5 % in the current year from 3.2 % as of June 30, 2023. During FY23-24 the District diversified their investments by diverting a portion of their investment funds to a new account with CAMP which annual term yields were 5.2% as of June 27, 2024. While the District is able to withdraw 100% of its contributions, plus interest, at any time, it is required to report on the market value of the pool.

Capital Charges:

Revenues from Capital Charges decreased 61.6% or \$2.3 million. These are fees paid by developers to defray the impact of their development on existing rate payers. The timing of the payments is at the discretion of the developer. In the fiscal year ending June 30, 2024, the real estate market faced challenges due to high mortgage rates, which remained at 6.6% for a 30-year fixed-interest loan, leading many developers to halt projects and resulting in decreased revenues compared to the previous year.

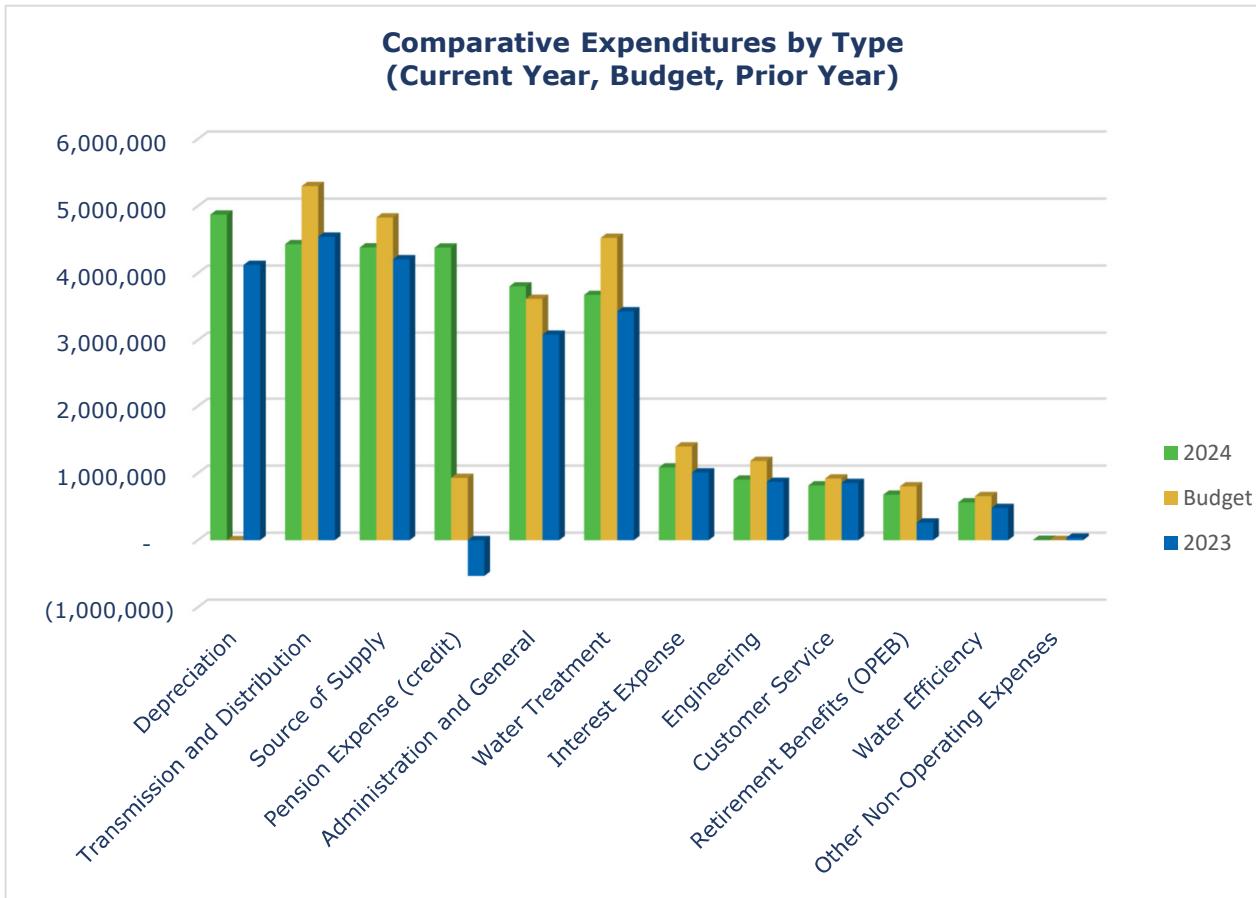
Contributed Assets:

Revenue from Contributed Assets decreased by \$3.0 million from the prior year. When the District determines existing District facilities are inadequate to serve a development project, or a new single service connection, the new service or services are not allowed to connect into the system until the applicant makes arrangements with the District for a main line extension or for water facilities improvements in accordance with Ordinance 130000. Usually this results in the developer or applicant

constructing the new facilities and donating them to the District. In the prior year there were four development projects who donated assets. In the current year there was only one development project leading to a decrease in the revenue from Contributed Assets. This decrease falls in line with the housing market slowing down due to high mortgage rates and a low demand for residential housing.

Other Revenues:

Revenue from other operating and non-operating activities increased by \$427,372 from the prior year, a 51.6% increase. Cost recovery was higher than in the previous year as more activity on engineering and field services projects was accomplished during the year. The graph below depicts expenditures by type, in order of magnitude, as compared to the budget and prior year.



Depreciation

Depreciation increased slightly by \$750,950 or 18.2% due to asset additions. The District does not budget for depreciation.

Transmission and Distribution

These expenses, originating from the Retail Field Services Department, decreased 2.5% over the prior year, but were 16.3% less than anticipated in the budget due to lower-than-expected service area maintenance contractor costs.

Source of Supply

Source of Supply represents the costs incurred to procure water. It includes both the costs to receive the wholesale water, and the costs incurred by the retail division to buy the treated from the wholesale division. This is the second largest expense category and was stable compared to the prior year, increasing only 4.2%. In addition, it was 9.3% less than anticipated in the budget due to Warren Act contract renewal and NEPA work being put on hold waiting for modeling information which was not available as of the end of the fiscal year.

OPEB and Pension Expenses

Other Post-Employment Benefits (OPEB) and Pension Expenses both varied significantly from the prior year and the budget. OPEB, or retiree medical, expenses were up relative to the prior year due to lower-than-expected investment returns, and rising interest rates. Actual expenses were lower than budget as the budget is prepared on a cash basis, planning for actual retiree medical premiums and a supplemental contribution to the trust.

Pension expenses, like OPEB, are budgeted based on cash payments expected to be remitted to CalPERS during the year while the pension expense is calculated in conformance with GASB 68. CalPERS reported a net return of 9.3% on its investments for the 12-month period ending June 30, 2024, which outpaced the discount rate of 6.8%, comparable to an assumed rate of return and a policy marker established by the CalPERS Board of Administration. While the return was good it was not sufficient to offset the overall increase in liabilities. There were no significant changes in actuarial methods or assumptions for the June 30, 2023, valuation. However, the ongoing impact of previous assumptions changes continues to affect the unfunded liability. The plan's demographic experience, such as retirements, deaths, and salary increases differed from the assumptions. This non-investment experience contributed to the increase in unfunded liability. Higher-than-expected inflation rates have put upward pressure on contribution requirements and downward pressure on the funded status. Inflation also affects cost-of-living adjustments for retirees and salary increases for active members. CalPERS continuously adjusts its investment strategy to optimize returns while managing risk. This includes diversifying the investment portfolio and incorporating leverage to reduce exposure to higher-risk investments and increase exposure to lower-risk investments.

Administration and General

Actual expenses were higher than the prior year by 23.4% and were \$185,424, or 5.1% more than the budget. This category includes many departments such as the Board of Directors, Executive, Finance, Human Resources, Information Technologies, etc. so the increase is due to a combination of small items coming in higher than anticipated.

Water Treatment

These expenses originate primarily from the District's Water Treatment Plant. Actual expenses were \$244,534 greater than the prior year, but \$852,071 less than budgeted. The budget had anticipated general price increases, some but not all of which were realized.

Interest Expense

Debt Interest increased by \$73,479 or 7.3% due additional debt established for both Hinkle Reservoir Rehabilitation and Eureka Rd. Pipeline SRF loans.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets as of June 30, 2024, net of accumulated depreciation, is \$120,905,313. This investment includes land, buildings, water treatment plant, distribution system, construction in progress, vehicles, equipment, office equipment and furniture. At June 30, 2023, this amount was \$115,590,202.

The increase of \$5,315,111 from the prior fiscal year is largely due to an increase in reservoirs and pipelines. At June 30, 2023, the District had \$86,433,499 in reservoirs and pipelines. At June 30, 2024, the District had \$117,777,873.

Additional information on capital assets can be located in Note 4.

Changes in capital asset amounts for Fiscal Year 2024 were as follows:

Capital Assets	2023 Balance	Additions	Disposal	Transfers	2024 Balance
Non-Depreciable Assets	\$ 28,295,424	\$ 2,116,018	\$ -	\$ (27,166,466)	\$ 3,244,976
Depreciable Assets	163,906,715	8,086,693	(624,083)	27,166,466	198,535,791
Accumulated Depreciation	(76,611,937)	(4,872,869)	609,352	-	(80,875,454)
Total Capital Assets, Net	\$ 115,590,202	\$ 5,329,842	\$ (14,732)	\$ -	\$ 120,905,313

Changes in capital asset amounts for Fiscal Year 2023 were as follows:

Capital Assets	2022 Balance*	Additions	Disposal	Transfers	2023 Balance
Non-Depreciable assets	\$ 2,897,864	\$ 25,881,738	\$ -	\$ (484,178)	\$ 28,295,424
Depreciable assets	160,497,856	5,836,098	(2,911,417)	484,178	163,906,715
Accumulated Depreciation	(75,401,436)	(4,121,918)	2,911,417	-	(76,611,937)
Total Capital Assets, Net	\$ 87,946,620	\$ 27,595,918	\$ -	\$ -	\$ 115,590,202

*- The beginning balance has been restated to reflect the implementation of GASB 96 – Subscription Based IT Arrangements. See Note 6.

Debt Administration

As of June 30, 2024, the District had four different debt issues outstanding in an aggregate amount of \$54,340,968. Of this amount, \$1,604,208 represents the current portion due in Fiscal Year 2025. For more information on Long-Term Liabilities, refer to Note 6.

Long-Term Liabilities	2024	2023	2022	2021	2020
2017 Revenue Bonds	\$ 21,460,000.00	\$ 22,140,000.00	\$ 22,795,000.00	\$ 23,425,000.00	\$ 24,030,000.00
2012 Revenue Bonds	-	-	-	8,605,000	9,135,000
2022 Refunding Loan	6,670,291	8,152,537	8,152,537	-	-
Hinkle Reservoir Rehabilitation SRF Loan	22,865,491	846,424	-	-	-
Eureka Pipeline SRF Loan	3,345,186	-	-	-	-
Subscription Liability (SBITA)	-	24,213	-	-	-
Total	\$ 54,340,968	\$ 31,163,174	\$ 30,947,537	\$ 32,030,000	\$ 33,165,000

The 2017 Revenue Refunding Bonds advance refunded the 2009 Certificates of Participation and were issued with ratings of "AA" from Standard & Poor's Rating Group.

The 2012 Refunding Certificates of Participation (COP) were issued with ratings of "AA" from Standard & Poor's Ratings Group and upgraded to "AA+" by Fitch Ratings, Inc. They were refunded this year with the 2022 Refunding Loan at a favorable interest rate of 1.6%.

The Hinkle Reservoir Rehabilitation loan represents the State Water Board California's Drinking Water State Revolving Fund (SRF) loan with a 1.2% per annum interest rate.

The Eureka Rd. Pipeline loan represents the State Water Board California's Drinking Water State Revolving Fund (SRF) loan with a 1.1 % per annum interest rate. The District must pay interest annually, by December 31 of each year, until one year after completion of construction. Beginning no later than one year after completion of construction, the District must make annual payment of the principal of the project funds, together with all interest accruing thereon by December 31, 2026. Eureka Rd. Pipeline project was completed in August 2023.

BUDGET AND RATES

The District adopts annual non-appropriated budgets for planning and control purposes. The budgets are adopted on a modified cash basis. Budgetary controls are set at the department level. The General Manager has the authority to reallocate budgeted funds between accounts within a fund or project.

The District's budget contains four funds: one operating budget each for wholesale and retail, and one capital budget each. On June 26, 2024, the Board approved the Fiscal Year 2024-2025 operating and capital budget in a total amount of \$55,175,100.

The District completed a 5-year Wholesale Financial Plan and Rate study in 2023 that resulted in a 5-year rate schedule, commencing January 1, 2024. Under the approved schedule wholesale water rates will effectively increase by 5.0% in each year through 2026 and 4.0% through 2028. The District's retail rate schedule has been unchanged since the last increase in January 2024. The District is currently finalizing an update to the Retail Financial Plan and Rate study.

CONDITIONS AFFECTING CURRENT FINANCIAL POSITION

With the adoption of a 5-year Wholesale Rate Schedule the District has substantially achieved alignment between its fixed and variable costs in the wholesale rate structure. This alignment brought stability to the District's finances as costs and revenues moved in the same direction at generally the same time. The District has been successful in securing low interest rates loans to finance its largest capital projects and has implemented long term infrastructure replacement programs that will ensure the reliability of the treatment and distribution now and in the future.

With the anticipated completion and adoption of the Retail Rate Schedule the District hopes to also achieve alignment between its fixed and variable costs in the retail rate structure and to mitigate any negative impacts caused by the inflation over the past few years.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, San Juan Water District, 9935 Auburn-Folsom Road, Granite Bay, CA 95746.

BASIC FINANCIAL STATEMENTS

SAN JUAN WATER DISTRICT

Statement of Net Position

June 30, 2024

Assets:

Current Assets:

Cash and investments (note 2)	\$ 55,183,228
Accounts receivables	5,062,446
Taxes receivable	122,126
Interest receivable	275,708
Leases receivable (note 3)	37,067
Prepaid items	44,288
Inventories	755,269
Total Current Assets	61,480,132

Noncurrent Assets:

Leases receivable (note 3)	1,902,263
Capital assets, not being depreciated (note 4)	3,244,975
Capital assets, net of accumulated depreciation (note 4)	117,660,340
Investment in electrical power (note 5)	142,892
Total Noncurrent Assets	122,950,470
Total Assets	184,430,602

Deferred Outflows of Resources:

Deferred amounts on refunding	1,185,025
Pension related (note 9)	5,186,351
Other postemployment benefits related (note 10)	2,887,397
Total Deferred Outflows of Resources	9,258,773

Liabilities:

Current Liabilities:

Accounts payable	3,362,065
Accrued liabilities	562,317
Interest payable	461,223
Deposits payable	40,523
Due within one year:	
Compensated absences (note 6)	665,885
Long-term debt (note 6)	1,604,208
Total Current Liabilities	6,696,221

Noncurrent Liabilities:

Compensated absences (note 6)	610,699
Long-term debt (note 6)	54,267,666
Net other postemployment benefits liability (note 10)	5,304,668
Net pension liability (note 9)	6,067,829
Total Noncurrent Liabilities	66,250,862
Total Liabilities	72,947,083

Deferred Inflows of Resources:

Deferred amounts on refunding	301,316
Pension related (note 9)	1,447,356
Other postemployment benefits related (note 10)	273,169
Lease related (note 3)	1,885,341
Total Deferred Inflows of Resources	3,907,182

Net Position:

Net investment in capital assets (note 7)	63,516,489
Restricted	3,511,830
Unrestricted	49,806,791
Total Net Position	\$ 116,835,110

See accompanying notes to the basic financial statements.

SAN JUAN WATER DISTRICT
Statement of Revenues, Expenditures,
and Changes in Net Position
Fiscal Year Ended June 30, 2024

Operating Revenues:	
Water sales - wholesale	\$ 12,866,619
Water sales - retail	16,818,338
Other charges for services	964,050
Total Operating Revenues	<u>30,649,007</u>
Operating Expenses:	
Source of supply:	
Water charged to retail service area	3,302,100
Placer County Water Agency	373,438
Wheeling charges	107,987
Bureau pumping	262,356
Other public agencies	336,913
Administration and general	3,801,142
Water treatment	3,674,429
Transmission and distribution	4,431,892
Customer service	816,368
Engineering	904,489
Water efficiency	564,234
Depreciation and amortization	4,872,868
Retirement benefits (OPEB)	679,095
Pension expense	4,380,017
Total Operating Expenses	<u>28,507,328</u>
Operating Income (Loss)	<u>2,141,679</u>
Non-Operating Revenues (Expenses):	
Tax assessments	2,896,934
Investment income	1,754,878
Lease revenue	114,328
Other revenue	177,873
Interest expense	(1,083,988)
Other expenses	(5,409)
Total Non-Operating Revenues (Expenses)	<u>3,854,616</u>
Income (Loss) before Capital Contributions	<u>5,996,295</u>
Capital Contributions:	
Contributed assets	769,671
Capital charges and other capital revenue	1,402,037
Total Capital Contributions	<u>2,171,708</u>
Change in Net Position	8,168,003
Net position at beginning of year	<u>108,667,107</u>
Net position at end of year	<u>\$ 116,835,110</u>

See accompanying notes to the basic financial statements.

SAN JUAN WATER DISTRICT
Statement of Cash Flows
Fiscal Year Ended June 30, 2024

Cash Flows from Operating Activities:	
Cash received from customers	\$ 30,263,635
Cash paid to suppliers for goods and services	(13,910,136)
Cash paid to employees for services	(7,615,542)
Net Cash Provided by (Used for) Operating Activities	8,737,957
Cash Flows from Noncapital Financing Activities:	
Tax assessments received	2,896,610
Net Cash Provided by Noncapital Financing Activities	2,896,610
Cash Flows from Capital and Related Financing Activities:	
Capital charges received	1,478,448
Payments from lease receivable	89,167
Acquisition and construction of capital assets	(9,433,042)
Proceeds from sale of capital assets	116,202
Proceeds from loan payable	25,364,253
Principal paid on debt	(2,186,459)
Interest paid on debt	(1,124,435)
Net Cash Used for Capital and Related Financing Activities	14,304,134
Cash Flows from Investing Activities:	
Investment income	1,610,909
Net Cash Flows Provided by Investing Activities	1,610,909
Net Increase in Cash and Cash Equivalents	27,549,610
Cash and cash equivalents at beginning of year	27,633,618
Cash and cash equivalents at end of year	\$ 55,183,228

(Continued)

See accompanying notes to the basic financial statements.

SAN JUAN WATER DISTRICT

Statement of Cash Flows (Continued)

Fiscal Year Ended June 30, 2024

	\$ 2,141,679
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	(5,409)
Operating income	4,872,868
Nonoperating income (expense)	(318,169)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	107,919
Depreciation and amortization	(338,113)
(Increase) decrease in accounts receivable	429
(Increase) decrease in prepaid expenses	2,891,073
(Increase) decrease in inventories	(1,273,818)
(Increase) decrease in investment in electrical power	(1,187,367)
Decrease in deferred pension related outflows	(Increase) decrease in OPEB related deferred outflows
Increase (decrease) in accounts payable	Increase (decrease) in accrued liabilities
Increase (decrease) in unearned revenues	(299,227)
Increase (decrease) in deposits payable	Increase (decrease) in compensated absences
Increase (decrease) in deferred pension related inflows	Increase (decrease) in OPEB related deferred inflows
Increase (decrease) in net OPEB liability	Increase (decrease) in net pension liability
Net Cash Provided by Operating Activities	<u><u>\$ 8,737,957</u></u>
Noncash Investing, Capital and Financing Activities:	
Contributed assets	<u><u>\$ 769,671</u></u>

See accompanying notes to the basic financial statements.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

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SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies

The basic financial statements of the San Juan Water District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

(a) Reporting Entity

The District was incorporated March 4, 1954 as a community service district under community service district law of the State of California (Section 60000 et. seq., Title 5, Division 3 of the California Government Code). The District is governed by a five member Board of Directors elected by the voters within specific geographic divisions for staggered, four year terms, every two years. The District provides water to retail customers in Sacramento and Placer Counties and sells water on a wholesale basis to other agencies. The accompanying basic financial statements present the District and its component unit. The component unit discussed below is included in the District's reporting entity because of the significance of its operational and financial relationship with the District. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District has created the San Juan Suburban Water District Financing Corporation (the Corporation) to provide assistance to the District in the issuance of debt. Although legally separate from the District, the Corporation is "blended" as if it were part of the primary government because it shares a common Board of Directors with the District and its sole purpose is to provide financing to the District under the debt issuance documents of the District. Debt issued by the Corporation is reflected as debt of the District in these financial statements. The Corporation has no other transactions and does not issue separate financial statements.

(b) Basis of Presentation

The District's resources are allocated to and accounted for in these basic financial statements as an enterprise fund type of the proprietary fund group. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that period of determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represents the amount available for future operations.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(c) Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows, liabilities, and deferred inflows associated with the operation of the fund are included on the balance sheet. Net position is segregated into amounts recorded as net investment in capital assets, amounts restricted and amounts unrestricted. Enterprise fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

In the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position, business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Earned and unbilled water services are accrued as revenue.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the District may fund certain programs with a combination of cost-reimbursement grants and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenses. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal operations. The principal operating revenues of the District are charges to customers for sales and services. Operating expenses for enterprise funds include source of supply, the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

(d) Cash and Investments

For the purposes of the Statement of Cash Flows, the District's cash and cash equivalents include restricted and unrestricted cash on hand or on deposit, and demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(e) Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. In determining fair value, the District's custodians use various methods including market and income approaches. Based on these approaches, the District's custodians utilize certain assumptions that market participants would use in pricing the asset or liability. The District's custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of the District's investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including the District's own assumptions in determining the fair value of instruments).

(f) Prepaid Items

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

(g) Inventories

Inventories are stated at cost, on a weighted average method. Inventories consist of materials and supplies.

(h) Capital Assets

Capital assets are recorded at historical cost if purchased or constructed. Donated assets and capital assets received in a service concession arrangement are valued at estimated acquisition value on the date received. Depreciation is calculated using the straight line method over the following useful lives:

Buildings and structures	10-50 years
Improvements other than buildings	7-35 years
Machinery and equipment (including furniture)	5-70 years
Meters and endpoints	10-25 years
Plant and pipelines	10-80 years
Pump stations/pressure control stations	12-40 years
Reservoirs and improvements	25-50 years
Vehicles	10 years
Software	10 years
Intangible assets	Varies based on asset

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

The cost of maintenance and repairs that do not add to the value of the asset or materially extend asset lives are charged to operations when incurred. It is the District's policy to capitalize all capital assets with a cost of \$5,000 or more. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the balance sheet in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

Water lines constructed by private developers and then dedicated to the District are recorded as capital contributions when they pass inspection by the District. The estimated value of the lines are capitalized as pipelines, reservoirs, pumping stations and buildings. The District is responsible for future maintenance once it accepts the water lines.

(i) Long-Term Liabilities

Long-term liabilities and other long-term obligations are reported on the Statement of Net Position. Initial issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Amortization of bond premiums or discounts and deferred amounts on refunding is included in interest expense.

(j) Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave benefits (up to a maximum). These benefits will be paid to employees upon separation from service from the District in accordance with the vesting policy. The cost of vacation and sick pay is accrued in the period earned with an offsetting liability in compensated absences. The current portion is calculated as the amount that is estimated to be used during the next year and the remaining portion is included in the long-term liabilities.

(k) Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(l) Pensions

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. The following timeframes are used for pension reporting:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

(m) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until the earnings process is complete. Deferred amounts on refunding result from the difference in carrying amount of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District has three items that qualify for reporting in this category, deferred outflows related to refunding of debt, pensions and OPEB.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until the earnings process is complete. Deferred amounts on refunding may be reported as deferred inflows of resources. The District has four items that qualify for reporting in this category, deferred inflows related to refunding of debt, leases, pensions and OPEB.

(n) Property Taxes

The District receives property taxes from both Sacramento and Placer Counties. Property taxes receivable are recorded in the fiscal year for which the tax is levied based on the assessed value as of March 1 of the preceding fiscal year. They become a lien on the first day of the year they are levied. Secured property tax is levied on January 1 and due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. At that time, delinquent accounts are assessed a penalty of 10%. Accounts that remain unpaid on June 30 are charged an additional 12 % per month.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

Unsecured property tax is levied on July 1 and due on July 31, and becomes delinquent on August 31. The penalty percentage rates are the same as secured property tax.

The District elected to receive the property taxes from the Counties under the Teeter plan. Under this program the District receives 100% of the levied property taxes in periodic payments with the Counties assuming responsibility for delinquencies.

(o) Water Charge to the Retail Service Area

For accounting purposes a charge is made to the retail service area for water used at a wholesale rate. This amount is recorded as income to the wholesale unit and as expense to the retail area.

(p) Net Position

The net position amount is the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction or improvement of those assets, as well as any deferred amounts on debt refunding. Net position is reported as restricted when there are legal limitations imposed on their use by the District or external restrictions by other governments, creditors or grantors. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

(q) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(2) Cash and Investments

Cash and investments were comprised of the following at June 30, 2024:

Cash on hand	\$ 300
Deposits with financial institutions	<u>2,914,903</u>
	<u><u>2,915,203</u></u>
CAMP Investments	31,244,483
Local agency investment fund (LAIF)	10,999,990
U.S. treasury bond/note obligations	3,536,084
Municipal bond/note	1,958,847
U.S. federal agency securities	1,899,581
Medium-term corporate notes	1,724,209
Money market mutual funds	269,653
Asset-backed security/collateralized mortgage obligations	252,701
Federal agency collateralized mortgage obligations	239,112
Supra-national agency bond/note	<u>143,365</u>
	<u><u>52,268,025</u></u>
Total cash and investments	<u><u>\$ 55,183,228</u></u>

The table below identifies the investment types that are authorized by the District's investment policy:

Authorized Investment Type	Maximum Maturity	Maximum Total of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Federal Agency Securities	5 years	None	None
U.S. Instrumentalities	5 years	30%	5%
Registered Warrants, Notes & Bonds of CA	5 years	None	5%
Registered Notes & Bonds of Other 49 States	5 years	None	5%
Local Agency Bonds, Notes & Warrants	5 years	None	5%
Banker's Acceptances	180 days	40%	5%
High Grade Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	5%
Local Agency Investment Fund (LAIF)	N/A	None	\$75M
Time Deposits	2 years	5%	5%
Medium-Term Corporate Notes	5 years	30%	5%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	5%
Collateralized Mortgage Obligations	5 years	20%	5%
Mortgage-Backed or Other Pay-Through	5 years	20%	5%
Equipment Lease-Backed Certificates	5 years	20%	5%
Consumer Receivable Pass-Through Certificates	5 years	20%	5%
Consumer Receivable-Backed Bonds	5 years	20%	5%
Supranational Obligations	5 years	30%	None
Local Government Investment Pools (LGIP)	N/A	None	None

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(2) Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investments held by the bond/COP fiscal agents (trustees) are governed by the provisions of the various debt indenture agreements rather than the general provisions of the District's investments policy or the California Government Code.

Interest Rate Risk

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

Information about the sensitivity of the fair values of the District's investments (including investments held by the bond trustee) to market rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2024:

	Total	12 Months or Less	13 to 24 Months	25 to 60 Months
CAMP Investment	\$ 31,244,483	\$ 31,244,483	\$ -	\$ -
Local agency investment fund (LAIF)	10,999,990	10,999,990	-	-
U.S. treasury bond/note obligations	3,536,084	345,740	1,664,932	1,525,413
U.S. federal agency securities	1,899,581	754,233	1,145,349	-
Medium-term corporate notes	1,724,209	186,364	290,627	1,247,219
Asset-backed security/collateralized mortgage obligations	252,701	-	23,000	229,702
Federal agency collateralized	1,958,847	96,359	-	1,862,488
Municipal bond/note	239,112	167,117	71,995	-
Supra-national agency bond/note	143,365	143,365	-	-
Money market mutual funds	269,653	269,653	-	-
	<u>\$ 52,268,025</u>	<u>\$ 44,207,304</u>	<u>\$ 3,195,903</u>	<u>\$ 4,864,822</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating as categorized by the nationally recognized statistical rating organization required by (where applicable) the Ca. Government Code, the District's investment policy, or debt agreements, and the actual credit ratings by Moody's as of year-end for each investment type.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(2) Cash and Investments (Continued)

Investment Type	Total as of June 30, 2024	Minimum Legal Rating				
		Aaa	P1 to Aa3	Not Rated		
CAMP Investment	\$ 31,244,483	N/A	\$ 31,244,483	\$ -	\$ -	
Local agency investment fund (LAIF)	10,999,990	N/A	-	-	10,999,990	
U.S. treasury bond/note obligations	3,536,084	N/A	3,536,084	-	-	
U.S. federal agency securities	1,899,581	N/A	1,899,581	-	-	
Medium-term corporate notes	1,724,209	A	-	1,724,209	-	
Asset-backed security/collateralized mortgage obligations	252,701	AA	155,301	-	97,400	
Federal agency collateralized mortgage obligations	1,958,847	N/A	1,958,847	-	-	
Municipal bond/note	239,112	AA	68,689	170,423	-	
Supra-national agency bond/note	143,365	A	143,365	-	-	
Money market mutual funds	269,653	AAA	269,653	-	-	
	<u>\$ 52,268,025</u>		<u>\$ 39,276,003</u>	<u>\$ 1,894,632</u>	<u>\$ 11,097,390</u>	

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure of custodial risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must be equal to at least 100% of the total amount deposited by public agencies. California law also allows financial institutions to secure Agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2024, the carrying amount of the District's deposits were \$2,914,903 and the balances in financial institutions were \$1,514,066. Of this amount, \$1,264,066 was not insured by federal depository insurance.

Investment in LAIF

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(2) Cash and Investments (Continued)

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals to and from LAIF are transferred on the basis of \$1 and not fair value. This external pool has no limitations or restrictions on participant withdrawals.

Investment in California Asset Management Program (CAMP)

The District is a voluntary participant in the California Asset Management Program (CAMP) that is regulated by the California Government Code. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CAMP, which are recorded on an amortized cost basis.

Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observer inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2024:

Investments by Fair Value Level	Totals	Level			Not Subject to Categorization
		1	2	3	
CAMP Investment	\$31,244,483	\$ -	\$ -	\$ -	\$31,244,483
Local agency investment fund (LAIF)	10,999,990	-	-	-	10,999,990
U.S. treasury bond/note obligations	3,536,084	-	3,536,084	-	-
U.S. federal agency securities	1,899,581	-	1,899,581	-	-
Medium-term corporate notes	1,724,209		1,724,209	-	-
Asset-backed security/collateralized mortgage obligations	252,701	-	252,701	-	-
Federal agency collateralized mortgage obligations	1,958,847	-	1,958,847	-	-
Municipal bond/note	239,112	-	239,112	-	-
Supra-national agency bond/note	143,365	-	143,365	-	-
Money market mutual funds	269,653	-	-	-	269,653
Total Investments	<u>\$52,268,025</u>	<u>\$ -</u>	<u>\$ 9,753,899</u>	<u>\$ -</u>	<u>\$42,514,126</u>

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(3) Leases Receivable

The District is a lessor in 3 noncancelable leases for use of District property for cell towers. The leases range from 25 to 30 years. The lessees are required to make fixed monthly or annual escalating payments starting at \$600 per month to \$7,560 per year. The District is also a lessor in a 20 year noncancelable lease for transmission capacity with annual payments ranging from \$27,072 to \$48,960. The District recognized \$114,328 in lease revenue and \$29,367 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2024, the lease receivable is \$1,939,330 and deferred inflows of resources is \$1,885,341.

(4) Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance at July 1, 2023	Additions	Disposals	Transfers	Balance at June 30, 2024
Capital Assets, not being Depreciated:					
Land	\$ 286,984	\$ -	\$ -	\$ -	\$ 286,984
Construction in progress	28,008,440	2,116,017	-	(27,166,466)	2,957,991
Total Capital Assets not being Depreciated	28,295,424	2,116,017	-	(27,166,466)	3,244,975
 Capital Assets, not being Depreciated:					
Pipelines	81,621,071	3,097,548	(360,433)	3,915,053	88,273,239
Water treatment plant	42,042,258	13,591	-	39,970	42,095,819
Land improvements	1,393,653	7,500	-	-	1,401,153
Reservoirs	4,812,428	1,799,354	-	22,892,852	29,504,634
Pumping stations	14,295,482	1,871,919	-	318,591	16,485,992
Buildings	1,564,618	76,648	-	-	1,641,266
Vehicles and equipment	16,224,680	481,707	(263,651)	-	16,442,736
Software	1,525,387	-	-	-	1,525,387
Meters and endpoints	379,474	738,429	-	-	1,117,903
Subscription based technology arrangements	47,664	-	-	-	47,664
Total Capital Assets being Depreciated	163,906,715	8,086,696	(624,084)	27,166,466	198,535,793
 Less Accumulated Depreciation:					
Pipelines	(39,899,303)	(1,851,900)	360,433	-	(41,390,770)
Water treatment plant	(19,765,505)	(1,020,036)	-	-	(20,785,541)
Land improvements	(739,944)	(28,114)	-	-	(768,058)
Reservoirs	(1,811,897)	(824,822)	-	-	(2,636,719)
Pumping stations	(5,260,756)	(437,282)	-	-	(5,698,038)
Buildings	(1,285,387)	(19,524)	-	-	(1,304,911)
Vehicles and equipment	(7,089,781)	(555,983)	248,919	-	(7,396,845)
Software	(734,870)	(94,561)	-	-	(829,431)
Meters and endpoints	(662)	(16,814)	-	-	(17,476)
Subscription based technology arrangements	(23,832)	(23,832)	-	-	(47,664)
Total Accumulated Depreciation	(76,611,937)	(4,872,868)	609,352	-	(80,875,453)
 Total Capital Assets being Depreciated, net	87,294,778	3,213,828	(14,732)	27,166,466	117,660,340
 Capital Assets, net	\$ 115,590,202	\$ 5,329,845	\$ (14,732)	\$ -	\$ 120,905,315

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(5) Investment in Electrical Power

The District participates in the California-Oregon Transmission Project (Project), a Joint Powers Authority (JPA), which is a project of the Department of Energy, Western Area Power Administration. The Project is governed by a Management Committee, which is chaired by a representative of the Transmission Agency of Northern California with each participant in the project having representation on the Management Committee.

The District applied as a Community Services District and a Central Valley Project Contractor, and received allocation of 1MW (megawatt) of power (capacity and associated energy) in exchange for an investment as a participant in the construction of the transmission line. Subsequent to the original allocation from the Department of Energy, the District purchased one additional megawatt of power from Trinity County Public Utility District. The cost of the purchase was \$75,000, plus a prorated share in the construction of the transmission line. Through a partial assignment of the District's California-Oregon Transmission Project entitlement to the Department of Energy, Western Area Power Administration, the District receives preferential energy rates and a discount on the US Bureau of Reclamation pumping from Folsom Lake.

The District has a 0.069 percent equity interest in the net position of the Project as defined in the Long-Term Participation Agreement. The District also has an obligation to finance 0.1333 percent of the net losses of the Project. The District is billed monthly for its share of the operations and maintenance costs of the Project. The District's net investment and its share of the operating results of the Project are reported as Investment in Electrical Power. The Project unaudited interim financial statements for the year ended June 30, 2024 are available from the California-Oregon Transmission Project at P.O. Box 15140, Sacramento, CA, 95866.

The following is the summarized financial information for the Project as of and for the year ended June 30, 2024:

Statement of Net Position:

Assets	\$ 277,195,575
Liabilities	\$ 54,281,480
Deferred Inflows	1,383,737
Net position	221,530,358
Liabilities and Net Position	<u>\$ 277,195,575</u>

Statement of Revenues, Expenditures, and Changes in Net position:

Operating revenues	\$ 21,078,005
Operating expenses	27,794,067
Operating loss	(6,716,062)
Net non-operating revenues (expenses)	347,801
Adjustment to net position for capital improvements	5,746,104
Change in Net Position	<u>\$ (622,157)</u>
District's share of net position	<u>\$ 142,892</u>

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(6) Long Term Liabilities

The District's long-term liability activity and outstanding balances for the year ended June 30, 2024 is as follows:

	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Current Portion
2022 Refunding Loan	\$ 8,152,537	\$ -	\$ (1,482,246)	\$ 6,670,291	\$ 789,228
2017 Revenue Refunding Bonds	22,140,000	-	(680,000)	21,460,000	710,000
Hinkle Reservoir Rehabilitation Loan	846,424	22,019,067	-	22,865,491	-
Eureka Pipeline SRF Loan	-	3,345,186	-	3,345,186	-
Add: Unamortized premiums	1,635,886	-	(104,980)	1,530,906	104,980
Total Bonds and Notes Payable	<u>32,774,847</u>	<u>25,364,253</u>	<u>(2,267,226)</u>	<u>55,871,874</u>	<u>1,604,208</u>
Subscription Liability	24,313	-	(24,313)	-	-
Compensated Absences	<u>1,157,268</u>	<u>218,911</u>	<u>(99,595)</u>	<u>1,276,584</u>	<u>665,885</u>
	<u><u>\$ 33,956,428</u></u>	<u><u>\$ 25,583,164</u></u>	<u><u>\$ (2,391,134)</u></u>	<u><u>\$ 57,148,458</u></u>	<u><u>\$ 2,270,093</u></u>

Loans Payable

On January 31, 2022, the District entered into a loan agreement with Sterling National Bank to refinance the 2012 Revenue Refunding Bonds. The District borrowed \$8,152,537 with an interest rate of 1.63%. Annual principal payments, ranging from \$707,214 to \$882,454 are due on June 30 through June 30, 2032 and semi-annual interest payments ranging from \$7,192 to \$121,812 are due on June 30 and December 30 through June 30, 2032. The repayment of the loan will be payable from and secured by a pledge of and lien of the net revenues of the Water System.

Year Ended June 30	Principal	Interest	Totals
2025	\$ 789,228	\$ 108,726	\$ 897,954
2026	803,104	95,862	898,966
2027	812,400	82,770	895,170
2028	824,998	69,529	894,527
2029	840,711	56,081	896,792
2030-2032	<u>2,599,850</u>	<u>42,641</u>	<u>2,642,491</u>
Total	<u><u>\$ 6,670,291</u></u>	<u><u>\$ 455,609</u></u>	<u><u>\$ 7,125,900</u></u>

2017 Revenue Refunding Bonds

On June 22, 2017, the District issued \$26,125,000 of Revenue Refunding Bonds with interest ranging from 3.0% to 5.0%. These 2017 Revenue Refunding Bonds were issued to refund the 2009 Certificates of Participation. The loan agreement defines events of default as 1) default in the principal payments; 2) default in the interest payments; 3) default by the District of any of the covenants, agreements, or conditions; 4) the filing by the District of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America. Upon the occurrence of an event of default, the principal of the bonds could be declared immediately due and payable. Annual principal payments, ranging from \$565,000 to \$2,470,000 are due on February 1,

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(6) Long Term Liabilities (Continued)

2018 through February 1, 2039 and semi-annual interest payments ranging from \$112,966 to \$521,381 are due on February 1 and August 1 through February 1, 2039.

Year Ended June 30	Principal	Interest	Totals
2025	\$ 710,000	\$ 847,296	\$ 1,557,296
2026	745,000	811,067	1,556,067
2027	785,000	772,983	1,557,983
2028	825,000	732,900	1,557,900
2029	865,000	690,817	1,555,817
2030-2032	2,875,000	1,797,617	4,672,617
2033-2037	9,795,000	1,823,568	11,618,568
2038-2039	4,860,000	172,412	5,032,412
Total	<u>\$ 21,460,000</u>	<u>\$ 7,648,660</u>	<u>\$ 29,108,660</u>

Hinkle Reservoir Rehabilitation Loan

On May 12, 2022, the District entered into a loan agreement with the California State Water Resources Control Board to finance the Hinkle Reservoir Rehabilitation Project. The loan agreement allows the District to borrow up to \$23,120,621, at an interest rate of 1.2% per annum. As of June 30, 2024, the District had received loan proceeds of \$22,865,492. Annual principal payments are due one year after project completion. The District anticipates project completion in February 2025. The final payment schedule will be available subsequent to project completion. The repayment of the loan will be payable from and secured by a pledge of and lien of the Enterprise Fund revenues and any reserve fund established for the loan.

Pledged Revenue

The District is required by its 2022 Loan and 2017 Revenue Refunding Bonds to collect rates and charges from its water system that will be sufficient to yield net revenues equal to 115% of debt service payments on any future debt issued and deposit the net revenues in a revenue fund pledged for such future debt service payments. The Hinkle Reservoir Rehabilitation Loan Agreement requires the District to collect rates and charges sufficient to yield net revenues equal to 120% of the maximum annual debt service with respect to all outstanding system obligations senior to, and on parity with, the loan and 100% of the maximum annual debt service with respect to all outstanding obligations subordinate to the loan. At June 30, 2024, the District's net revenues were 508% of debt service payments.

Arbitrage Rebate Liability

Section 148(f) of the Internal Revenue Code requires issuers of tax-exempt state and local bonds to remit to the federal government amounts equal to (a) the excess of the actual amounts earned on all "Non-purpose Investments" allocable to "Gross Proceeds" of an issue of municipal obligations less the amount that would have been earned if the investments bore a rate equal to the amount that would have been earned if the investments bore a rate equal to the yield on the issue, plus (b) all income attributable to the excess. Issuers must

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(6) Long Term Liabilities (Continued)

make rebate payments at least once every five years and upon final retirement or redemption of the bonds.

(7) Net Investment in Capital Assets

Net investment in capital assets consist of the following at June 30, 2024:

Capital assets, gross	\$ 201,780,768
Less: accumulated depreciation	(80,875,453)
Net capital assets	<u>120,905,315</u>
Add: Deferred costs on bond refunding	1,185,025
Less: Debt used for capital purposes	(54,340,968)
Less: Capital retainage & accounts payable	(2,400,661)
Less: Deferred charge on refunding	(301,316)
Less: Unamortized premium	<u>(1,530,906)</u>
Net investment in capital assets	<u>\$ 63,516,489</u>

(8) Net Position

Designations of unrestricted net position may be imposed by the Board of Directors to reflect future spending plans or concerns about the availability of future resources. Designation may be modified, amended or removed by Board action. Designations included the following as of June 30, 2024:

	Wholesale	Retail	Total
Capital reserves	\$ 26,902,551	\$ 17,498,320	\$ 44,400,871
Operating reserves	<u>2,306,100</u>	<u>3,099,820</u>	<u>5,405,920</u>
Total Unrestricted, Designated Net Position	<u>\$ 29,208,651</u>	<u>\$ 20,598,140</u>	<u>\$ 49,806,791</u>

(9) Defined Benefit Pension Plan

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). The Public Employees' Pension Reform Act of 2013 (PEPRA) created a new benefit and contribution level for new employees meeting certain criteria. PERS acts as a common investment and administrative agent for participating public employers within the State of California.

All permanent full and part-time District employees working at least 1,000 hours per year are eligible to participate in PERS. Under PERS, benefits vest after five years of service. Upon retirement, participants are entitled to an annual retirement benefit, payable for life, in an amount equal to a benefit factor times the monthly average salary of their highest twelve (Tier 1) and thirty-six (Tier 2 and PEPRA) consecutive months full-time equivalent monthly pay. Benefit provisions under the Plans are established by State statute and Board resolution.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(9) Defined Benefit Pension Plan (Continued)

CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees or their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the following: the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law ("PERL"), the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plans' authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plans' provisions and benefits in effect for the year ended June 30, 2024 are summarized as follows:

	Miscellaneous Tier I Rate Plan	Miscellaneous Tier II Rate Plan	Miscellaneous PEPRA Rate
Hire date	(Prior to February 14, 2009)	(On or after February 14, 2009)	(On or after January 1, 2013)
Benefit formula (at full retirement)	3.0% @ 60	3.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-63	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	2.0% to 3.0%	1.0% to 2.5%

The District made a discretionary payment of \$200,000 toward its unfunded actuarial liability during the year ended June 30, 2024.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(9) Defined Benefit Pension Plan (Continued)

Tier I and Tier II Miscellaneous Plans are closed to new members that are not already CalPERS eligible participants.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements are classified as plan member contributions.

For the year ended June 30, 2024 the employer contributions for the Plan (all rate plans combined) were \$910,347.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the District reported a net pension liability of \$6,067,829 representing the District's proportionate share of the net pension liability.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2024 is measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures as required by GASB Statement No. 68.

The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2024 was as follows:

Proportion - June 30, 2023	0.11092%
Proportion - June 30, 2024	<u>0.12135%</u>
Change - Increase (Decrease)	0.01043%

For the year ended June 30, 2024, the District recognized pension expense of \$4,380,017. At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to all Plans combined from the following sources:

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(9) Defined Benefit Pension Plan (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 366,342	\$ -
Differences between actual and expected experience	309,979	(48,085)
Differences between projected and actual investment earnings	982,436	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(1,399,271)
Change in employer's proportion	2,617,247	-
Pension contributions subsequent to measurement date	910,347	-
Total	\$ 5,186,351	\$ (1,447,356)

The \$910,347 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as net deferred inflows of resources related to pensions will be recognized as pension expense (credit) as follows:

<u>Fiscal Year Ended June 30</u>	
2025	\$ 1,343,272
2026	829,853
2027	627,332
2028	<u>28,190</u>
	<u>\$ 2,828,647</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2024 actuarial valuation for the Plan was determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Mortality Rate Table ¹	Derived using CalPERS Membership Data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(9) Defined Benefit Pension Plan (Continued)

Discount Rate

The discount rate used by CalPERS to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

Investment Type	Assumed Asset Allocation	Real Return ^{1,2}
Global Equity - Cap-Weighted	30.0%	4.54%
Global Equity Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-Backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
Total	<u>100.0%</u>	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(9) Defined Benefit Pension Plan (Continued)

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

The following presents the District's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Current	1% Decrease	Discount Rate	1% Increase
	(5.90%)	(6.90%)	(7.90%)	
Net Pension Liability (Asset)	<u>\$ 12,794,844</u>	<u>\$ 6,067,829</u>	<u>\$ 530,917</u>	

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

(10) Other Post Employment Benefits (OPEB)

Description of the Plan

The District provides health care benefits to eligible retired District employees and survivor dependents as defined by their participating tier (first or second) and coverage level (basic or Medicare supplement) with a choice of several plans through an agent single-employer defined benefit plan established July 28, 2012. This is contracted with the California Public Employees' Retirement System (CalPERS) through the Public Employees' Medical and Hospital Care Act (PEMHCA). State statutes assign the authority to establish and amend the benefit provisions of the agent multiple-employer health care plans administered by CalPERS to the respective employer entities.

The District does not issue a separate stand-alone financial report for its OPEB plan.

Funding Policy

The District pays a percentage of the post-employment health care benefits for retirees, their spouses, and their dependents based on the retirees' tier. Surviving spouses and eligible dependents of retirees may elect to continue health care benefits with the same District contribution towards the expense. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. No contributions are required for plan members or the District. Pre-funding contributions made by the District are at the discretion of the Board of Directors.

The contribution requirements of the District are established and may be amended by the District's Board of Directors. Plan members are currently not required to contribute.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(10) Other Post Employment Benefits (OPEB) (Continued)

Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms:

Active employees	47
Inactive employees or beneficiaries currently receiving benefit payments	<u>43</u>
Total number of participants	<u><u>90</u></u>

Contributions

The Board of Directors grants the authority to establish and amend the contribution requirements of the District. During the year ended June 30, 2024, the District's cash contributions to the trust were \$284,632 and the benefit payments were \$539,508, resulting in total payments of \$824,140. In the fiscal year 2024, the District recognized \$153,922 in implicit rate subsidy.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	6.75%
Inflation rate	2.50%
Aggregate salary increases	2.75% per year
Investment rate of return	6.75%
Healthcare cost trend rate	4.0% annually
Mortality rates	Derived using CalPERS membership data

Mortality information for active and retired employees was based on 2014 CalPERS tables. The pre-retirement turnover information was developed based on the 2009 CalPERS Turnover for Miscellaneous Employees table created by CalPERS.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) was used and developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(10) Other Post Employment Benefits (OPEB) (Continued)

Asset Class	Percentage of Portfolio	Assumed Gross Return
All Equities	59.00%	7.545%
All Fixed Income	25.00%	4.250%
Real Estate Investment Trusts	8.00%	7.250%
All Commodities	3.00%	7.545%
Treasury Inflation Protected Securities (TIPS)	5.00%	3.000%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that District contributions will continue based upon the current funding policy.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	\$ 8,885,238	\$ 4,806,863	\$ 4,078,375
Changes in the year:			
Service cost	252,965	-	252,965
Interest on the total OPEB liability	590,079	315,045	275,034
Changes in assumptions	509,432	-	509,432
Contribution - employer to Trust	-	893,769	(893,769)
Investment gains / losses	1,081,218	-	1,081,218
Benefit payments	(640,804)	(640,804)	-
Administrative expenses	-	(1,413)	1,413
Expected minus actual benefit payments	-	-	-
Net changes	<u>1,792,890</u>	<u>566,597</u>	<u>1,226,293</u>
Balance at June 30, 2024 (measurement date June 30, 2023)	<u>\$ 10,678,128</u>	<u>\$ 5,373,460</u>	<u>\$ 5,304,668</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(10) Other Post Employment Benefits (OPEB) (Continued)

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net OPEB liability	\$ 6,477,967	\$ 5,304,668	\$ 4,319,545

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease to 3.00%	Current Healthcare Cost Trend Rates 4.00%	1% Increase to 5.00%
Net OPEB liability	\$ 4,173,374	\$ 5,304,668	\$ 6,675,544

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$679,095. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 943,667	\$ (273,169)
Changes in assumptions	613,100	-
Difference between projected and actual investment earnings		-
Employer contributions subsequent to measurement date	352,567 978,063	-
Total	\$ 2,887,397	\$ (273,169)

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(10) Other Post Employment Benefits (OPEB) (Continued)

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net OPEB liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	
2025	\$ 269,684
2026	249,101
2027	432,565
2028	295,299
2029	244,915
Thereafter	<u>144,602</u>
	<u>\$ 1,636,166</u>

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs.

The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years. The net difference between expected and actual experience are recognized over the expected average remaining service lifetime (EARSL), which was 6.8 years at the June 30, 2023 valuation date.

(11) Risk Management

The District participates in the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) a public entity risk pool of California water agencies, for general and auto liability, public officials liability, property damage, fidelity insurance and workers compensation liability. ACWA/JPIA provides insurance through the pool up to a certain level, beyond which group-purchased commercial excess insurance is obtained.

The District pays an annual premium to ACWA/JPIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the ACWA/JPIA. ACWA/JPIA may be terminated at any time by written consent of three-fourths of voting members at which time the members may be required to pay their share of any additional amount of premium in accordance with loss allocation formulas for final disposition of all claims and losses covered by the joint powers agreement. The ACWA/JPIA's financial statements are available at 5620 Birdcage Street, Suite 200, Citrus Heights, CA 95610-7632.

SAN JUAN WATER DISTRICT

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2024

(11) Risk Management (Continued)

The District's deductibles and maximum coverage are as follows:

Coverage	ACWA/JPIA	Commercial Insurance	Deductible/Retention
General and Auto Liability (Includes public officials liability)	\$ 5,000,000	\$ 55,000,000	None
Property Damage	100,000	500,000,000	\$ 1,000 to 100,000
Crime	100,000		1,000
Workers' Compensation Liability	2,000,000	Statutory	None
Employers Liability	2,000,000		None
Cyber Liability	5,000,000		\$10,000 to 50,000

The District continues to carry commercial insurance for all other risks of loss to cover all claims for risk of loss to which the District is exposed. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(12) Commitments

The District has a contract with Placer County Water Agency (PCWA) to take or pay for an annual entitlement of 12,500 acre-feet. In any year during the term of this agreement, the District may request PCWA make available 25,000 acre-feet of water.

The District has active construction and other significant projects as of June 30, 2024. At year end, the District's construction and other significant commitments were as follows:

Paving Services 2023-2024	\$ 237,131
Air Release Valve Replacement Program	211,329
Douglas Blvd/AFR Pipeline Replacement	186,945
WTP Filter Backwash Hood Facilities Rehabilitation	160,979
Kokila Reservoir Replacement Project Engr Services	130,756
WTP Sewer Lift Station Repair	34,116
Lime Silo and Thickener Project - Inspection Service	32,115
Lime Silo and Clarifier Improvements	29,789
Construction of the Lime Silo and Thickener Improvements	28,963
Field Services Sewer Lift Station Repair	23,504
Material Covered Storage Facility Project	16,950
SJWD Admin Building Electrical Upgrade Project	7,665
Construction Management and Inspection Services for Hinkle Liner Project	5,870
Total commitment with contractors	<u>\$ 1,106,112</u>

REQUIRED SUPPLEMENTARY INFORMATION

SAN JUAN WATER DISTRICT
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability - Last Ten Years
Year Ended June 30, 2024

	2024	2023	2022	2021	2020
Proportion of the net pension liability	0.12135%	0.11092%	-0.13753%	0.07876%	0.02397%
Proportionate share of the net pension liability (asset)	\$ 6,067,829	\$ 5,190,003	\$ (2,611,412)	\$ 3,322,197	\$ 2,456,425
Covered payroll - measurement period	\$ 5,712,267	\$ 5,350,726	\$ 4,634,471	\$ 4,704,170	\$ 4,707,984
Proportionate share of the net pension liability as a percentage of covered payroll	106.22%	97.00%	-56.35%	70.62%	52.18%
Plan fiduciary net position as a percentage of the total pension liability	87.80%	89.23%	92.36%	92.36%	94.03%
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Notes to Schedule:					
Reporting valuation date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Reporting measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019

Notes to the schedule:

Summary of Changes in Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs.

Changes of Assumptions: There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

SAN JUAN WATER DISTRICT**Required Supplementary Information****Schedule of the Proportionate Share of the Net Pension Liability - Last Ten Years (Continued)****Year Ended June 30, 2024**

	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.01624%	0.04842%	0.09208%	0.08829%	0.08447%
Proportionate share of the net pension liability (asset)	\$ 1,564,717	\$ 4,801,816	\$ 7,968,028	\$ 6,059,953	\$ 5,255,811
Covered payroll - measurement period	\$ 4,599,756	\$ 4,254,297	\$ 4,171,684	\$ 4,292,723	\$ 3,836,968
Proportionate share of the net pension liability as a percentage of covered payroll	34.02%	112.87%	191.00%	141.17%	136.98%
Plan fiduciary net position as a percentage of the total pension liability	96.04%	87.20%	76.19%	78.40%	79.82%
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Notes to Schedule:					
Reporting valuation date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Reporting measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

SAN JUAN WATER DISTRICT
Required Supplementary Information
Schedule of Contributions to the Pension Plan - Last Ten Years
Year Ended June 30, 2024

	2024	2023	2022	2021	2020
Contractually required contribution (actuarially determined)	\$ 910,347	\$ 985,542	\$ 864,252	\$ 820,954	\$ 750,670
Contributions in relation to the actuarially determined contributions	(910,347)	(985,542)	(864,252)	(1,020,954)	(750,670)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (200,000)	\$ -
Covered payroll - fiscal year	\$ 5,712,267	\$ 5,350,726	\$ 4,634,471	\$ 4,704,170	\$ 4,707,984
Contributions as a percentage of covered payroll	15.94%	18.42%	18.65%	17.45%	15.96%
Contribution valuation date:	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Methods and assumptions used to determine contribution rates:					
Amortized cost method			Entry age normal		
Amortized method			Level percentage of payroll, closed		
Remaining amortization period			Varies, not more than 30 years		
Discount rate			6.90%		
Inflation			2.50%		
Salary increases			Varies by entry age and service		
Payroll growth			2.75%		
Retirement age			The probabilities of Retirement are based on the 2010 CalPERS study for the period from 1997 to 2007.		
Mortality			Most recent CalPERS Experience Study.		
Post Retirement Benefit increase			Contract COLA up to 2.50% until Purchasing Power Protection Floor Purchasing Power applies, 2.50% thereafter		

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Changes in Assumptions: At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 valuations. The minimum employer percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent.

On December 19, 2017 the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decrease in the discount rate. For June 30, 2017 valuation an inflation rate of 2.625 percent will be used and a rate of 2.50 percent in the following valuation.

SAN JUAN WATER DISTRICT
Required Supplementary Information
Schedule of Contributions to the Pension Plan - Last Ten Years (Continued)
Year Ended June 30, 2024

	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 675,697	\$ 569,048	\$ 795,103	\$ 730,360	\$ 591,634
Contributions in relation to the actuarially determined contributions	(675,697)	(3,359,478)	(4,908,731)	(730,360)	(591,634)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (2,790,430)</u>	<u>\$ (4,113,628)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll - fiscal year	\$ 4,599,756	\$ 4,254,297	\$ 4,171,684	\$ 4,292,723	\$ 3,836,968
Contributions as a percentage of covered payroll	14.69%	13.38%	19.06%	17.01%	15.42%
Contribution valuation date:	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012

SAN JUAN WATER DISTRICT
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Years*
Year Ended June 30, 2024

	2024	2023	2022 ¹	2021	2020	2019
Total OPEB Liability						
Service cost	\$ 252,965	\$ 246,195	\$ 181,547	\$ 176,688	\$ 164,051	\$ 159,660
Interest on the Total OPEB liability	590,079	572,773	481,135	467,317	503,512	491,254
Difference between expected and actual experience	-	-	-	-	(724,602)	-
Changes in assumptions	509,432	-	379,797	-	-	-
Experience gains/losses	1,081,218	27,355	11,781	-	-	-
Benefit payments	(640,804)	(619,673)	(469,090)	(448,200)	(448,458)	(472,409)
Expected minus actual benefit payments	-	-	-	(933)	(35,114)	-
Net change in Total OPEB liability	1,792,890	226,650	585,170	194,872	(540,611)	178,505
Total OPEB liability - beginning	8,885,238	8,658,588	8,073,418	6,812,179	7,352,790	7,174,285
Total OPEB liability - ending (a)	<u>\$ 10,678,128</u>	<u>\$ 8,885,238</u>	<u>\$ 8,658,588</u>	<u>\$ 7,007,051</u>	<u>\$ 6,812,179</u>	<u>\$ 7,352,790</u>
Plan Fiduciary Net Position:						
Contributions - employer to Trust	\$ 252,965	\$ 209,520	\$ 182,000	\$ 177,000	\$ 160,000	\$ 224,554
Contributions - employer to benefit payments	640,804	619,673	469,090	448,200	448,458	441,109
Net investment income	315,045	(710,640)	1,107,731	161,133	204,937	230,539
Benefits payments	(640,804)	(619,673)	(469,090)	(448,200)	(448,458)	(472,209)
Other	-	-	-	-	31,300	-
Administrative expenses	(1,413)	(1,346)	(1,526)	(1,826)	(711)	(5,363)
Net change in Fiduciary Net Position	566,597	(502,466)	1,288,205	336,307	395,526	418,630
Plan Fiduciary Net Position - beginning	4,806,863	5,309,329	4,021,124	3,684,817	3,289,491	2,870,861
Plan Fiduciary Net Position -ending (b)	<u>\$ 5,373,460</u>	<u>\$ 4,806,863</u>	<u>\$ 5,309,329</u>	<u>\$ 4,021,124</u>	<u>\$ 3,685,017</u>	<u>\$ 3,289,491</u>
Plan Net Position Liability (asset) - Ending (a) - (b)	<u>\$ 5,304,668</u>	<u>\$ 4,078,375</u>	<u>\$ 3,349,259</u>	<u>\$ 2,985,927</u>	<u>\$ 3,127,162</u>	<u>\$ 4,063,299</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB liability	50.32%	54.10%	61.32%	57.39%	54.09%	44.74%
Covered-employee payroll	\$ 5,712,267	\$ 5,350,726	\$ 4,634,471	\$ 4,704,170	\$ 4,707,984	\$ 4,599,756
Total OPEB liability as a percentage of covered-employee payroll	186.93%	166.06%	186.83%	148.95%	144.69%	159.85%
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

¹ Restated to include implied rate subsidy

*Future years' information will be displayed up to 10 years as information becomes available.

SAN JUAN WATER DISTRICT
Required Supplementary Information
Schedule of Contributions to the OPEB Plan - Last 10 Years*
Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution - employer fiscal year	\$ 693,431	\$ 640,804	\$ 619,673	\$ 469,090	\$ 448,200	\$ 448,458	\$ 449,109
Contributions in relation to the actuarially determined contributions	(978,063)	(893,769)	(829,193)	(651,090)	(625,200)	(608,458)	(665,663)
Contribution deficiency (excess)	<u>\$ (284,632)</u>	<u>\$ (252,965)</u>	<u>\$ (209,520)</u>	<u>\$ (182,000)</u>	<u>\$ (177,000)</u>	<u>\$ (160,000)</u>	<u>\$ (216,554)</u>
Covered-employee payroll - employer fiscal year	\$ 5,712,267	\$ 5,350,726	\$ 4,634,471	\$ 4,704,170	\$ 4,707,984	\$ 4,599,756	\$ 4,254,297
Contributions as a percentage of covered-employee payroll	12.14%	11.98%	13.37%	9.97%	9.52%	9.75%	10.56%

Notes to Schedule:

Valuation date	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Fiscal year end	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

An actuarially determined contribution rate was not calculated. The required contributions reported represent retiree premium payments.

*Future years' information will be displayed up to 10 years as information becomes available.

SUPPLEMENTARY INFORMATION

SAN JUAN WATER DISTRICT

**Statement of Net Position
Wholesale Operating**

June 30, 2024

Assets:

Current Assets:

Cash and investments	\$ 2,492,613
Accounts receivables	1,183,413
Interest receivable	28,132
Leases receivables	18,534
Prepaid expenses	43,763
Inventories	6,361
Total Current Assets	<u>3,772,816</u>

Noncurrent Assets:

Leases receivables	951,131
Capital assets, not being depreciated	899,919
Capital assets, net of accumulated depreciation	75,188,460
Investment in electrical power	142,892
Total Noncurrent Assets	<u>77,182,402</u>
Total Assets	<u>80,955,218</u>

Deferred Outflows of Resources:

Deferred amounts on refunding	711,015
Pension related	2,472,805
Other postemployment benefits related	1,147,747
Total Deferred Outflows of Resources	<u>4,331,567</u>

Liabilities:

Current Liabilities:

Accounts payable	445,736
Accrued liabilities	248,209
Interest payable	306,984
Due within one year:	
Compensated absences	311,751
Long-term debt	1,000,199
Total Current Liabilities	<u>2,312,879</u>

Noncurrent Liabilities:

Compensated absences	284,414
Long-term debt	39,978,653
Net other postemployment benefits liability	2,238,824
Net pension liability	2,611,908
Total Noncurrent Liabilities	<u>45,113,799</u>
Total Liabilities	<u>47,426,678</u>

Deferred Inflows of Resources:

Deferred amounts on refunding	195,283
Pension related	656,585
Other postemployment benefits related	131,882
Lease related	942,671
Total Deferred Inflows of Resources	<u>1,926,421</u>

Net Position:

Net investment in capital assets	33,863,776
Unrestricted	2,069,910
Total Net Position	<u>\$ 35,933,686</u>

SAN JUAN WATER DISTRICT

**Statement of Net Position
Wholesale Capital**

June 30, 2024

Assets:	
Cash and investments	\$ 28,711,523
Interest receivable	127,637
Taxes receivable	61,063
	<hr/>
Total Assets	<u>28,900,223</u>
Liabilities:	
Accounts payable	<u>1,761,482</u>
	<hr/>
Total Liabilities	<u>1,761,482</u>
Net Position:	
Unrestricted	<u>27,138,741</u>
	<hr/>
Total Net Position	<u>\$ 27,138,741</u>

SAN JUAN WATER DISTRICT

**Statement of Net Position
Retail Operating**

June 30, 2024

Assets:

Current Assets:

Cash and investments	\$ 495,159
Accounts receivables	3,993,371
Interest receivable	24,945
Leases receivables	18,534
Prepaid expenses	525
Inventories	653,959
Total Current Assets	<u>5,186,493</u>

Noncurrent Assets:

Leases receivables	951,131
Capital assets, not being depreciated	2,345,056
Capital assets, net of accumulated depreciation	42,471,880
Total Noncurrent Assets	<u>45,768,067</u>
Total Assets	<u>50,954,560</u>

Deferred Outflows of Resources:

Deferred amounts on refunding	474,010
Pension related	2,713,546
Other postemployment benefits related	1,739,650
Total Deferred Outflows of Resources	<u>4,927,206</u>

Liabilities:

Current Liabilities:

Accounts payable	515,668
Accrued liabilities	314,108
Interest payable	154,239
Unearned revenues	114,338
Deposits payable	40,523
Due within one year:	
Compensated absences	354,134
Long-term debt	604,009
Total Current Liabilities	<u>2,097,019</u>

Noncurrent Liabilities:

Compensated absences	326,285
Long term debt	14,289,013
Net other postemployment benefit liability	3,065,844
Net pension liability	3,455,921
Total Noncurrent Liabilities	<u>21,137,063</u>
Total Liabilities	<u>23,234,082</u>

Deferred Inflows of Resources:

Deferred amounts on refunding	106,033
Pension related	790,771
Other postemployment benefits related	141,287
Leases related	942,670
Total Deferred Inflows of Resources	<u>1,980,761</u>

Net Position:

Net investment in capital assets	29,652,709
Restricted	131,521
Unrestricted	882,693
Total Net Position	<u>\$ 30,666,923</u>

SAN JUAN WATER DISTRICT

**Statement of Net Position
Retail Capital**

June 30, 2024

Assets:

Cash and investments	\$ 23,483,933
Interest receivable	94,994
Taxes receivable	61,063
Inventory	94,949
	<hr/>
Total Assets	<u>23,734,939</u>

Liabilities:

Accounts payable	<u>639,179</u>
Total Liabilities	<u>639,179</u>

Net Position:

Restricted - capital facility fees	3,380,308
Unrestricted	19,715,452
	<hr/>
Total Net Position	<u>\$ 23,095,760</u>

SAN JUAN WATER DISTRICT

**Combining Schedule of Revenues, Expenditures,
and Changes in Net Position
Budget to Actual - Wholesale Operating**

Fiscal Year Ended June 30, 2024

	Actual	Final Budget	Variance with Final Budget
Operating Revenues:			
Wholesale revenue by entity:			
San Juan Water District - retail	\$ 3,302,100	\$ 3,330,957	\$ (28,857)
Citrus Heights Water District	2,908,508	3,023,203	(114,695)
Fair Oaks Water District	2,099,091	2,091,420	7,671
Sacramento Suburban Water District	3,133,605	1,354,000	1,779,605
Orange Vale Water Company	1,091,017	320,716	770,301
City of Folsom	319,840	320,699	(859)
Granite Bay Golf Course	12,463	10,605	1,858
Other charges for services	197,261	1,000	196,261
Total Operating Revenues	<u>13,063,885</u>	<u>10,452,600</u>	<u>2,611,285</u>
Operating Expenses:			
Source of supply:			
Placer County Water Agency	373,438	370,900	(2,538)
Wheeling	107,987	104,400	(3,587)
Bureau pumping	262,356	322,700	60,344
Other public agencies	336,913	566,900	229,987
Administration and general	2,433,359	2,201,200	(232,159)
Water treatment	3,639,744	3,720,500	80,756
Engineering	400,653	445,700	45,047
Water efficiency	49,372	52,700	3,328
Depreciation	3,227,433	-	(3,227,433)
Retirement benefits (OPEB)	253,981	321,700	67,719
Pension expense (credit)	1,683,584	398,400	(1,285,184)
Total Operating Expenses	<u>12,768,820</u>	<u>8,505,100</u>	<u>(4,263,720)</u>
Net Income (Loss) from Operations	<u>295,065</u>	<u>1,947,500</u>	<u>6,875,005</u>
Non-Operating Revenues (Expenses)			
Investment income (loss)	300,482	66,500	233,982
Lease revenue	69,312	65,600	3,712
Interest expense	(699,687)	(887,900)	(188,213)
Other expenses	(2,159)	(1,600)	559
Issuance of bonds	(22,019,068)	-	22,019,068
Capital outlay offsets	2,648,522	-	2,648,522
Total Non-Operating Revenues (Expenses)	<u>(19,702,598)</u>	<u>(757,400)</u>	<u>24,717,630</u>
Income (Loss) before Transfers	<u>(19,407,533)</u>	<u>1,190,100</u>	<u>31,592,635</u>
Transfers:			
Transfers in (out)	(3,204,740)	958,700	(4,163,440)
Total Transfers	<u>(3,204,740)</u>	<u>958,700</u>	<u>(4,163,440)</u>
Change in Net Position	(22,612,273)	2,148,800	27,429,195
Net position at beginning of year	<u>58,545,959</u>	<u>58,545,959</u>	<u>31,143,331</u>
Net position at end of year	<u>\$ 35,933,686</u>	<u>\$ 60,694,759</u>	<u>\$ 58,572,526</u>

SAN JUAN WATER DISTRICT
**Combining Schedule of Revenues, Expenditures,
 and Changes in Net Position**
Budget to Actual - Wholesale Capital

Fiscal Year Ended June 30, 2024

	Actual	Final Budget	Variance with Final Budget
Operating Expenses:			
Source of supply			
Water treatment	\$ 34,685	\$ 806,000	\$ 771,315
Total Operating Expenses	34,685	806,000	771,315
Net Income (Loss) from Operations	(34,685)	(806,000)	(771,315)
Non-Operating Revenues (Expenses):			
Tax assessments	1,448,467	1,403,600	44,867
Investment income (loss)	495,297	150,000	(345,297)
Other revenues	36,689	-	36,689
Issuance of bonds	22,019,068	22,274,200	(255,132)
Capital outlay	(2,648,523)	(4,237,200)	(1,588,677)
Total Non-Operating Revenues (Expenses)	21,350,998	19,590,600	(2,107,550)
Capital contributions and other capital revenue	<u>131,890</u>	<u>100,000</u>	<u>31,890</u>
Income (Loss) before Transfers	21,448,203	18,884,600	(2,846,975)
Transfers:			
Transfers in (out)	3,204,740	(958,700)	4,163,440
Total Transfers	3,204,740	(958,700)	4,163,440
Change in Net Position	24,652,943	17,925,900	1,316,465
Net position at beginning of year	<u>2,485,798</u>	<u>2,485,798</u>	<u>(20,754,108)</u>
Net position at end of year	\$ 27,138,741	20,411,698	(19,437,643)

SAN JUAN WATER DISTRICT

**Combining Schedule of Revenues, Expenditures,
and Changes in Net Position
Budget to Actual - Retail Operating**

Fiscal Year Ended June 30, 2024

	Actual	Final Budget	Variance with Final Budget
Operating Revenues:			
Water sales - retail	\$ 16,818,338	\$ 16,621,400	\$ 196,938
Other charges for services	766,789	463,700	303,089
Total Operating Revenues	17,585,127	17,085,100	500,027
Operating Expenses:			
Source of supply			
Water charged to retail service area	3,302,100	3,465,400	163,300
Administration and general	1,367,771	1,414,700	46,929
Transmission and distribution	4,431,892	5,297,900	866,008
Customer service	816,368	919,300	102,932
Engineering	503,846	737,400	233,554
Water efficiency	514,862	603,900	89,038
Depreciation	1,645,435	-	(1,645,435)
Retirement benefits (OPEB)	425,114	481,200	56,086
Pension expense (credit)	2,696,433	531,600	(2,164,833)
Total Operating Expenses	15,703,821	13,451,400	(2,252,421)
Net Income (Loss) from Operations	1,881,306	3,633,700	2,752,448
Non-Operating Revenues (Expenses)			
Investment income (loss)	239,927	55,000	184,927
Lease revenue	45,016	38,500	6,516
Other revenue	76,404	78,900	(2,496)
Interest expense	(384,301)	(509,100)	(124,799)
Other expenses	(3,258)	(1,600)	1,658
Issuance of bonds	(3,345,186)	-	3,345,186
Capital outlay offsets	6,784,518	-	6,784,518
Total Non-Operating Revenues (Expenses)	3,413,120	(338,300)	10,195,510
Contributed assets	769,671	-	769,671
Income (Loss) before Transfers	6,064,097	3,295,400	13,717,629
Transfers:			
Transfers in (out)	(4,607,312)	(2,427,000)	(2,180,312)
Total Transfers	(4,607,312)	(2,427,000)	(2,180,312)
Change in Net Position	1,456,785	868,400	11,537,317
Net position at beginning of year	29,210,138	29,210,138	10,654,279
Net position at end of year	\$ 30,666,923	\$ 30,078,538	\$ 22,191,596

SAN JUAN WATER DISTRICT

**Combining Schedule of Revenues, Expenditures,
and Changes in Net Position
Budget to Actual - Retail Capital**

Fiscal Year Ended June 30, 2024

	Actual	Final Budget	Variance with Final Budget
Operating Revenues:			
Other charges for services	\$ -	\$ 55,000	\$ (55,000)
Total Operating Revenues	-	55,000	(55,000)
Operating Expenses:			
Transmission and distribution	-	-	-
Total Operating Expenses	-	-	-
Net Income (Loss) from Operations	-	55,000	(55,000)
Non-Operating Revenues (Expenses):			
Tax assessments	1,448,469	1,403,600	44,869
Investment income (loss)	719,172	200,000	519,172
Other revenue	64,781	-	64,781
Issuance of bonds	3,345,186	12,895,000	(9,549,814)
Capital outlay	(6,784,519)	(25,107,100)	18,322,581
Total Non-Operating Revenues (Expenses)	(1,206,911)	(10,608,500)	9,401,589
Capital Contributions:			
Capital contributions and other capital revenue	1,270,147	100,000	1,170,147
Total Capital Contributions	1,270,147	100,000	1,170,147
Income (Loss) before Transfers	63,236	(10,453,500)	10,516,736
Transfers:			
Transfers in (out)	4,607,312	2,427,000	2,180,312
Total Transfers	4,607,312	2,427,000	2,180,312
Change in Net Position	4,670,548	(8,026,500)	12,697,048
Net position at beginning of year	<u>18,425,212</u>	<u>18,425,212</u>	<u>22,021,782</u>
Net position at end of year	<u>\$ 23,095,760</u>	<u>\$ 10,398,712</u>	<u>\$ 34,718,830</u>

SAN JUAN WATER DISTRICT

Statement of Cash Flows Wholesale Operating

Fiscal Year Ended June 30, 2024

Cash Flows from Operating Activities:	
Cash received from customers	\$ 13,124,364
Cash paid to suppliers for goods and services	(5,227,373)
Cash paid to employees for services	(3,003,994)
Net Cash Provided by (Used for) Operating Activities	<u>4,892,997</u>
 Cash Flows from Capital and Related Financing Activities:	
Payments from lease receivable	57,117
Proceeds from the sale of capital assets	30,602
Principal paid on capital debt	(1,374,696)
Interest paid on capital debt	(698,902)
Transfers to wholesale capital	
Net Cash Used for Capital and Related Financing Activities	<u>(1,985,879)</u>
 Cash Flows from Investing Activities:	
Investment income (loss)	302,056
Net Cash Flows Provided by Investing Activities	<u>302,056</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	3,209,174
 Cash and cash equivalents at beginning of year	<u>2,488,179</u>
 Cash and cash equivalents at end of year	\$ 5,697,353

(Continued)

SAN JUAN WATER DISTRICT

Statement of Cash Flows (Continued)
Wholesale Operating

Fiscal Year Ended June 30, 2024

Reconciliation of Operating Income to Net Cash

Provided (Used) by Operating Activities:

Operating income	\$ 295,065
Nonoperating expenses paid	(2,159)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	3,227,433
(Increase) decrease in accounts receivable	61,628
(Increase) decrease in prepaid expenses	107,204
(Increase) decrease in inventories	(1,609)
(Increase) decrease in deferred pension related outflows	1,081,261
(Increase) decrease in OPEB related deferred outflows	(476,408)
Increase (decrease) in accounts payable	(160,346)
Increase (decrease) in accrued liabilities	48,455
Increase (decrease) in deposits payable	(1,149)
Increase (decrease) in compensated absences	75,064
Increase (decrease) in deferred pension related inflows	(111,911)
Increase (decrease) in OPEB related deferred inflows	(36,472)
Increase (decrease) in net OPEB liability	458,634
Increase (decrease) in net pension liability	<u>328,307</u>

Net Cash Provided by Operating Activities

\$ 4,892,997

SAN JUAN WATER DISTRICT

**Statement of Cash Flows
Retail Operating**

Fiscal Year Ended June 30, 2024

Cash Flows from Operating Activities:

Cash received from customers	\$ 17,130,285
Cash paid to suppliers for goods and services	(8,394,285)
Cash paid to employees for services	(3,646,659)
Net Cash Provided by (Used for) Operating Activities	<u>5,089,341</u>

Cash Flows from Capital and Related Financing Activities:

Capital charges received	846,075
Payments from lease receivable	32,050
Acquisition and construction of capital assets	(769,672)
Proceeds from the sale of capital assets	13,070
Principal paid on capital debt	(774,352)
Interest paid on capital debt	(444,783)
Transfers to retail capital	(4,607,312)
Net Cash Used for Capital and Related Financing Activities	<u>(2,359,738)</u>

Cash Flows from Investing Activities

Investment income (loss)	<u>233,786</u>
Net Cash Provided by Investing Activities	<u>233,786</u>

Net Increase (Decrease) in Cash and Cash Equivalents 2,963,389

Cash and cash equivalents at beginning of year 924,059

Cash and cash equivalents at end of year \$ 495,159

(Continued)

SAN JUAN WATER DISTRICT

Statement of Cash Flows (Continued)
Retail Operating

Fiscal Year Ended June 30, 2024

Reconciliation of Operating Income to Net Cash

Provided (Used) by Operating Activities:

Operating income (loss)	\$ 1,881,306
Nonoperating expenses paid	(3,258)

Adjustments to reconcile operating income (loss)

to net cash provided (used) by operating activities:

Depreciation	1,645,435
(Increase) decrease in accounts receivable	(388,788)
(Increase) decrease in prepaid expenses	715
(Increase) decrease in inventories	(332,569)
(Increase) decrease in deferred pension related outflows	1,809,812
(Increase) decrease in OPEB related deferred outflows	(797,410)
Increase (decrease) in accounts payable	188,153
Increase (decrease) in accrued liabilities	37,405
Increase (decrease) in unearned revenues	5,422
Increase (decrease) in deposits payable	(69,948)
Increase (decrease) in compensated absences	44,252
Increase (decrease) in deferred pension related inflows	(187,316)
Increase (decrease) in OPEB related deferred inflows	(61,048)
Increase (decrease) in net OPEB liability	549,519
Increase (decrease) in net pension liability	<u>767,659</u>

Net Cash Provided by Operating Activities

\$ 5,089,341

Noncash Investing, Capital and Financing Activities:

Contributed assets	\$ 769,671
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SAN JUAN WATER DISTRICT

**Capital Asset Rollforward
Wholesale**

Fiscal Year Ended June 30, 2024

	<u>Balance at July 01, 2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance at June 30, 2024</u>
Capital Assets, not being Depreciated:					
Land	\$ 120,712	\$ -	\$ -	\$ -	\$ 120,712
Construction in progress	23,218,564	493,465	-	(22,932,822)	779,207
Total Capital Assets not being Depreciated	23,339,276	493,465	-	(22,932,822)	899,919
Capital Assets, not being Depreciated:					
Pipelines	28,130,035	-	-	-	28,130,035
Water treatment plant	42,026,258	13,591	-	39,970	42,079,819
Land improvements	1,289,061	3,750	-	-	1,292,811
Reservoirs	2,320,006	1,799,354	-	22,892,852	27,012,212
Pumping stations	7,047,178	-	-	-	7,047,178
Buildings	1,284,264	52,158	-	-	1,336,422
Vehicles and equipment	14,028,498	286,205	(121,124)	-	14,193,579
Software	932,011	-	-	-	932,011
Meters and endpoints	17,097	-	-	-	17,097
Subscription based technology arrangements	11,916	-	-	-	11,916
Total Capital Assets being Depreciated	97,086,324	2,155,058	(121,124)	22,932,822	122,053,080
Less Accumulated Depreciation:					
Pipelines	(11,295,163)	(706,714)	-	-	(12,001,877)
Water treatment plant	(19,753,181)	(1,019,551)	-	-	(20,772,732)
Land improvements	(679,111)	(24,364)	-	-	(703,475)
Reservoirs	(498,392)	(792,290)	-	-	(1,290,682)
Pumping stations	(3,995,703)	(206,588)	-	-	(4,202,291)
Buildings	(1,206,422)	(6,465)	-	-	(1,212,887)
Vehicles and equipment	(5,815,854)	(425,074)	119,461	-	(6,121,467)
Software	(477,498)	(40,055)	-	-	(517,553)
Meters and endpoints	(427)	(855)	-	-	(1,282)
Subscription based technology arrangements	(5,958)	(5,958)	-	-	(11,916)
Total Accumulated Depreciation	(43,727,709)	(3,227,914)	119,461	-	(46,836,162)
Total Capital Assets being Depreciated, net	53,358,615	(1,072,856)	(1,663)	22,932,822	75,216,918
Capital Assets, net	\$ 76,697,891	\$ (579,391)	\$ (1,663)	\$ -	\$ 76,116,837

SAN JUAN WATER DISTRICT

**Capital Asset Rollforward
Retail**

Fiscal Year Ended June 30, 2024

	Balance at July 01, 2023	Additions	Disposals	Transfers	Balance at June 30, 2024
Capital Assets, not being Depreciated:					
Land	\$ 166,272	\$ -	\$ -	\$ -	\$ 166,272
Construction in progress	4,789,876	1,622,552	-	(4,233,644)	2,178,784
Total Capital Assets not being Depreciated	4,956,148	1,622,552	-	(4,233,644)	2,345,056
Capital Assets, not being Depreciated:					
Pipelines	53,491,036	3,097,548	(360,433)	3,915,053	60,143,204
Water treatment plant	16,000	-	-	-	16,000
Land improvements	104,592	3,750	-	-	108,342
Reservoirs	2,492,422	-	-	-	2,492,422
Pumping stations	7,248,304	1,871,919	-	318,591	9,438,814
Buildings	280,354	24,490	-	-	304,844
Vehicles and equipment	2,196,182	195,502	(142,527)	-	2,249,157
Software	593,376	-	-	-	593,376
Meters and endpoints	362,377	738,429	-	-	1,100,806
Subscription based technology arrangements	35,748	-	-	-	35,748
Total Capital Assets being Depreciated	66,820,391	5,931,638	(502,960)	4,233,644	76,482,713
Less Accumulated Depreciation:					
Pipelines	(28,604,141)	(1,145,186)	360,433	-	(29,388,894)
Water treatment plant	(12,324)	(485)	-	-	(12,809)
Land improvements	(60,833)	(3,750)	-	-	(64,583)
Reservoirs	(1,313,505)	(32,532)	-	-	(1,346,037)
Pumping stations	(1,265,053)	(230,694)	-	-	(1,495,747)
Buildings	(78,965)	(13,059)	-	-	(92,024)
Vehicles and equipment	(1,273,927)	(130,909)	129,457	-	(1,275,379)
Software	(257,371)	(54,506)	-	-	(311,877)
Meters and endpoints	(235)	(15,959)	-	-	(16,194)
Subscription based technology arrangements	(17,874)	(17,874)	-	-	(35,748)
Total Accumulated Depreciation	(32,884,228)	(1,644,954)	489,890	<b">-</b">	(34,039,292)
Total Capital Assets being Depreciated, net	33,936,163	4,286,684	(13,070)	4,233,644	42,443,421
Capital Assets, net	\$ 38,892,311	\$ 5,909,236	\$ (13,070)	\$ -	\$ 44,788,477

STATISTICAL SECTION

STATISTICAL SECTION

This part of the San Juan Water District's annual comprehensive financial report presents all detailed information as context for understanding the information in the financial statements, note disclosures, and required supplementary information of the District's overall financial health.

Financial Trends 71-72

These schedules contain trend information to help the reader understand how the District's financial performance changed over time.

Revenue Capacity 73-78

These schedules contain information to help the reader assess the District's most significant local revenue sources: wholesale water rates, retail water rates and property taxes.

Debt Capacity 79-82

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information..... 83-84

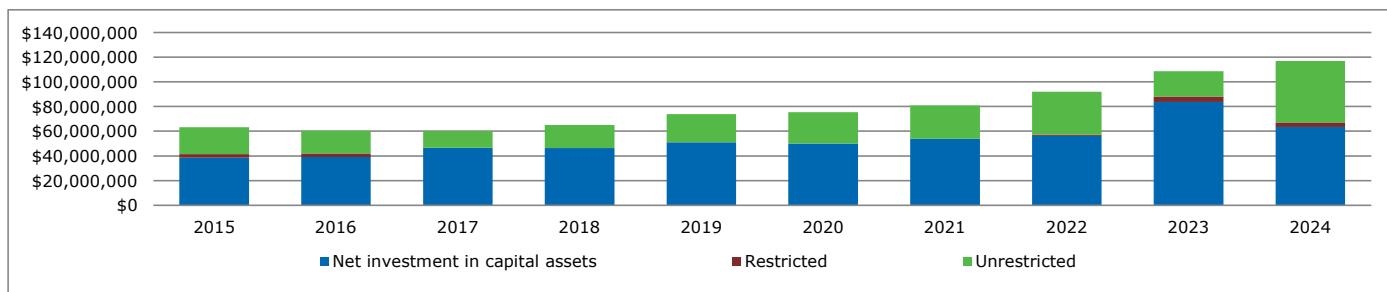
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 85-90

These schedules contain service and infrastructure data to help the reader understand how the District's financial report relates to the services the District provides and the activities it performs. Government Code Section 66013(d) and (e) Report is included in this section.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

San Juan Water District
Table 1: Net Position by Component
 (Accrual Basis of Accounting)



Fiscal Year Ending	2015	A	2016	B	2017	C	2018	B	2019	2020	2021	D	2022	2023	2024
Net Position:															
Net investment in capital assets	\$38,531,907		\$38,997,463		\$46,693,664		\$46,484,354		\$50,920,596		\$49,887,084		\$53,859,693		\$56,229,119
Restricted	2,911,577		2,912,921		-		-		-		-		1,026,250.00		4,329,966
Unrestricted	21,709,884		18,554,154		13,343,357		18,480,565		22,984,315		25,469,955		26,864,079		34,644,694
Total net position	\$63,153,368		\$60,464,538		\$60,037,021		\$64,964,919		\$73,904,911		\$75,357,039		\$80,723,772		\$91,900,063
															\$108,667,107
															\$116,835,110

Notes:

^A Restated to reflect capital asset and compensated absences prior year adjustments.

^B Restated for capital asset prior year adjustment.

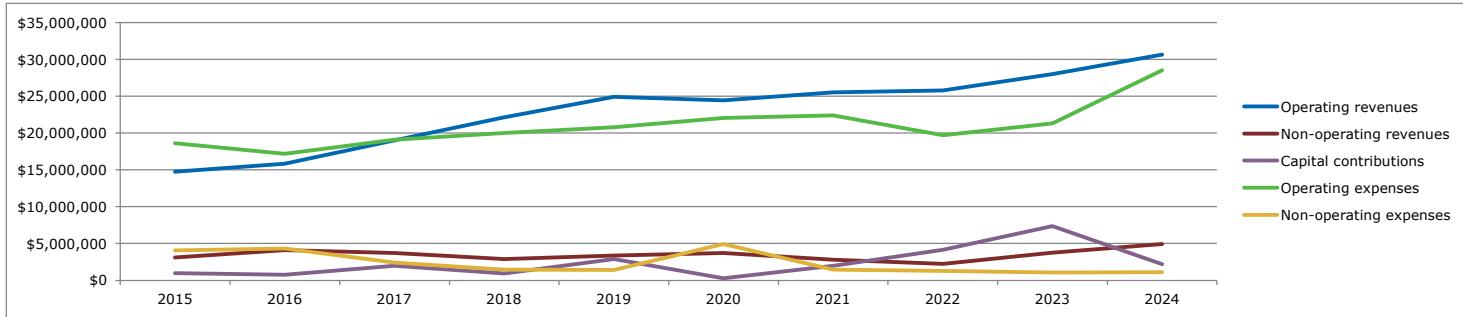
^C Restated to reflect the implementation of GASB Statement No. 75 for Postemployment Benefits Other Than Pensions (OPEB).

^D Restated to reflect change in calcultion of OPEB liability due to using the implied rate subsidy

Source: San Juan Water District Finance Department

San Juan Water District
Table 2: Changes in Net Position
(Accrual Basis of Accounting)

Fiscal Year Ending June 30	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Revenues:										
Water sales - wholesale	\$ 6,220,759	\$ 7,067,960	\$ 9,477,539	\$ 10,492,472	\$ 11,925,830	\$ 11,063,879	\$ 11,077,962	\$ 10,750,045	\$ 12,297,936	\$ 12,866,619
Water sales - retail	7,846,437	8,255,437	9,114,487	10,922,285	11,405,735	12,716,838	13,902,296	14,302,816	15,103,056	16,818,338
Water sales - out of service area	-	-	-	-	1,119,146	93,135	-	-	-	-
Other charges for services	666,965	499,150	421,579	740,184	458,560	548,179	534,464	730,921	600,234	964,050
Total Operating Revenue	14,734,161	15,822,547	19,013,605	22,154,941	24,909,271	24,422,031	25,514,722	25,783,782	28,001,226	30,649,007
Operating Expenses:										
Source of Supply:										
Water charged to retail service area	2,217,448	2,531,576	2,745,619	3,336,366	3,027,505	3,100,315	3,306,938	3,273,284	3,221,588	3,302,100
Placer County Water Agency	412,063	104,050	387,950	380,125	276,125	277,188	353,052	393,813	383,938	373,438
US. Bureau of Reclamation	150,152	59,704	3,477	-	2,661	-	-	-	-	209,600
Wheeling charges	138,380	50,516	174,778	71,073	127,370	136,597	327,872	256,484	248,799	107,987
Bureau pumping	108,540	76,289	104,679	92,266	95,556	93,687	96,506	87,817	183,610	52,756
Other public agencies	55,841	39,493	534,501	540,369	1,247,864	550,428	101,863	105,076	168,515	336,913
Administration and general	3,385,252	3,727,237	3,738,173	2,719,157	2,934,918	2,934,726	3,111,632	3,027,298	3,080,725	3,801,142
Water treatment	2,654,517	2,004,076	2,384,258	2,781,469	2,769,364	3,242,385	2,742,205	3,273,651	3,429,895	3,674,429
Transmission and distribution	3,435,411	2,530,756	2,827,356	3,133,490	3,474,927	3,746,886	4,049,269	4,182,100	4,543,970	4,431,892
Customer service	565,814	572,400	552,994	648,714	661,246	736,420	690,755	731,226	854,064	816,368
Pumping and telemetry	-	-	-	-	-	-	-	-	-	-
Engineering	451,288	603,427	603,842	662,812	810,128	725,636	896,033	731,305	870,265	904,489
Water efficiency	698,395	726,091	512,521	369,331	413,627	422,066	491,287	508,747	480,448	564,234
Depreciation and amortization	3,757,194	3,705,540	3,555,255	3,652,626	3,804,139	3,845,702	3,915,737	3,978,340	4,121,918	4,872,868
Retirement benefits (OPEB)	-	79,160	64,894	364,236	443,263	303,792	307,064	193,666	262,821	679,095
Pension expense (credit)	586,942	363,989	911,886	1,239,721	688,793	1,940,667	2,006,550	(1,041,377)	(533,211)	4,380,017
Total Operating Expenses	18,617,237	17,174,304	19,102,183	19,991,755	20,777,486	22,056,495	22,396,763	19,701,430	21,317,345	28,507,328
Operating Income (Loss)	(3,883,076)	(1,351,757)	(97,578)	2,527,123	4,131,785	2,365,536	3,117,959	6,082,352	6,683,881	2,141,679
Non-operating revenues: ^b										
Tax assessments	1,799,464	1,908,134	2,036,972	2,123,196	2,236,374	2,328,700	2,431,477	2,562,122	2,765,084	2,896,934
Investment income	147,684	217,332	123,079	107,104	654,311	811,433	143,967	(567,637)	751,194	1,754,878
Connections and annexations	1,020,687	-	399,703	397,668	207,520	380,793	-	-	-	-
Lease revenue	-	-	-	-	-	-	-	109,004	108,840	114,328
Other revenue	123,302	1,958,670	1,156,175	264,527	243,128	202,148	213,839	153,081	119,805	177,873
Total Non-Operating Revenues	3,091,137	4,084,136	3,715,929	2,892,495	3,341,333	3,723,074	2,789,283	2,256,570	3,744,923	4,944,013
Non-operating expenses:										
Interest expense	2,138,848	2,106,242	2,058,201	1,428,906	1,391,648	1,352,612	1,307,036	1,180,615	1,010,509	1,083,988
Other expense	1,896,793	2,193,027	328,943	9,112	8,005	63,499	159,282	107,730	38,993	5,409
Loss on disposal of capital assets	-	-	-	-	-	3,520,423	-	-	-	-
Total Non-Operating Expenses	4,035,641	4,299,269	2,387,144	1,438,018	1,399,653	4,936,534	1,466,318	1,288,345	1,049,502	1,089,397
Net Income (Loss) before Capital Contributions	(4,827,580)	(1,566,890)	1,231,207	3,981,600	6,073,465	1,152,076	4,440,924	7,050,577	9,379,302	5,996,295
Capital contributions: ^b										
Contributed assets	-	-	1,387,355	-	265,237	68,000	571,871	1,520,460	3,735,026	769,671
Capital charges and other capital revenue	959,849	762,439	600,311	946,298	2,601,290	232,052	1,420,305	2,605,254	3,652,716	1,402,037
Total Capital Contributions	959,849	762,439	1,987,666	946,298	2,866,527	300,052	1,992,176	4,125,714	7,387,742	2,171,708
Change in Net Position	\$ (3,867,731)	\$ (804,451)	\$ 3,218,873	\$ 4,927,898	\$ 8,939,992	\$ 1,452,128	\$ 6,433,100	\$ 11,176,291	\$ 16,767,044	\$ 8,168,003



Note:

^a Restated to reflect prior year adjustments.

^b Capital facilities fees are included in Capital contributions beginning in Fiscal Year Ending June 30, 2020. Prior to this fiscal year they were included in Non-operating revenues.

Source: San Juan Water District Finance Department

San Juan Water District

Table 3: Wholesale Water Rates and Connection Fees

Last Ten Years Effective January 1st

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Uniform Commodity Rate (UCR):										
San Juan Water District Retail	\$ 89.17	\$ 102.02	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 52.96
Citrus Heights Water District	89.17	102.02	81.14	81.14	81.14	81.14	81.14	81.14	81.14	52.96
Fair Oaks Water Company	89.17	102.02	81.14	81.14	81.14	81.14	81.14	81.14	81.14	52.96
Orange Vale Water Company	89.17	102.02	81.14	81.14	81.14	81.14	81.14	81.14	81.14	52.96
City of Folsom	89.17	102.02	81.14	81.14	81.14	81.14	81.14	81.14	81.14	52.96
Annual Service Charge:										
San Juan Water District Retail	\$ 440,965	\$ 505,258	\$ 1,114,644	\$ 1,359,660	\$ 1,635,696	\$ 2,049,400	\$ 2,264,755	\$ 2,311,268	\$ 2,315,233	\$ 2,581,100
Citrus Heights Water District	462,858	530,343	1,142,268	1,393,352	1,676,228	1,951,068	2,163,289	2,125,215	2,134,283	2,322,900
Fair Oaks Water Company	356,683	408,687	855,824	1,043,948	1,255,888	1,391,644	1,502,009	1,483,977	1,467,966	1,690,900
Orange Vale Water Company	156,402	179,205	394,248	480,908	578,540	688,408	747,996	755,610	758,942	859,700
City of Folsom	44,925	51,475	113,664	138,652	166,800	206,256	222,934	224,914	224,559	254,900
Annual Debt Service Charge: ^A										
San Juan Water District Retail	\$ 447,679	\$ 613,811	\$ 613,752	\$ 613,804	\$ 505,084	\$ 540,568	\$ 535,680	\$ 535,680	\$ 535,680	\$ 94,500
Citrus Heights Water District	673,415	672,833	672,804	672,752	556,964	514,632	502,200	502,200	502,200	83,800
Fair Oaks Water Company	443,957	443,513	443,452	443,404	371,316	367,072	385,020	385,020	385,020	61,100
Orange Vale Water Company	192,041	191,922	191,952	191,952	155,584	181,580	184,140	184,140	184,140	31,200
City of Folsom	142,591	142,283	142,156	141,952	118,468	140,204	136,172	136,172	124,128	88,200
Capital Facilities Charge: ^B										
San Juan Water District Retail	\$ 458,635	\$ 493,158	\$ 426,660	\$ 34,524	\$ 34,524	\$ 34,524	-	-	-	-
Citrus Heights Water District	-	-	-	-	-	-	-	-	-	-
Fair Oaks Water Company	-	-	-	-	-	-	-	-	-	-
Orange Vale Water Company	210,270	219,447	219,448	9,176	9,176	9,176	-	-	-	-
City of Folsom	71,595	71,595	71,596	-	-	-	-	-	-	-
Capital Facilities Fees: ^C										
Up to 1" Meter	\$ 381	\$ 391	\$ 400	\$ 412	\$ 1,186	\$ 1,216	\$ 1,233	\$ 1,313	\$ 1,388	\$ 1,423
1" Meter	633	650	665	686	1,186	1,216	1,233	1,313	1,388	1,423
1 1/2" Meter	1,269	1,303	1,333	1,374	2,371	2,430	2,464	2,624	2,773	2,844
2" Meter	2,029	2,083	2,131	2,197	3,794	3,889	3,943	4,199	4,438	4,551
3" Meter	4,055	4,164	4,260	4,392	7,589	7,779	7,888	8,400	8,877	9,103
4" Meter	6,339	6,509	6,659	6,865	11,857	12,153	12,323	13,124	13,869	14,223
6" Meter	15,845	16,270	16,644	17,160	29,643	30,384	30,809	32,811	34,675	35,559
8" Meter	22,818	23,430	23,969	24,712	42,686	43,753	44,366	47,249	49,933	51,206
10" Meter	36,763	37,748	38,616	39,813	68,772	70,491	71,478	76,124	80,448	82,499
12" Meter	54,511	55,972	57,259	59,034	101,973	104,522	105,985	112,874	119,285	122,327

Notes:

^A Board Approved Rate for Debt originally planned to be issued in 2019. Debt fully issued as of January 1, 2024 and assessed to customers.

^B The Capital Facilities Charge was implemented in 2015.

^C Capital Facilities Fees in 2019 were effective on February 26, 2019.

Source: San Juan Water District Finance Department

San Juan Water District
Table 4: Retail Water Rates and Connection Fees
Last Ten Years Effective January 1

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Commodity Rate per 100 CCF: ^{A,B,C}										
Uniform Rate	\$ 0.80	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.99	\$ 0.99
Residential										
0 to 20 ccf	-	-	-	-	-	-	-	-	-	-
21 to 200 ccf	-	-	-	-	-	-	-	-	-	-
201+ ccf	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-	-	-
Daily Base Charge (fixed based on meter size): ^A										
Up to 1"	\$ 1.08	\$ 1.24	\$ 1.42	\$ 1.63	\$ 1.83	\$ 2.05	\$ 2.23	\$ 2.50	\$ 2.70	\$ 2.70
1 1/2"	2.88	3.31	3.68	4.22	4.75	5.32	5.78	6.30	6.80	6.80
2"	4.59	5.28	5.58	6.72	7.56	8.47	9.20	9.95	10.75	10.75
3"	9.13	10.50	10.90	12.51	14.07	15.76	17.13	18.46	19.94	19.94
4"	14.23	16.36	18.12	20.80	23.40	26.21	28.48	30.62	33.07	33.07
6"	28.46	32.73	36.18	41.54	46.73	52.34	56.88	61.03	65.91	65.91
8"	51.16	58.83	57.85	66.42	74.72	83.68	90.94	97.51	105.31	105.31
10"	82.39	94.75	N/A							
12"	122.16	140.48	N/A							
Fire District	5.53	6.36	7.28	8.36	N/A	10.53	11.44	11.44	11.44	11.44
Daily Base Charge for Private Fire Lines (fixed based on meter size): ^A										
4"	\$ 0.47	\$ 0.53	\$ 0.57	\$ 0.62	\$ 0.68	\$ 0.74	\$ 0.78	\$ 1.03	\$ 1.06	\$ 1.06
6"	0.70	0.78	0.84	0.92	1.00	1.09	1.16	1.20	1.24	1.24
8"	0.95	1.05	1.14	1.24	1.35	1.47	1.56	1.34	1.38	1.38
10"	1.12	1.26	1.36	1.48	1.61	1.75	1.86	1.46	1.50	1.50
12"	N/A	1.60	1.65	1.65						
Capital Facilities Fees (see Table 3: Wholesale Rates for additional fees): ^D										
Up to 1" Meter	\$ 14,521	\$ 14,910	\$ 15,253	\$ 15,726	\$ 15,726	\$ 15,726	\$ 15,726	\$ 16,084	\$ 16,998	\$ 16,998
1 1/2" Meter	29,042	29,820	30,506	31,452	31,452	31,452	31,452	32,168	33,995	33,995
2" Meter	46,468	47,713	48,810	50,323	50,323	50,323	50,323	51,469	54,392	54,392
3" Meter	92,936	95,427	97,622	100,648	100,648	100,648	100,648	102,938	108,785	108,785
4" Meter	144,224	148,089	151,495	156,191	156,191	156,191	156,191	160,840	169,976	169,976
6" Meter	290,426	298,209	305,068	314,525	314,525	314,525	314,525	321,680	339,951	339,951
8" Meter	522,778	536,788	549,134	566,157	566,157	566,157	566,157	579,025	611,914	611,914
10" Meter	842,252	864,824	884,715	912,141	912,141	912,141	912,141	932,873	985,860	985,860
12" Meter	1,248,856	1,282,325	1,311,819	1,352,485	1,352,485	1,352,485	1,352,485	1,383,226	1,461,793	1,461,793

Notes:

^A The 2015 rates were amended February 1, 2015.

^B Beginning February 1, 2015 the tiered rate structure was replaced with a uniform rate.

^C A 10% drought surcharge on the volumetric rate was implemented on June 1, 2015 and removed April 1, 2016.

^D 2019 Capital Facilities Fees were effective on February 26, 2019.

Source: San Juan Water District Finance Department
San Juan Water District Customer Service Department

San Juan Water District
Table 5: Retail Metered Water Sales by Type
Last Ten Fiscal Years

Fiscal Year		Residential	Commercial	Total Water Sales	Total Water Deliveries (CCF)
2015	\$	6,661,233.00	\$ 1,185,368.00	7,846,601.00	4,414,012.00
2016		7,196,801.00	1,058,636.00	8,255,437.00	4,717,454.00
2017		7,952,605.00	1,161,882.00	9,114,487.00	4,663,318.16
2018		9,533,094.98	1,389,190.32	10,922,285.30	4,990,169.87
2019		9,960,544.00	1,445,191.00	11,405,735.00	4,732,317.04
2020		11,120,000.00	1,596,838.00	12,716,838.00	5,152,696.22
2021		12,158,447.00	1,743,849.00	13,902,296.00	5,297,359.00
2022		12,511,345.27	1,791,470.11	14,302,815.38	4,762,930.50
2023		13,220,308.08	1,882,747.09	15,103,055.17	4,392,281.00
2024		14,736,822.02	2,081,516.16	16,818,338.18	4,504,170.00

Sources: *San Juan Water District Finance Department (revenue)*
San Juan Water District Water Treatment Department (water deliveries) through Fiscal Year 2020
San Juan Water District Customer Service Department (water deliveries) beginning Fiscal Year 2021

San Juan Water District
Table 6: Ten Largest Retail Customers
 Current Year and Nine Years Ago

Customers	Fiscal Year					
	2024			2015		
	Total Revenue	Rank	Percentage of Revenue	Total Revenue	Rank	Percentage of Revenue
Eureka Union School District/Cavitt Jr. High	\$ 76,383	1	0.51%	\$ 42,338	1	0.54%
San Juan Unified School District	64,989	2	0.43%	28,096	2	0.36%
Roseville Joint Union High School	51,036	3	0.34%	27,847	3	0.35%
Parkway Committee	25,955	4	0.17%			
Bushnells Landscape Creations	20,374	5	0.13%	10,846	7	0.14%
Granite Bay Office LLC	19,125	6	0.13%	10,196	8	0.13%
City of Roseville	17,422	7	0.12%			
City of Folsom	16,525	8	0.11%	11,009	6	0.14%
Placer County Department of Facility Services	16,232	9	0.11%	11,307	5	0.14%
Granite Bay Estates Mhc LLC	14,842	10	0.10%	8,618	10	0.11%
Rolling Greens Estates LLC				14,809	4	0.19%
Bayside Covenant Church				9,340	9	0.12%
Total	\$ 322,884		2.14%	\$ 174,406		2.22%
Total Customer Revenue ^A	\$ 15,103,055			\$ 7,846,601		

Note:

^A Total Customer Revenue includes the District's total commercial and residential retail revenue.

Source: San Juan Water District Customer Service Department

San Juan Water District
Table 7: Principal Property Taxpayers (Top 20)
 Current Year and Nine Years Ago

Taxpayer	Primary Land Use	Fiscal Year			
		2024		2015	
		Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Montage Apartments Prop Owner LLC	Apartments	\$ 84,199,375	0.33%		
Birdcage GRF2 LLC	Shopping Center	71,381,382	0.28%		
Ethan Conrad	Shopping Center	59,027,235	0.23%		
Rollingwood Commons Apartments LLC	Apartments	51,710,212	0.20%	\$ 34,922,165	0.21%
MG Atwood Apartments RIA LLC	Apartments	50,393,496	0.20%		
Madison Hills Property Owner LLC	Apartments	46,593,709	0.18%		
Mitchell/Sippola LP	Shopping Center	44,486,342	0.17%		
AU Zone Madison LLC/NMC Madison Market	Shopping Center	36,866,810	0.14%		
Gallery Park LLC/Westfal LLC	Apartments	34,889,238	0.14%		
Wal Mart Real Estate Business Trust	Commercial	34,425,988	0.13%	\$ 29,723,954	0.18%
HSRE Oakmont Fair Oaks LLC	Assisted Living Facility	33,797,188	0.13%		
Wellquest Granite Bay LLC	Assisted Living Facility	33,513,792	0.13%		
Almond Heights EAT LLC	Assisted Living Facility	31,353,972	0.12%		
Sacto Fair Oaks Blvd. Apts. LP	Apartments	30,820,382	0.12%	\$ 23,828,398	0.15%
MGP XII Sunrise Village LLC	Commercial	29,632,795	0.12%		
Marshall Field Stores Inc.	Commercial	28,773,975	0.11%	\$ 23,555,598	0.14%
Fair Oaks Fountains LLC	Apartments	28,486,310	0.11%		
EXR PR Folsom LLC	Industrial	28,327,140	0.11%		
Wedgewood Commons Apartments LLC	Apartments	27,678,748	0.11%		
Spring Creek Apartments LP	Apartments	27,316,567	0.11%		
Steadfast Sunrise I LLC	Commercial			\$ 84,881,125	0.52%
FAOF Oak Creak LLC	Apartments			\$ 52,433,753	0.32%
MP Birdcage Marketplace LLC	Shopping Center			\$ 49,660,040	0.30%
The Realty Associates Fund VIII LP	Shopping Center			\$ 34,981,401	0.21%
Grove at Sunrise LLC	Apartments			\$ 29,802,025	0.18%
PK I Cable Park LP	Commercial			\$ 22,992,641	0.14%
Costco Wholesale Corporation	Commercial			\$ 21,941,765	0.13%
PK II Country Gables SC LP	Shopping Center			\$ 21,155,752	0.13%
Madison & Sunrise Associates LLC	Commercial			\$ 20,721,784	0.13%
Salishan Apartments LP	Apartments			\$ 20,021,112	0.12%
Lowes HIW Inc.	Commercial			\$ 19,908,845	0.12%
Placer Partners LLC	Commercial			\$ 19,525,578	0.12%
Fair Oaks Promenade LLC	Apartments			\$ 19,261,465	0.12%
Hunting Square Limited LP	Apartments			\$ 19,070,302	0.12%
Lake Point LLC	Apartments			\$ 18,714,117	0.11%
Orangevale Partners LLC	Apartments			\$ 17,793,369	0.11%
Total		\$ 813,674,656	3.19%	\$ 584,895,189	3.56%
2023-2024 Total Secured Assessed Valuation:		\$ 25,538,172,368			
2014-2015 Total Secured Assessed Valuation:				\$ 16,414,070,048	

Source: California Municipal Statistics, Inc

San Juan Water District

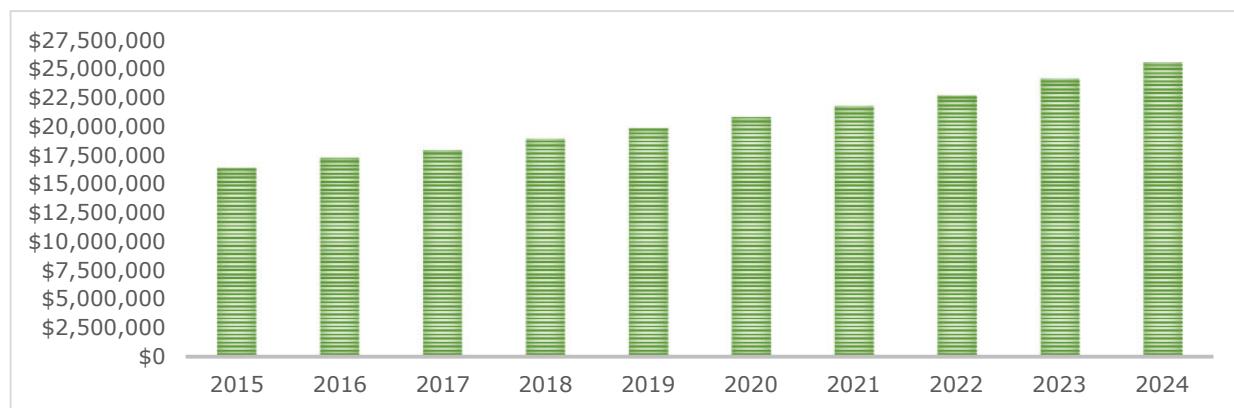
Table 8: Assessed Actual Value of Taxable Property

(Accrual Basis of Accounting)

Last Ten Fiscal Years

(in thousands of dollars)

Fiscal Year	Secured Assessed Value	Unsecured Assessed Value	Total Assessed Value	Total Property Tax Revenue	Total Direct Tax Rate
2015	\$ 16,414,070	\$ 223,352	\$ 16,637,422	\$ 1,798	0.011%
2016	17,262,244	216,199	17,478,443	1,908	0.011%
2017	17,928,033	216,351	18,144,384	2,037	0.011%
2018	18,906,931	211,559	19,118,490	2,123	0.011%
2019	19,830,731	220,445	20,051,176	2,236	0.011%
2020	20,790,779	231,301	21,022,080	2,329	0.011%
2021	21,721,381	236,016	21,957,397	2,431	0.011%
2022	22,670,249	236,610	22,906,859	2,562	0.011%
2023	24,133,612	275,567	24,409,179	2,765	0.011%
2024	25,538,172	284,807	25,822,979	2,897	0.011%



Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Sources: County of Sacramento and County of Placer (Fiscal Years 2011-2012 through 2014-2015)
 California Municipal Statistics, Inc. (Fiscal Year 2015-2016 through current)
 San Juan Water District Finance Department (revenue - all years)

San Juan Water District
Table 9: Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	2017 Revenue Refunding Bonds	Certificates of Participation	Economic Development Admin Loan	2022 Refunding Loan	Hinkle Reservoir Rehabilitation Loan	Eureka Pipeline Loan	SBITA	Unamortized Premiums	Total Debt	Percentage of Personal Income	Debt Per Capita ^A
2015	\$ 11,475,000	\$ 29,255,000	\$ 55,159	\$ -	\$ -	\$ 1,435,162	\$ 42,220,321	48.24%	278.63		
2016	11,035,000	28,825,000	27,826	-	-	-	-	1,312,829	41,200,655	45.52%	269.97
2017	36,710,000	-	-	-	-	-	-	3,217,870	39,927,870	41.32%	259.78
2018	35,300,000	-	-	-	-	-	-	3,013,568	38,313,568	35.74%	247.53
2019	34,250,000	-	-	-	-	-	-	2,812,806	37,062,806	32.73%	237.79
2020	33,165,000	-	-	-	-	-	-	2,615,939	35,780,939	29.81%	236.43
2021	32,030,000	-	-	-	-	-	-	2,424,194	34,454,194	26.02%	226.82
2022	22,795,000	-	-	8,152,537	-	-	-	1,740,867	32,688,404	24.82%	214.40
2023	22,140,000	-	-	8,152,537	846,424	-	24,213	1,635,886	32,799,060	23.55%	214.33
2024	21,460,000	-	-	6,670,292	22,865,492	3,345,186	-	1,530,906	55,871,876	#N/A	363.74

^A The total population used to calculate the Debt Per Capita for Fiscal Year 2020 double counted the retail population. The Debt Per Capita has been updated using the correct population for that fiscal year.

Note: Details regarding the District's debt can be found in the notes to the financial statements.

Source: San Juan Water District Finance Department

San Juan Water District
Table 10: Computation of Direct and Overlapping Bonded Debt
June 30, 2024

2023-2024 Assessed Valuation:

	\$	25,822,979,126		
	Total Debt 06/30/24	Percent Applicable ^A	\$	District's Share of Debt 06/30/24
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT				
Los Rios Community College District	\$ 399,905,000	7.154%	\$	28,609,204
Sierra Joint Community College District School Facilities Improvement District No. 4	201,485,000	7.475%		15,061,004
Folsom-Cordova Unified School District School Facilities Improvement District No. 2	10,102,054	8.953%		904,437
Folsom-Cordova Unified School District School Facilities Improvement District No. 5	176,155,000	10.102%		17,795,178
San Juan Unified School District	726,020,411	36.851%		267,545,782
Placer Union High School District	16,942,325	4.043%		684,978
Placer Union High School District School Facilities Improvement District No. 2	37,930,000	10.943%		4,150,680
Roseville Joint Union High School District	97,157,578	15.014%		14,587,239
Loomis Union School District	100,000	14.351%		14,351
Roseville City School District	7,780,272	0.560%		43,570
Carmichael Park and Recreation District	10,000,000	9.130%		913,000
Fair Oaks Recreation and Park District	24,725,058	98.923%		24,458,769
California Municipal Finance Authority Community Facilities District No. 2019-6	607,000	100.000%		607,000
California Municipal Finance Authority Community Facilities District No. 2020-8	2,795,000	100.000%		2,795,000
California Municipal Finance Authority Community Facilities District No. 2021-15	8,765,000	100.000%		8,765,000
California Municipal Finance Authority Community Facilities District No. 2022-3	3,085,000	100.000%		3,085,000
California Municipal Finance Authority Community Facilities District No. 2022-14	2,705,000	100.000%		2,705,000
Roseville Placer Valley Sports Complex and Tourism Marketing Assessment District	28,770,000	2.042%		587,483
California Statewide Community Development Authority Obligations	10,756,272	100.000%		10,756,272
San Juan Water District	55,871,876	100.000%		55,871,876
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	\$ 1,821,657,846		\$	459,940,823
OVERLAPPING GENERAL FUND DEBT				
Sacramento County General Fund Obligations	\$ 104,675,553	8.590%	\$	8,991,630
Sacramento County Pension Obligation Bonds	433,295,000	8.590%		37,220,041
Sacramento County Board of Education Certificates of Participation	1,645,000	8.590%		141,306
Placer County General Fund Obligations	77,190,000	6.473%		4,996,509
Sierra Joint Community College District Certificates of Participation	406,000	4.962%		20,146
Roseville Joint Union High School District Certificates of Participation	59,375,000	15.014%		8,914,563
Eureka Union School District Certificates of Participation	1,625,000	73.641%		1,196,666
Roseville City School District Certificates of Participation	5,543,819	0.560%		31,045
City of Folsom Certificates of Participation	622,815	10.226%		63,689
City of Roseville Certificates of Participation	14,209,093	2.042%		290,150
Sacramento Metropolitan Fire District Certificates of Participation	7,277,000	19.108%		1,390,489
Sacramento Metropolitan Fire District Pension Obligation Bonds	22,935,000	19.108%		4,382,420
South Placer Fire Protection District Certificates of Participation	4,350,000	61.460%		2,673,510
Orangevale Recreation and Park District Certificates of Participation	823,000	99.957%		822,646
Sunrise Recreation and Park District Certificates of Participation	4,600,000	37.244%		1,713,224
Placer Mosquito and Vector Control District General Fund Obligations	1,566,000	6.473%		101,367
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT	\$ 740,138,280		\$	72,949,401
Less: Sacramento County supported obligations				950,102
TOTAL NET OVERLAPPING GENERAL FUND DEBT			\$	71,999,299
TOTAL DIRECT DEBT			\$	55,871,876
TOTAL GROSS OVERLAPPING DEBT			\$	477,018,348
TOTAL NET OVERLAPPING DEBT			\$	476,068,246
GROSS COMBINED TOTAL DEBT ^B			\$	477,018,348
NET COMBINED TOTAL DEBT			\$	476,068,246

Ratios to 2023-24 Assessed Valuation:

Direct Debt	0.22%
Total Direct and Overlapping Tax and Assessment Debt	1.78%
Gross Combined Total Debt	1.85%
Net Combined Total Debt	1.84%

Notes:

^A The percentage of overlapping debt applicable to the water district is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the water district divided by the overlapping district's total taxable assessed value.

^B Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.
San Juan Water District Finance Department

San Juan Water District

Table 11: Ratio of Annual Debt Service Expenses for All Debt to Total General Expenses

Last Ten Fiscal Years

Fiscal Year	Principal	Interest ^A	Total Debt Service	Total General Expenses ^B	Ratio of Debt Service to Total General Expenses
2015	\$ 861,031	\$ 2,246,935	\$ 3,107,966	\$ 15,709,068	20.67%
2016	897,333	2,214,358	3,111,691	19,367,331	16.07%
2017	927,826	2,150,429	3,078,255	19,440,126	15.83%
2018	1,410,000	1,525,956	2,935,956	20,000,867	14.68%
2019	1,050,000	1,486,081	2,536,081	20,785,491	12.20%
2020	1,085,000	1,444,171	2,529,171	25,640,417	9.86%
2021	1,135,000	1,394,812	2,529,812	22,556,045	11.22%
2022	1,185,001	1,234,680	2,419,681	19,809,160	12.21%
2023	1,385,665	1,044,369	2,430,034	21,356,338	11.38%
2024	1,479,244	1,125,425	2,604,669	28,512,751	9.14%

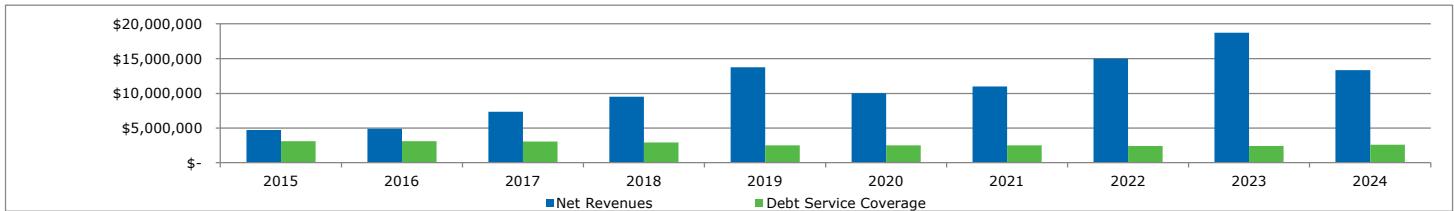
Notes:

^A Interest is the fiscal year interest expense less amortization expense.

^B Total general expenses are total expenses excluding interest expense. Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Source: San Juan Water District Finance Department

San Juan Water District
Table 12: Debt Service Coverage
Last Ten Fiscal Years



	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Retail Water Sales	\$ 7,846,437	\$ 8,255,437	\$ 9,114,487	\$ 10,922,285	\$ 11,405,735	\$ 12,716,838	\$ 13,902,296	\$ 14,302,815	\$ 15,103,055	\$ 16,818,338
Wholesale Water Sales	6,379,883	7,067,960	9,477,539	10,492,472	13,044,976	11,157,014	11,077,962	10,750,044	12,297,936	12,866,619
Capital Charges/Other Contributions ^A							1,420,305	2,605,254	-	-
Capital Contributions ^B	959,849	762,439	600,311	946,298	2,601,290	232,052	-	-	4,564,516	1,402,037
Connections/Annexations	1,020,687	657,865	399,703	397,668	207,520	380,793	-	-	-	-
Property Tax Revenue	1,799,464	1,908,134	2,036,972	2,123,196	2,236,374	2,328,700	2,431,477	2,562,122	2,765,083	2,896,935
Investment Income	147,684	217,332	123,079	107,104	654,311	811,433	143,967	(567,635)	751,196	1,754,878
Other	790,267	1,799,955	1,577,754	1,004,711	701,688	750,327	748,303	1,292,132	831,410	1,256,249
Total	\$ 18,944,271	\$ 20,669,122	\$ 23,329,845	\$ 25,993,734	\$ 30,851,894	\$ 28,377,157	\$ 29,724,310	\$ 30,944,732	\$ 36,313,196	\$ 36,995,055
Operation & Maintenance Costs										
Source of Supply	\$ 3,082,424	\$ 2,861,628	\$ 3,960,004	\$ 4,420,199	\$ 4,777,081	\$ 4,158,215	\$ 4,186,231	\$ 4,116,474	\$ 5,118,248	\$ 4,382,793
Transmission/Distribution	2,671,982	2,530,756	2,827,356	3,133,490	3,474,927	3,746,886	4,049,269	4,182,101	4,574,710	4,431,889
Water Treatment	2,147,336	2,004,076	2,384,261	2,781,469	2,769,364	3,242,385	2,742,205	3,273,649	3,399,152	3,674,430
Administration/General	3,301,971	3,277,237	3,738,168	2,719,157	2,934,918	2,934,726	3,111,632	3,027,296	3,080,727	3,801,136
Customer Service	540,731	572,400	552,993	648,714	661,246	736,420	690,755	731,227	854,064	816,368
Water Efficiency	682,311	726,091	512,520	369,331	413,627	725,636	491,287	508,745	480,448	564,234
Engineering	432,701	603,427	603,841	662,812	810,128	422,066	896,033	731,306	870,266	904,503
Pumping and Telemetry ^c	-	-	-	-	-	-	-	-	-	-
Retirement/Pension	586,942	443,149	976,780	1,603,957	1,132,056	2,244,459	2,313,614	(847,715)	(931,186)	5,059,114
Other	765,647	2,299,092	421,171	106,159	102,438	149,816	247,059	187,528	131,867	29,136
Total	\$ 14,212,045	\$ 15,767,856	\$ 15,977,094	\$ 16,445,288	\$ 17,075,785	\$ 18,360,609	\$ 18,728,085	\$ 15,910,611	\$ 17,578,296	\$ 23,663,601
Net Revenues	\$ 4,732,226	\$ 4,901,266	\$ 7,352,751	\$ 9,548,446	\$ 13,776,109	\$ 10,016,548	\$ 10,996,225	\$ 15,034,121	\$ 18,734,899	\$ 13,331,453
Debt Service										
2022 Refunding Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,369	\$ 840,100	\$ 896,390
2017 Bonds ^D	-	-	23,181	1,971,722	1,569,996	1,567,063	1,563,329	1,563,713	1,564,460	1,561,921
2012 Bonds	971,800	979,200	968,500	964,234	966,085	962,108	966,483	800,599	-	-
2009 COPs ^D	2,106,075	2,102,400	2,057,650	-	-	-	-	-	-	-
2003 COPs	-	-	-	-	-	-	-	-	-	-
EDA Loan	30,091	30,091	28,924	-	-	-	-	-	-	-
2012 COP	-	-	-	-	-	-	-	-	21	-
SBITA (ESRI)	-	-	-	-	-	-	-	-	25,000	25,000
Eureka SRF Loan	-	-	-	-	-	-	-	-	-	10,978
Hinkle SRF Loan	-	-	-	-	-	-	-	-	473	130,325
Total	\$ 3,107,966	\$ 3,111,691	\$ 3,078,255	\$ 2,935,956	\$ 2,536,081	\$ 2,529,171	\$ 2,529,812	\$ 2,419,681	\$ 2,430,055	\$ 2,624,612
Debt Service Coverage	1.52	1.58	2.39	3.25	5.43	3.96	4.35	6.21	7.71	5.08

Notes:

^A Capital Contributions and Other Contributions as of Fiscal Year 2020 includes Connections/Annexations (Capital Facilities Fees) and Capital Contributions, but excludes capital asset contributions (donations).

^B Capital Contributions excludes capital asset contributions (donations).

^C Beginning in Fiscal Year 2014-2015, Pumping and Telemetry is split between Water Treatment and Transmission and Distribution.

^D The 2009 COP Bonds were refunded in June 2017 by the 2017 Bonds.

Source: San Juan Water District Finance & Administrative Services Department

San Juan Water District

Table 13: Principal Employers for Counties Served

Current Year and Seven Years Ago

County of Sacramento Employer ^A	Fiscal Year					
	2024		2017		Number of Employees	Percentage of Total Employed
	Number of Employees	Rank	Number of Employees	Rank		
State of California	113,610	1	16.27%	74,462	1	11.34%
UC Davis Health	16,075	2	2.30%	10,467	4	1.59%
Sacramento County	13,611	3	1.95%	12,514	2	1.91%
Kaiser Permanente	11,856	4	1.70%	10,517	3	1.60%
U.S. Government	10,699	5	1.53%	10,322	5	1.57%
Sutter Health	10,129	6	1.45%	9,911	6	1.51%
Dignity Health	7,353	7	1.05%	8,039	7	1.22%
San Juan Unified School District	5,346	8	0.77%			
Intel Corporation	4,300	9	0.62%	6,000	8	0.91%
Los Rios Community College District	3,366	10	0.48%			
Apple Inc.				5,000	9	0.76%
Elk Grove Unified School District				4,620	10	0.70%
City of Sacramento						
Total	196,345		28.12%	151,852		23.13%
Total Employed in Sacramento County	698,300			656,400		

County of Placer Employer ^A	Fiscal Year					
	2024		2017		Number of Employees	Percentage of Total Employed
	Number of Employees	Rank	Number of Employees	Rank		
Sutter Health	6,672	1	3.56%	5,634	1	3.29%
Kaiser Permanente	6,094	2	3.25%	5,609	2	3.27%
Placer County	2,669	3	1.42%	2,898	3	1.69%
Thunder Valley Casino Resort	2,400	4	1.28%	2,500	4	1.46%
Sierra Joint Community College District	1,900	5	1.01%			
Roseville City School District	1,783	6	0.95%			
City of Roseville	1,386	7	0.74%	1,146	9	0.67%
Palisades Tahoe	1,321	8	0.71%			
Safeway, Inc.	1,217	9	0.65%	1,169	7	0.68%
Pacific Gas and Electric Co.	1,120	10	0.60%			
Hewlett-Packard Co.				2,000	5	1.17%
PRIDE Industries, Inc.				1,446	6	0.84%
Squaw Valley Alpine Meadows				1,161	8	0.68%
Union Pacific Railroad				1,091	10	0.64%
Total	26,562		14.18%	24,654		14.38%
Total Employed in Placer County	187,300			171,400		

^A Information is not available specific to San Juan Water District service area, so counties served are shown.

Sources: *Sacramento Business Journal July 05, 2024 / updated Nov 05, 2024*
Sacramento Business Journal 2017
California Employment Development Department

San Juan Water District
Table 14: Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Wholesale Population ^A	Retail Population ^A	Total Personal Income ^B	Per Capita Personal Income ^{B,C}	Unemployment Rate ^B
2015	151,531	29,452	87,513,638	57,753	5.78%
2016	152,614	29,578	90,506,232	59,304	5.61%
2017	153,697	29,704	96,641,943	62,878	4.62%
2018	154,781	29,830	107,192,168	69,254	4.08%
2019	155,865	29,957	113,234,951	72,649	3.74%
2020	151,341	29,680	120,033,390	79,313	13.06%
2021	151,903	29,712	132,411,997	87,169	7.05%
2022	152,468	29,744	131,688,105	86,371	3.66%
2023	153,034	29,776	139,258,474	90,998	4.37%
2024	153,603	29,808	Not yet available		4.67%

Note:

Beginning with Fiscal Year 2015, the population is based on the 2015 Urban Water Management Plan, which includes a new calculation methodology from the Department of Water Resources.

Beginning in Fiscal Year 2020, the population is based on the 2020 Urban Water Management Plan, which includes a new calculation methodology from the Department of Water Resources. Fiscal Year 2020 has been adjusted to actual numbers based on the plan.

^A Retail Population is included in the Wholesale Population.

^B Total Personal Income, Per Capita Personal Income and the Unemployment Rate are not available for the District's specific service area, so it includes totals for both Sacramento and Placer Counties.

^C Per Capita Personal Income calculation was adjusted for all years to use the Wholesale Population. The previous calculation included the Wholesale Population plus Retail Population, which resulted in the double counting of the Retail Population.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis (total personal income)
San Juan Water District Urban Management Plan (population)
California Employment Development Department (unemployment rate)

San Juan Water District
Table 15: Staffing - Certificates - Licenses by Function/Program
Last Ten Fiscal Years

Comparison by Function/Program	Full-Time Equivalent Employees as of June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Executive	3	3	4	4	4	4	4	4	4	4
Customer Service	4	4	4	4	5	5	4.5	4.5	5	4
Engineering Services	4	4	4	4	4	4	4	4	4	4
Field Services	15	15	15	15	15	13.0	13	14	14	15
Finance/Administrative Services	5	5	5	6	4	5	5	5	5	5
Operations	0	0	0	0	0	3	3	3	3	3
Water Efficiency	4	4	3	4	5	4	3.5	3.5	3	3
Water Treatment Operations	10	10	10	11	12	11.0	11	11	11	11
Total	45	45	45	47	48	48	48	49	49	49

Actual Versus Budgeted (Current Year and 9 Years Ago)	Fiscal Year 2024		Fiscal Year 2015	
	Filled as of June 30	Budgeted	Filled as of June 30	Budgeted
Executive	4.00	4.00	3.00	3.00
Customer Service	4.00	4.50	4.00	4.00
Engineering Services	4.00	4.00	4.00	4.00
Field Services	15.00	14.96	14.00	14.00
Finance/Administrative Services	5.00	5.12	5.00	5.00
Operations	3.00	3.00	1.00	1.00
Water Efficiency	3.00	3.50	4.00	4.00
Water Treatment Operations	11.00	11.00	9.00	10.00
Total	49.00	50.08	44.00	45.00

	June 30, 2024
American Water Works Association - Cross Connection Control Specialist	2
American Water Works Association - Water Use Efficiency Practitioner Grade 1	1
American Water Works Association - Water Quality Analyst	1
Northern CA Backflow Prevention Assoc - Backflow Prevention Assembly General Test	8
Northern CA Backflow Prevention Assoc - Cross Connection Control Specialist	6
State Water Resources Control Board Water Distribution Operator	
Grade 1	0
Grade 2	6
Grade 3	8
Grade 4	9
Grade 5	1
State Water Resources Control Board Water Treatment Operator	
Grade 1	0
Grade 2	13
Grade 3	1
Grade 4	3
Grade 5	3
California Professional Engineer - Civil	5
Certified Public Accountant	1
Irrigation Association Certified Irrigation Landscape Auditor	1
Qualified Water Efficient Landscaper	4
The State Bar of California - Attorney	1

*Source: San Juan Water District Finance Department
San Juan Water District Field Services Department
San Juan Water District Treatment Department*

San Juan Water District
Table 16: Wholesale Water System Capital Asset and Operating Indicators
Last Ten Fiscal Years

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Facilities:										
# of Treatment Plants	1	1	1	1	1	1	1	1	1	1
Plant Capacity (MGD) ^A	150	150	150	150	150	150	150	150	150	150
Miles of Pipeline ^B	16	16	16	16	16	16	16	16	16	16
# of ARVs	89	90	90	92	93	93	94	94	94	94
# of Blow-offs	60	59	59	61	61	61	61	61	61	68
# of Fire Hydrants	14	14	14	14	14	14	15	15	15	15
# of Valves	48	48	48	51	51	51	51	51	51	56
# of Pumping Stations	-	1	1	1	1	1	1	1	1	1
# of Storage Tanks/Reservoirs	1	1	1	1	1	1	1	3	3	3
Water Supply Available (in acre-feet):										
Pre-1914 Water Rights	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
USBR/CVP Water Contract	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200
PCWA Contract	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Water Supply	82,200									
Water Supply Delivered (in acre-feet):										
Pre-1914 Water Rights	29,372	26,219	27,126	33,996	28,466	32,846	33,215	31,269	23,928	36,136
USBR/CVP Water Contract	-	1,230	-	-	-	-	-	-	2,063	6,400
PCWA Contract	-	3,594	6,330	2,228	5,644	3,446	4,790	755	5,891	5,002
Total Water Supply Delivered	29,372	31,043	33,456	36,225	34,110	36,292	38,005	32,024	31,882	47,537
Production (average in acre-feet):										
Five Year	48,106	43,309	41,262	40,707	41,921	44,267	45,952	44,204	42,148	42,479
Ten Year	54,577	51,157	48,710	47,486	46,426	46,235	44,679	42,799	41,410	42,182
Fifteen Year	59,824	57,406	55,660	54,372	52,500	51,172	49,454	47,525	45,663	45,066
Twenty Year	59,548	58,737	58,066	57,760	56,832	55,954	54,562	52,824	51,288	49,967
Number of Retail Connections by Wholesale Customer:										
San Juan Water District	10,559	10,601	10,617	10,641	10,655	10,672	10,696	10,776	10,915	11,033
Citrus Heights Water District ^C	19,785	19,851	19,902	19,911	19,937	19,958	20,201	20,251	20,289	E
Fair Oaks Water District ^C	13,894	13,996	13,986	14,031	14,241	14,390	14,390	14,371	14,380	E
Orange Vale Water Company	5,600	5,600	5,600	5,673	5,679	5,679	5,682	5,648	5,702	5,702
City of Folsom	981	981	981	981	981	981	981	981	981	981
Total Connections	50,819	51,029	51,086	51,237	51,493	51,680	51,950	52,027	51,896	51,716
Population^D	151,531	152,614	153,697	154,781	155,865	151,341	151,903	153,034	153,603	153,603

Notes:

^A Treatment plant is rated for 150 MGD. Normal permitted operation is 120 and permit conditions allow for up to 150 flows between May 15th and September 30th with State DPH conditional approval.

^B Wholesale pipeline numbers were calculated and removed from Retail's total miles of pipeline as of 2016.

^C Connections are reported as of agency's December 31 fiscal year end.

^D The District updated population statistics in its 2015 Urban Water Management Plan, and again in its 2020 Urban Water Management Plan based on new calculation methodologies from the Department of Water Resources. Fiscal Year 2020 number has been adjusted from what was previously reported. See Demographic and Economic Table 14 for additional information.

^E Citrus Heights Water District and Fair Oaks Water District Number of Retail Connections is not available as their financials were not available online when preparing this table. Both Districts report on a calendar, not fiscal, year.

Sources: San Juan Water District Finance Department

San Juan Water District Engineering Services Department

San Juan Water District Wholesale Treatment Department

San Juan Water District
Table 17: Wholesale Water Production by Month

Last Ten Fiscal Years
 (in million gallons)

	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023	2023- 2024
July	1,634	1,296	2,157	2,312	2,347	2,247	1,847	1,592	1,564	2,400
August	1,620	1,290	2,290	2,281	2,080	2,180	2,059	1,427	1,573	2,302
September	1,389	1,193	1,920	1,853	1,605	1,940	1,786	1,275	1,263	1,915
October	1,110	970	996	1,566	1,516	1,665	1,519	809	1,044	1,476
November	631	536	769	856	1,103	1,213	829	368	579	896
December	454	453	649	539	712	583	643	473	489	727
January	488	410	630	385	649	532	538	635	439	581
February	439	491	546	458	600	581	437	665	411	529
March	726	630	676	446	631	606	619	877	408	574
April	773	928	754	730	980	771	1,158	875	772	823
May	885	1,444	1,490	1,652	1,274	1,252	1,399	1,315	1,420	1,590
June	1,129	1,929	1,871	2,177	1,947	1,530	1,481	1,589	1,933	2,170
Annual Total	11,279	11,571	14,748	15,256	15,444	15,100	14,315	11,900	11,895	15,983
Average Monthly Water Production	940	964	1,229	1,271	1,287	1,258	1,193	992	991	1,332
Average Daily Water Production	30.9	31.7	40.4	41.8	42.3	41.4	39.2	32.6	32.6	43.8

Source: San Juan Water District Wholesale Operations Department

San Juan Water District
Table 18: Retail Water System Capital Asset and Operating Indicators
Last Ten Fiscal Years

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Facilities:										
Miles of Main Line ^A	216	201	206	206	206	206	206	207	211	212
# of ARVs	673	769	769	775	775	778	783	787	801	868
# of Blow-offs	739	798	798	807	809	811	819	822	835	840
# of Fire Hydrants	1,432	1,454	1,454	1,462	1,463	1,463	1,476	1,486	1,525	1,514
# of Valves	2,675	2,849	2,849	2,852	2,864	2,867	2,883	2,936	3,022	3,053
# of Pumping Stations	6	9	9	9	9	9	9	9	9	9
# of Storage Tanks/Reservoirs	1	3	3	3	3	3	3	3	3	3
Active Connections:										
Single-Family Residential	9,964	10,003	10,011	10,030	10,049	10,063	10,083	10,158	10,253	10,384
Multi-Family Residential	119	119	119	119	119	117	117	117	117	117
Commercial	241	243	249	250	248	250	251	253	255	259
Institutional	11	11	11	11	11	11	11	11	11	11
Landscape Irrigation	211	212	212	215	212	214	218	221	223	224
Agricultural Irrigation	5	5	7	8	8	9	8	8	9	9
Other	8	8	8	8	8	8	8	8	8	10
Total Connections	10,559	10,601	10,617	10,641	10,655	10,672	10,696	10,776	10,876	11,014
Total New Connections	59	42	16	24	14	17	24	80	100	138
Consumption (units of ccf):										
Single-Family Residential	3,022,810	2,951,662	3,508,844	4,028,167	3,830,930	4,250,655	4,553,104	4,073,494	3,756,829	3,830,776
Multi-Family Residential	57,293	54,675	58,822	60,879	66,619	63,846	64,094	58,661	55,266	56,141
Commercial	129,490	122,397	145,857	163,192	160,740	166,246	183,094	164,337	159,288	167,022
Institutional	85,287	78,787	56,236	84,318	84,234	86,038	82,264	86,849	70,125	82,837
Landscape Irrigation	252,183	244,749	235,248	357,005	337,484	366,671	381,763	349,175	326,338	339,674
Agricultural Irrigation	10,745	9,864	84,530	20,337	26,877	26,976	30,029	29,318	23,405	26,350
Other (sewer lift/pump stations)	827	791	245	442	1,561	1,178	3,013	1,098	1,032	1,373
Total Consumption	3,558,634	3,462,925	4,089,781	4,714,338	4,508,445	4,961,610	5,297,361	4,762,932	4,392,283	4,504,173
Average Daily Consumption	9,750	9,487	11,205	12,916	12,352	13,593	14,513	13,049	12,034	12,340
Population ^B	29,452	29,578	29,704	29,830	29,957	29,680	29,712	29,776	29,808	29,808

Note:

^A Wholesale pipeline numbers were removed from Retail's total miles of pipeline as of 2016.

^B Fiscal Year 2020 Population total adjusted based on what was reported in the 2020 Urban Water Management Plan.

Sources: San Juan Water District Customer Services Department
San Juan Water District Engineering Services Department

San Juan Water District**Table 19(a): Capital Facilities Fee Report - Summary
Per Government Code Section 66013(d) and (e)
Fiscal Year Ended June 30, 2024**

Connection Fees, beginning balance	\$	4,329,966
Wholesale Capital Facility Fees Collected	\$	131,890
Retail Capital Facility Fees Collected		1,270,147
Total Capital Facility Fees Collected		<u>1,402,037</u>
Interest Earned		<u>50,466</u>
Fees Available		<u>5,782,469</u>
Applied to:		
Reimbursement for Existing Facilities - Wholesale ^A	\$	131,890
Reimbursement for Existing Facilities - Retail ^A		381,044
Current Year Projects		<u>1,889,226</u>
Total Funds Applied		<u>2,402,159</u>
Net Changes for the Year		<u>(949,657)</u>
Capital Facility Fees, ending balance	\$	<u>3,380,308</u>

^A The Wholesale Capital Facility Fee and 30% of the Retail Capital Facility Fee were calculated using the Buy-In Methodology. This methodology results in a fee, or portion thereof, that is designed to reimburse the District's ratepayers for the current depreciated replacement value of the existing system. The value of the system, upon which the fee was calculated, is disclosed in the Wholesale and Retail Capital Facility Fee Studies, respectively. Both reports are available upon request.

The remaining 70% of the retail capital facility fee revenue is designated for projects that have an expansionary component, meaning the project, or a portion thereof, will use the system to accommodate future growth. The portion of the fee collected, but not yet spent is held in reserve. See Schedule 19(b) for a reporting of such assets/projects.

Source: San Juan Water District Finance & Administrative Services Department

San Juan Water District

Table 19(b): Capital Facility Fee Report - Project Detail Per Government Code Section 66013(d) and (e)
Fiscal Year Ended June 30, 2024

Capital Projects with a Growth Component 2021 - 2031

Project Description	Total Anticipated Costs	Capacity Related Costs	% Capacity Related	Costs Incurred Through June 30, 2020	Costs Incurred July 1, 2020 to Current	Costs Remaining	Fees Previously Applied	Fees Applied in Current Year	Future Fees to be Applied
5.0 MG Kokila Reservoir (Replace Hypalon w/Concrete Tank)	\$ 7,469,000	\$ 4,481,400	60%	\$ 5,267	\$ 276,732	\$ 7,187,001	\$ 166,039	\$ -	\$ 4,315,361
Replace 16" transmission pipeline in Eureka Road with 18" transmission pipeline. 3,925 linear feet from Barton to Auburn Folsom Road	4,000,000	2,400,000	60%	-	3,739,118	-	355,624	1,887,846	-
360 Linear feet of 10" pipeline with a pressure reducing station in Cavit Stallman from Mystery Creek to Oak Pines	441,000	352,800	80%	15,872	390,704	-	312,563	-	-
2,980 Linear feet 8" pipeline extension on Spahn Ranch Road 100 Linear feet of 8" pipeline in Eckerman to tie-in to "The Park" subdivision	616,000	492,800	80%	17,650	-	598,350	-	-	492,800
50,000	30,000	60%	-	-	-	50,000	-	-	30,000
Main Replacements (TBD based on condition and # of breaks)	7,150,000	2,502,500	35%	-	-	7,150,000	-	-	2,502,500
4,300 Linear Feet of 12" Pipeline on Cavit Stallman between Sierra Ponds and Vogel Valley	6,913,000	5,530,400	80%	-	-	6,913,000	-	-	5,530,400
2,000 Linear feet of 12" pipeline in Cavit Stallman between Sierra Ponds and Oak Pine	1,545,000	1,236,000	80%	-	-	1,545,000	-	-	1,236,000
950 Linear feet of 12" pipeline in Hidden Lakes from 7960 W Hidden Lakes to Haley	844,000	506,400	60%	-	-	844,000.00	-	-	506,400
Douglas Pump Station & P6" to 12" Pipeline Improvement - Across Auburn Folsom Road	798,000	478,800	60%	-	1,380	796,620	-	1,380	477,420
650 Linear feet of 12" pipeline in Lakeland Drive from Douglas to East Granite	619,000	371,400	60%	-	-	619,000.00	-	-	371,400
Totals	\$ 30,445,000	\$ 18,382,500	60%	\$ 38,789	\$ 4,407,934	\$ 25,702,971	\$ 834,226	\$ 1,889,226	\$ 15,462,281

Source: 10-Year Retail CIP and 2021 Retail Capital Facility Fee Study

STAFF REPORT

To: Board of Directors
From: Andrew Pierson, Director of Engineering Services
Date: December 18, 2024
Subject: Esri Small Utility Enterprise Agreement (SUEA) Renewal

RECOMMENDED ACTION

Staff requests a Board motion to approve executing a three-year Small Utility Enterprise Agreement (SUEA) with Esri, the software firm that provides the licensed software for the District's Geographic Information System (GIS), in the amount of \$30,200 per year for a total authorized agreement amount of \$90,600. The staff recommendation was reviewed by the Finance Committee, which recommends approval by the Board of Directors.

BACKGROUND

During the conceptual and scoping phases of the District's 2017/18 GIS Improvements Project, the decision was made to choose Esri as the licensed software provider that would power the District's then new GIS system. Other software options were considered; however, it was concluded that Esri provided the best long-term solution that would be supported well into the future.

When the GIS was ready for implementation at the beginning of 2019, the District executed a three-year SUEA with Esri as the least-cost option to employ the GIS software application. That original SUEA expired in 2022, and the District renewed the agreement at that time. The annual SUEA license cost in 2022 was \$25,000 per year and the 2025 annual cost will be \$30,200 per year for the three-year term.

In order to continue to be granted access to the Esri term licensed software, the District must renew the three-year Small Utility Enterprise Agreement (SUEA) that was originally executed in January 2019 and then renewed in January 2022. The current SUEA will expire on January 23, 2025, and the renewal would extend the license to use the GIS enterprise software until January of 2028.

BUDGET IMPACT

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 96, this agreement is considered a Subscription Based Technology Arrangement and is accounted for as a financing, not a software expense. Therefore, the budget includes both principal and interest expense for this item, at an imputed interest rate.

Due to the nature of GIS usage, all GIS costs are split 75% Retail, 25% Wholesale. This expense was anticipated in the current year budget and will be included in the next two fiscal year budgets if approved.

AGENDA ITEM V-1

San Juan Water District
President and Vice President History

Year	President	Vice President
2024	Manuel Zamorano (Division 5)	Edward J. "Ted" Costa (Division 3)
2023	Dan Rich (Division 1)	Manuel Zamorano (Division 5)
2022	Kenneth H. Miller	Dan Rich (Division 1)
2021	Pamela Tobin	Kenneth H. Miller
2020	Edward J. "Ted" Costa	Pamela Tobin
2019	Dan Rich	Edward J. "Ted" Costa
2018	Martin Hanneman	Dan Rich
2017	Kenneth H. Miller	Robert Walters /Dan Rich
2016	Pamela Tobin	Kenneth H. Miller
2015	Edward J. "Ted" Costa	Pamela Tobin
2014	Robert Walters	David Peterson
2013	Kenneth H. Miller	Robert Walters
2012	Pamela Tobin	Kenneth H. Miller
2011	Edward J. "Ted" Costa	Pamela Tobin
2010	David Peterson	Edward J. "Ted" Costa
2009	Robert Walters	David Peterson
2008	Kenneth H. Miller	Robert Walters
2007	Pamela Tobin	Kenneth H. Miller
2006	Edward J. "Ted" Costa	Pamela Tobin
2005	David Peterson	Edward J. "Ted" Costa
2004	Dorothy Kilgore	Joe Alessandri
2003	Edward J. "Ted" Costa	Lyle A. Hoag
2002	Edward J. "Ted" Costa	Kenneth H. Miller
2001	Dorothy Kilgore	Edward J. "Ted" Costa
2000	Kenneth H. Miller	Dorothy Kilgore
1999	Glenn A. Miller	Kenneth H. Miller
1998	Dorothy Kilgore	Glenn A. Miller
1997	Mark E. Verke	Dorothy Kilgore
1996	Kenneth H. Miller	Mark E. Verke
1995	Kathryn M. Mathews	Kenneth H. Miller
1994	Dorothy Kilgore	G. B. "Ben" Uggla
1993	Mark E. Verke	Dorothy Kilgore
1992	Mark E. Verke	Robert R. Sullivan
1991	Kathryn M. Mathews	Mark E. Verke
1990	Clois W. Snyder, Jr.	Glenn A. Miller
1989	Robert R. Sullivan	Clois W. Snyder, Jr.
1988	Mark E. Verke	Robert R. Sullivan
1987	Clois W. Snyder, Jr.	Mark E. Verke
1986	Albert Ricksecker	Clois W. Snyder, Jr.
1985	Robert R. Sullivan	Kenneth H. Miller
1984	Mark E. Verke	Robert R. Sullivan
1983	Albert Ricksecker	Mark E. Verke
1982	Kenneth H. Miller	Mark E. Verke
1981	Robert R. Sullivan	Albert Ricksecker
1980	Robert R. Sullivan	Albert Ricksecker
1979	Robert R. Sullivan	Albert Ricksecker

STAFF REPORT

To: Board of Directors
From: Tony Barela, Director of Operations
Date: December 18, 2024
Subject: Power Monitor Project (R/W)

RECOMMENDED ACTION

Staff requests a Board motion to authorize the Director of Operations to enter into a construction contract with Lords Electric, Inc. (Lords) for the District's Power Monitor Project (Project) in the amount of \$75,000 with a total authorized budget of \$82,500, which includes a 10% contingency.

BACKGROUND

In the past several years, the District has made improvements to certain pump stations by installing jockey pumps and variable frequency drives (VFD) to better manage pumping efficiencies during low demands in the system. It was observed that these improvements had significant positive effects on power consumption and operational efficiency. These benefits were only recognized months later after the power consumption through billing was trended. Currently, Operations does not have the ability to track, in real time, the effectiveness of improvements, changes in operations, or identify when there is an unexpected power increase/draw due to system failure. In the past, unexpected excess power consumption was not realized for months until noticed through SMUD/PGE invoices.

The primary focus of this project is to install power monitors at pump stations and facilities at the District's main campus. This includes Hinkle, Crown Point, Lower Granite Bay Pump Stations, the solar facility, and the main feed to the water treatment plant. These power monitors will be connected to the District's SCADA system for real time monitoring of power consumption. Integrated power monitors are already installed at Bacon and Upper Granite Bay Pump Stations.

CURRENT STATUS

On November 6, 2024, the District issued an invitation for bid for the installation of the power monitors. One (1) firm, Lords Electric, Inc., submitted a proposal on November 19, 2024. Staff has reviewed the proposal and it was found to be complete and acceptable. The engineer's estimate for the project was \$65,900.

Consultant	Proposal Total Amount
Lords Electric, Inc.	\$75,000

FINANCIAL CONSIDERATIONS

The Project is included in the District's approved Retail CIP budget in FY24/25.

STAFF REPORT

To: Board of Directors
From: Donna Silva, Director of Finance and Human Resources
Date: December 18, 2024
Subject: Presentation of Draft Retail Financial Plan and Rate Study

RECOMMENDED ACTION

Receive presentation; direct staff to return with any modifications or prepare Proposition 218 Notice based on the rate schedule selected by the Board after receiving and considering the results of the study.

BACKGROUND

The District completed the Retail Master Plan in FY 2020-21, which identified the capital improvements needed to the distribution system over the next 10 years. This informed the 2021 Financial Plan and rate schedule for 2022-2024 and continues to serve as an important driver for this update to the financial plan and new rate schedule.

The District's last Retail Financial Plan and Rate Study was completed in March 2022, resulting in a three-year rate schedule ending January 1, 2024. The Board approved effective rate increases under that schedule were as follows:

February 2022:	8%
January 2023:	8%
January 2024:	8%

The plan anticipated the following rate increase for the subsequent five years:

January 2025:	7%
January 2026:	6%
January 2027:	6%
January 2028:	6%
January 2029:	3%

CURRENT STATUS

Hildebrand Consulting was selected in February 2024 to update the financial plan and develop recommendations for retail water rates for a five-year period from Calendar year 2025 through 2029. The purpose of the study was to ensure that the District's water rates are sufficient to fund ongoing operations and maintenance,

STAFF REPORT

Retail Financial Plan and Rate Study

Donna Silva

debt service (including meeting rate covenants) and capital improvements while maintaining prudent reserves.

The study builds upon the actual results for FY 2023-24 and generally utilized the FY 2024-25 budget as the base year for analysis. Certain one-time expenses were removed prior to applying inflation assumptions. The following cost inflation assumptions were used in the financial plan:

Salaries:	3% per year
Health Benefits:	5% per year
Utilities:	5% per year
Source of Supply:	5% for two years then 4% thereafter
Operating Expenses.:	3% per year

The Financial Plan recommends the following rate increases:

Current	April 1, 2025	Jan. 1, 2026	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029
Overall Rate Revenue Increase -->	5%	5%	5%	4%	4%
Daily Base Charges					
Up to 1" meter	\$2.92	\$3.08	\$3.23	\$3.39	\$3.53
1 1/2" meter	\$7.34	\$7.88	\$8.27	\$8.68	\$9.03
2" meter	\$11.61	\$12.48	\$13.10	\$13.76	\$14.31
3" meter	\$21.54	\$23.23	\$24.39	\$25.61	\$26.63
4" meter	\$35.72	\$38.59	\$40.52	\$42.55	\$44.25
6" meter	\$71.18	\$76.97	\$80.82	\$84.86	\$88.25
8" meter	\$113.73	\$123.03	\$129.18	\$135.64	\$141.07
Water Usage Charge (\$/CCF)					
All water usage	\$1.07	\$1.10	\$1.16	\$1.22	\$1.27
Daily Private Fire Line Rates*					
4" line	\$1.09	\$1.91	\$1.97	\$2.03	\$2.09
6" line	\$1.28	\$2.19	\$2.26	\$2.33	\$2.40
8" line	\$1.42	\$2.48	\$2.55	\$2.63	\$2.71
10" line	\$1.55	\$2.73	\$2.81	\$2.89	\$2.98
12" line	\$1.70	\$2.93	\$3.02	\$3.11	\$3.20

* Fire Line Rates are increased by 3% per year based on estimated cost inflation

The proposed rate increases are lower than expected in the previous financial plan and are primarily driven by inflation assumptions. Increased capital spending from the historical average, and the desire to pay for most capital projects with reserves has a small impact on the rate increases as well.

The **rate increases are lower than they otherwise would have been** due to the many actions the District has taken over the past five years to control costs and increase cost recovery outside of water rates. Those actions include refinancing of

debt, pay down of the District's unfunded pension liability, renegotiation of water contracts, water transfers to generate additional revenues, reducing the District's salary schedule to market median for a three-year period, elimination of funding for unidentified projects from the capital improvement program, etc.

Alternative Options:

The proposed rate increases assume that the District generally wishes to be on a pay-as-you-go basis for capital improvements, but anticipates issuing debt for large projects, specifically the Kokila Reservoir Replacement Project (\$10.1 million), new pipeline in Cavitt Stallman from Sierra Ponds to Vogel Valley (\$7.5 million), and acquisition of retail groundwater production facility (\$5.15 million). The first two projects are expected to use the low-interest rate program through the State of California's Drinking Water Revolving Loan Fund (SRF). Since the retail groundwater production facility has yet to be defined, the study anticipates it will be financed through a costlier bond issuance. If the project ends up being the construction of a well, the project costs will increase above the \$5.15 million assumed in the plan, but there will likely be grant opportunities and the District would be able to utilize the low-interest rate loan program through the SRF.

The consultant examined the following alternatives:

1. **No rate increases and no new debt:** this approach is not recommended as revenues would not be sufficient to keep up with inflation of operating costs and important capital projects would have to be eliminated.
2. **No debt issuance – all pay as you go:** while this option results in the lowest costs over time, due to the large upcoming projects it would require 12% rate increases for the next 4 years, at which time a 15% rate decrease could be implemented, followed by 2 years of no rate increases then resuming to inflationary 3% annual rate increases.

Next Steps:

After receiving direction from the Board on the desired rate strategy, staff, in consultation with the rate consultant and legal counsel, will finalize the Retail Financial Plan and Rate Study Report and prepare and send the required Proposition 218 notice of public hearing. The rates published in the notice set the maximum amount of a potential rate increase. After the hearing, the Board could choose to approve rates lower than those noticed, but not higher. The notice must be sent at least 45 days prior to the public hearing. The public hearing on the proposed rates will be held in late winter or early spring.

Attachments:

San Juan 2024 Retail Rate Study Presentation



2024 Retail Water Rate Study

Board Presentation of Preliminary Findings

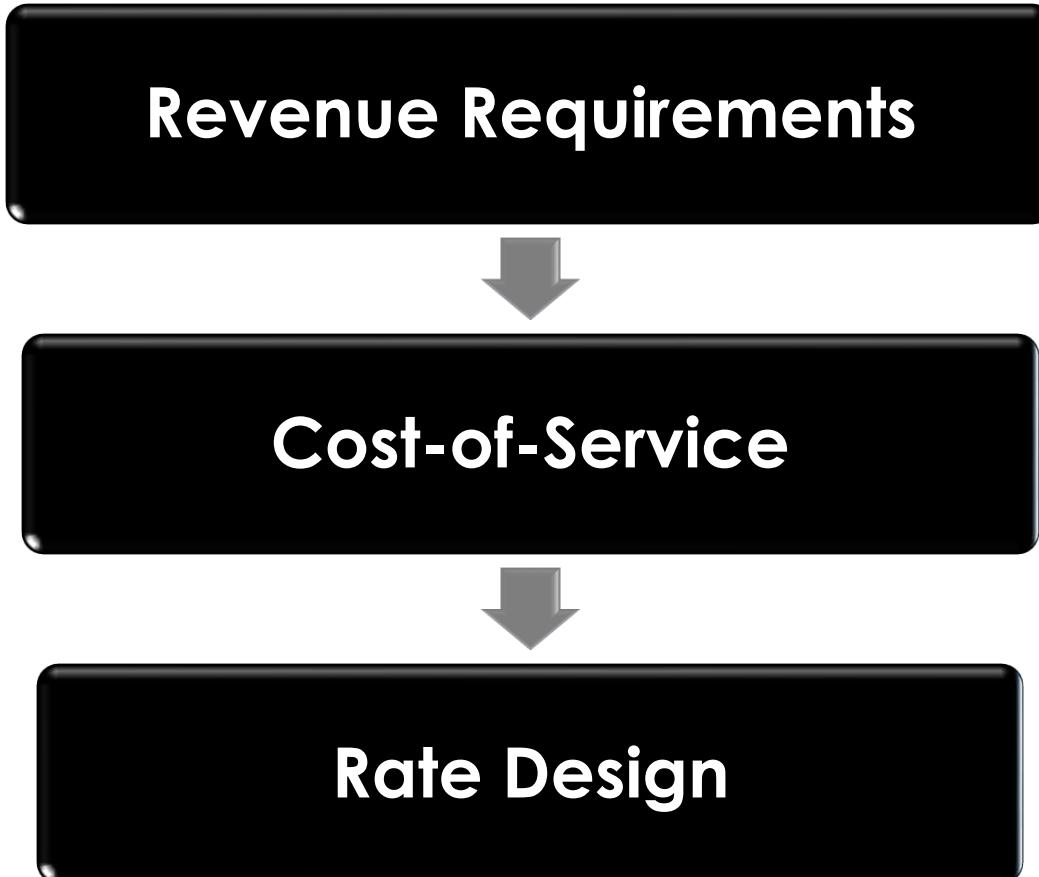
December 18, 2024



Agenda

1. Retail Enterprise Financial Plan
2. Cost of Service / Rate Design
3. Project Schedule

The Rate Setting Process

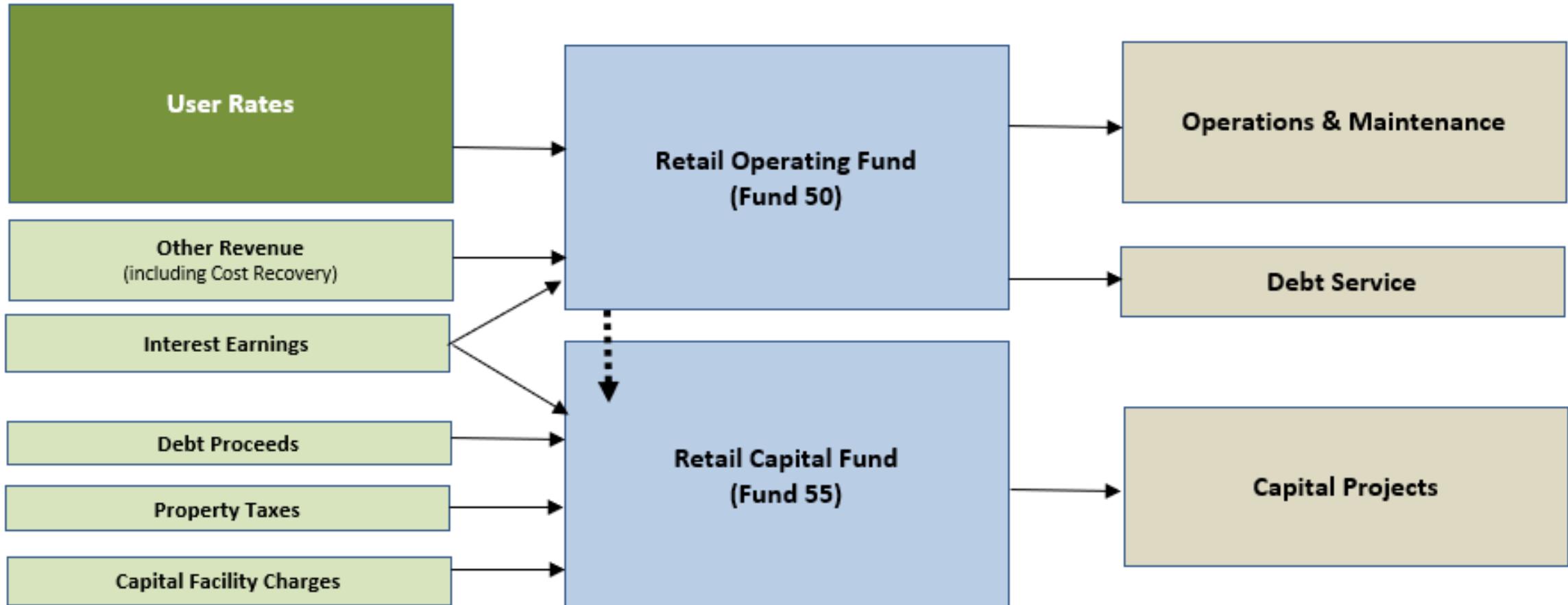


Compares the revenues of the utility to its expenses to determine the overall level of rate adjustment

Equitably allocates the revenue requirements between the various customer classes of service

Design rates for each class of service to meet the revenue needs of the utility, along with any other rate design goals and objectives

Schematic of Retail Utility Funds/Reserve Structure



Cash Balances

Fiscal Year beginning July 1, 2024

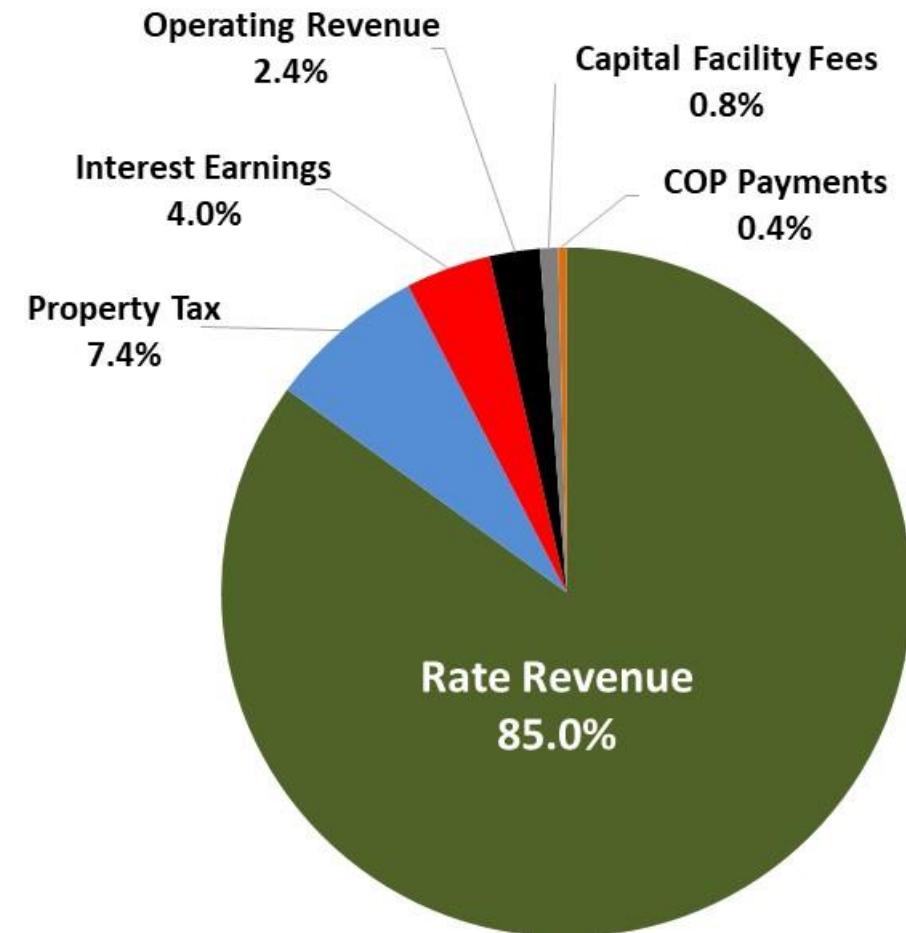
Operating Fund	\$2,810,000
Capital Fund	\$21,763,000

Combined Total: **\$24,573,000**

Revenue

FY2024/25 Forecast *

Rate Revenue	\$17,542,000
Non-Rate Revenue	
Property Tax	\$1,530,000
Interest Earnings	\$825,000
Operating Revenue	\$485,000
Capital Facility Fees	\$175,000
COP Payments	\$79,000
Total:	\$20,636,000

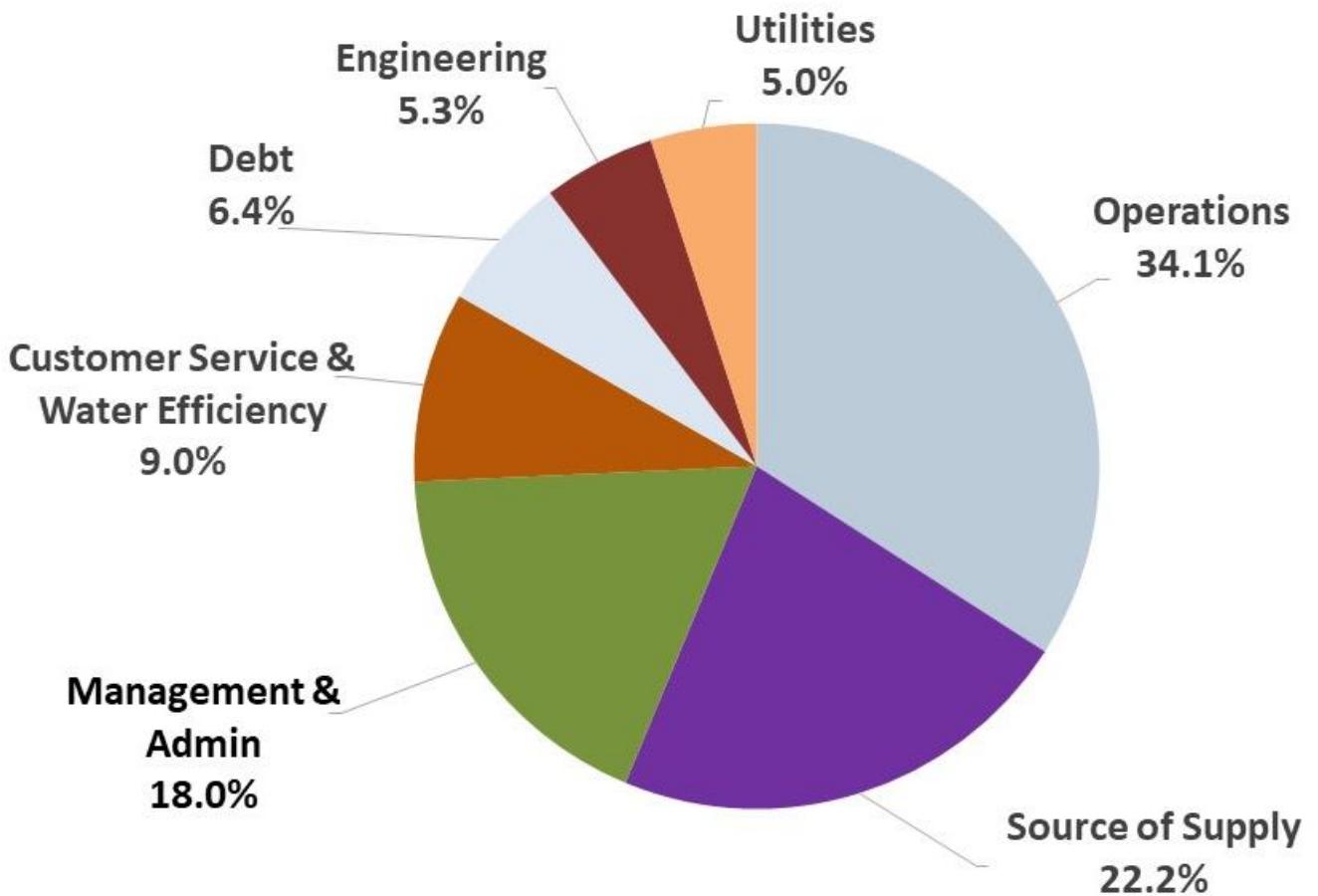


* All revenue based on 24/25 budget except rate revenue which is equal to 23/24 actual revenue

Operating Expenses

FY2024/25 Budget

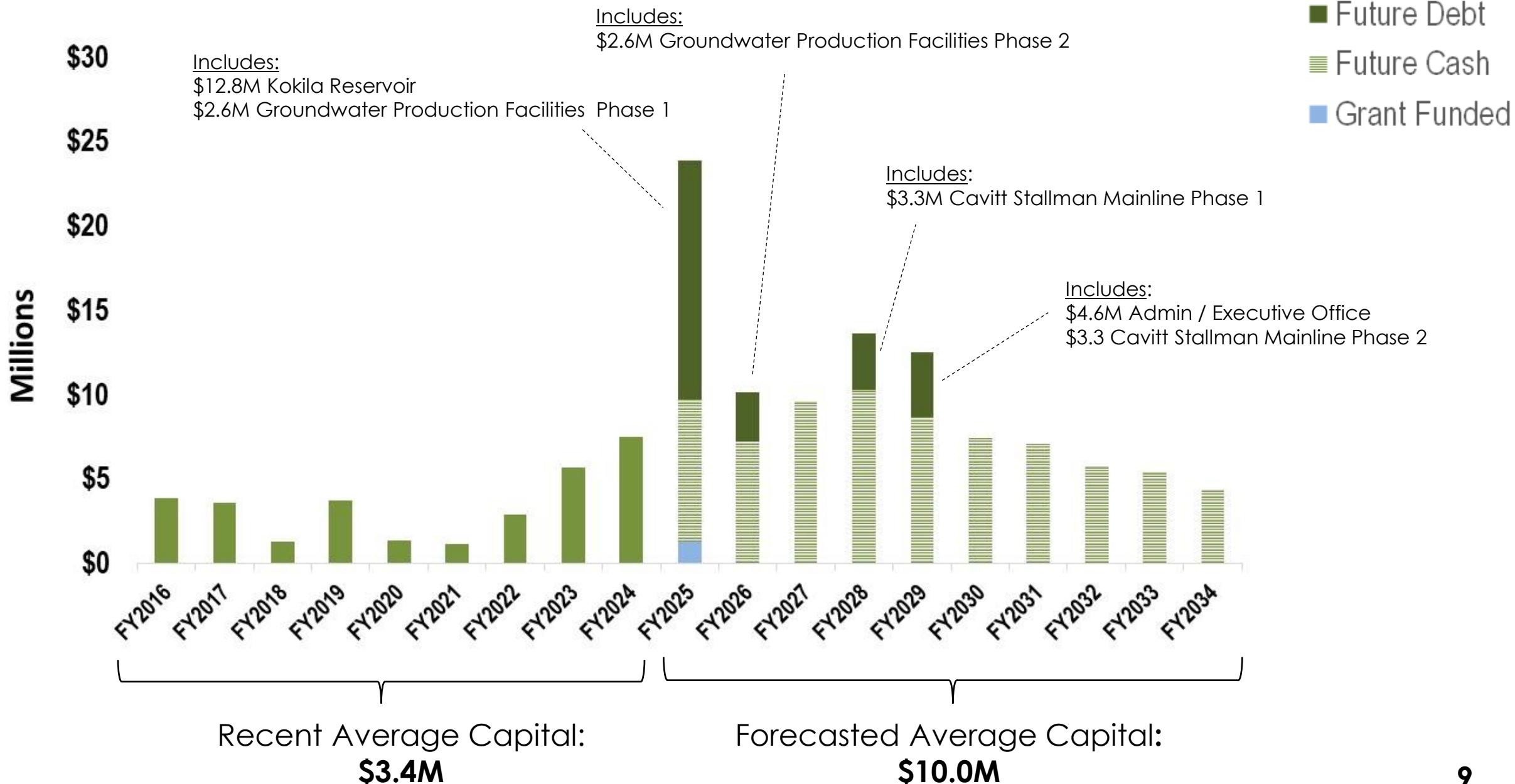
Operations	\$5,183,000
Source of Supply	\$3,368,000
Management & Admin	\$2,739,000
Customer Service & Water Efficiency	\$1,367,000
Debt	\$976,000
Engineering	\$806,000
Utilities	\$761,000
Total Budget: \$15,200,000	



Escalation Assumptions

Salaries	3% per year
Health Benefits and OPEB	5% per year
Utilities	5% per year
Sources of Supply	5% for two years then 4% thereafter
Chemicals	3% per year
Supplies	3% per year
Professional Services	3% per year

Projected Capital Spending



Large PayGo Capital Projects (over \$1 million)

	Approx. Annual Cost	Total Cost Over Planning Period
85 Service Line Replacements Per Year	\$1.8m	\$16,740,000
ARV Replacements, 45 per year for 20 years	\$1m	\$9,129,000
New Admin/Executive Building and modifications to existing Kenneth H. Miller Admin Building – Bond		\$5,410,000
Condition Assessments	\$674k	\$5,390,000
Field Services Materials and Equipment Shelter		\$2,195,000
Seeno Ave. (Replace apx. 3,000 lf of 10' pipe and all appurtenances)		\$1,744,000
Cavitt Stallman (Oak Pine to Sierra Ponds 2000 LF of 12")		\$1,589,000
Del Oro Rd. (Replace approx. 3,050 lf of 6 in steel pipeline w/ 8 in)		\$1,575,000
Field Services 3-Sided Parts Shelter		\$1,536,000
Granite Ave. (replace approx. 1,300 LF of 12" pipe w/ all appurtenances)		\$1,319,000
Wilhoff Ln. (Replace approx. 2,300 LF of 6 in steel pipe w/ 8 in)		\$1,200,000

Large Debt Capital Projects (over \$1 million)

	Total Cost Over Planning Period
Kokila Reservoir Replacement – SRF	\$12,860,000
Cavitt Stallman (Sierra Ponds to Vogel Valley, 6,900 LF of 12") – SRF Loan	\$7,521,000
Retail Groundwater Production Facilities – Funding source TBD	\$5,150,000

Rate Increase Drivers*

- Escalation (see previous slide)
- Increase in capital spending is higher than previously forecasted
- Continue to transition to Pay-Go

Cost Control Measures

Action	Impact
Paid down unfunded pension liability	Savings of \$11.2 million through FY 2038/39
Debt refinance	Savings of \$8.8 million through FY 2036/37
Renegotiated contract with PCWA (twice)	Savings of over \$275,000 per year
Completion of two groundwater substitution transfers	Lower wholesale revenue requirements; therefore, lower Retail supply costs
Water transfers	Lower wholesale revenue requirements; therefore, lower Retail supply costs
Salary schedule reduction	Partial salary freeze FY 2019/20 through FY 2021/22

* Note that the 2021 Rate Study anticipated slightly higher rate increases for this time period

Reserve Policies

The following are established District reserve policies. In addition to protecting the District against unforeseen circumstances, these policies also contribute towards the District's credit rating.

"Minimum Reserve"

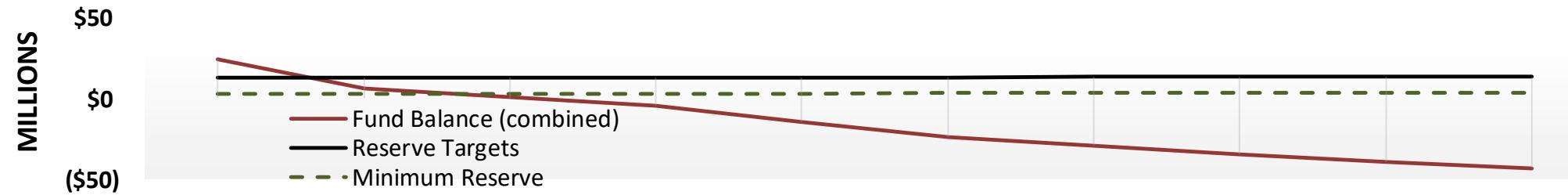
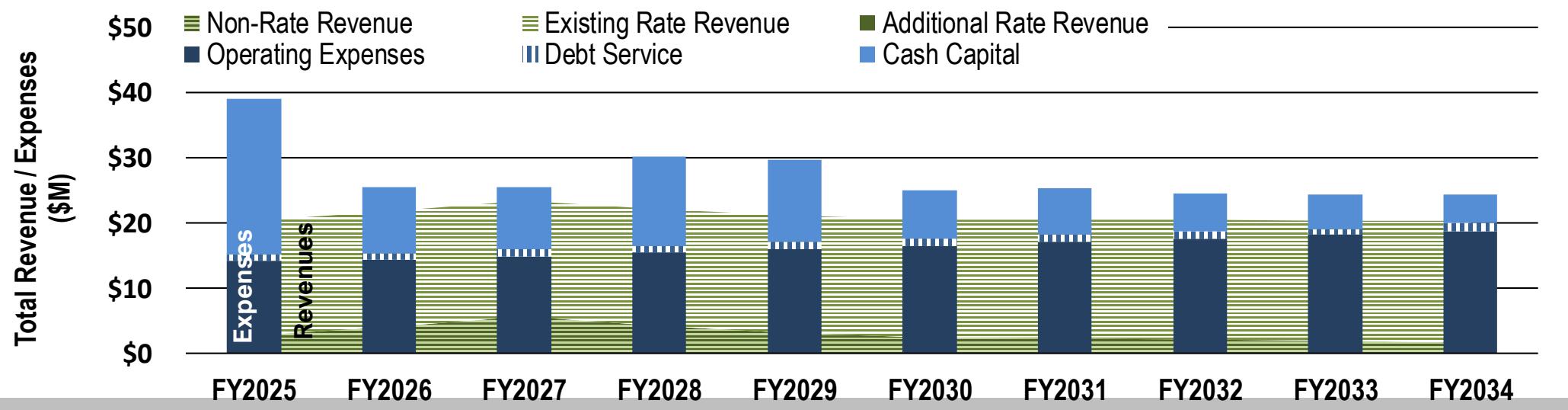
Operating Reserve: 20% of O&M budget (\$2.8 million)

"Target Reserve"

Capital Reserve:

- Consistent with 2021 Recommendation: Propose a reserve level equal to 100% of average annual capital spending in order to support PayGo capital funding (\$10.0M)

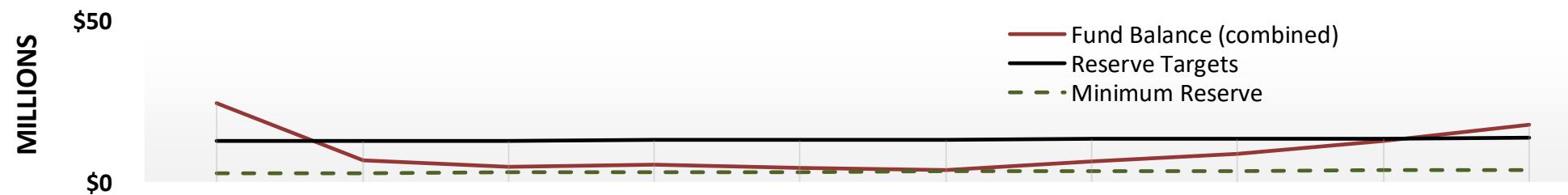
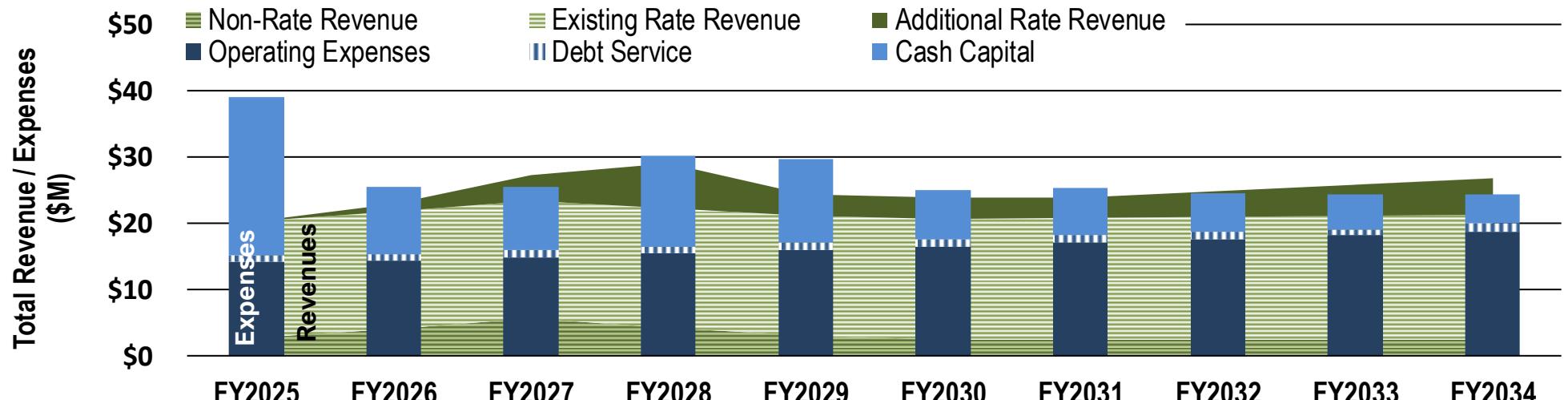
Financial Forecast – No Rate Increase & No New Debt



	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
	Proposed					Estimates				
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt Coverage Ratio*	5.64	10.77	10.30	9.57	6.69	5.47	4.93	4.42	3.73	3.15
Net Debt Proceeds	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M

* For Retail Enterprise only

Financial Forecast – PayGo Only

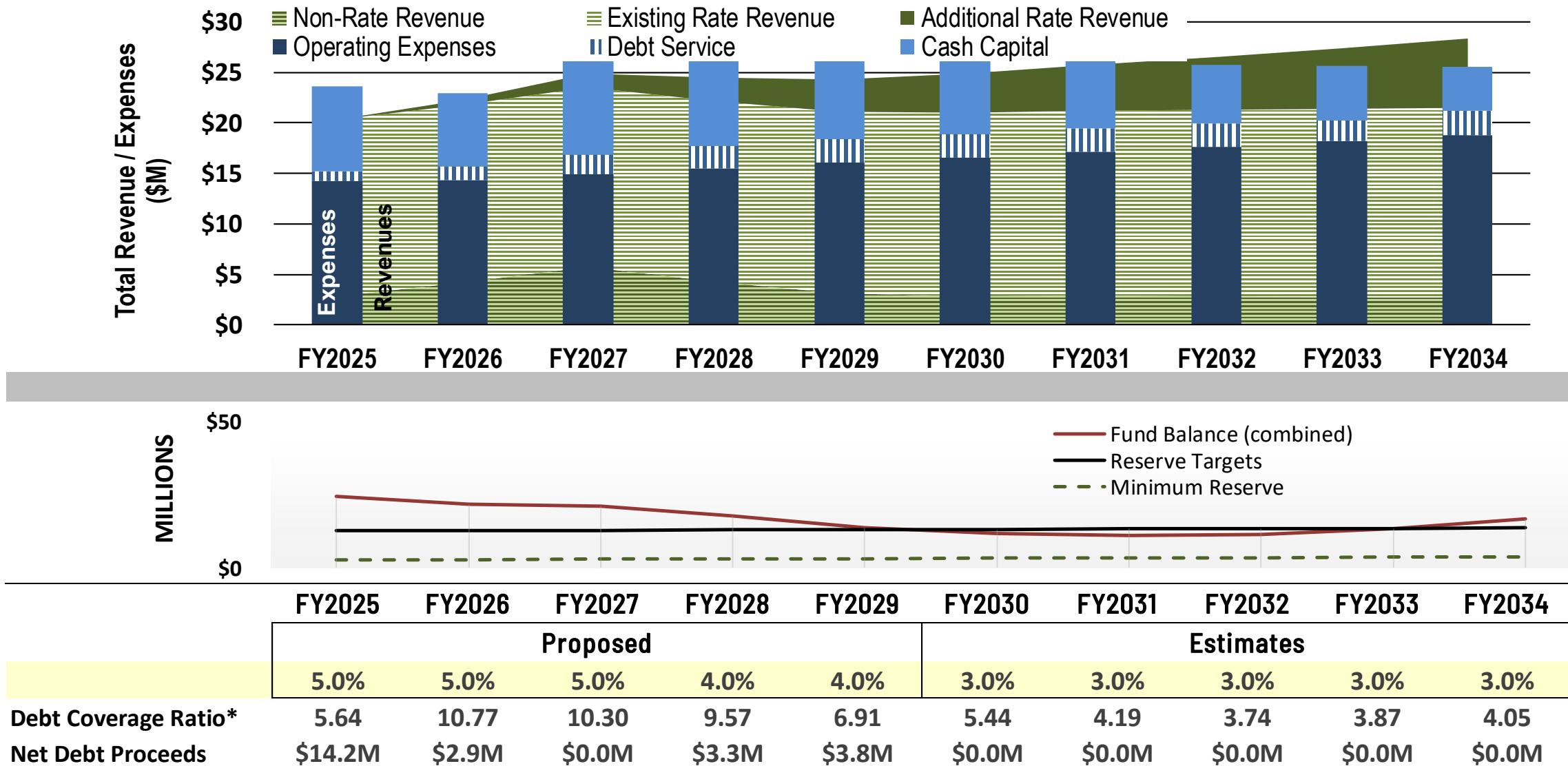


	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
	Proposed					Estimates				
Debt Coverage Ratio*	12.0%	12.0%	12.0%	12.0%	-13.0%	0.0%	0.0%	3.0%	3.0%	3.0%
Net Debt Proceeds	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M

* For Retail Enterprise only

10-Year Cumulative Rate Increase: 50%

Financial Forecast – Debt Strategy



* For Retail Enterprise only

10-Year Cumulative Rate Increase: 45%

Escalation Assumptions

Salaries	3% per year
Health Benefits and OPEB	5% per year
Utilities	5% per year
Sources of Supply	5% for two years then 4% thereafter
Chemicals	3% per year
Supplies	3% per year
Professional Services	3% per year

Proposed Rate Increase Comparison

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Proposed Rate Increase:	5.0%	4.0%	4.0%	3.0%	3.0%	3.0%
Previous Rate Study Forecasted Increase:	6.0%	6.0%	3.0%	3.0%	3.0%	3.0%
Forecasted Operating Costs Inflation	4.0%	3.7%	4.0%	3.1%	3.8%	2.7%

Current Water Rates

Meter Size	Daily Base Charges	
Up to 1" meter	\$2.92	
1 1/2" meter	\$7.34	
2" meter	\$11.61	
3" meter	\$21.54	
4" meter	\$35.72	
6" meter	\$71.18	
8" meter	\$113.73	
Water Usage Charge (\$/CCF)		
All water usage	\$1.07	

73% of revenue

27% of revenue

Cost of Service

Account Charge – Per account

- Customer Service costs

} 4.4% of costs

Meter Charge – Based on meter size

- All remaining costs

} 69.2% of costs

Usage Charge – Based on water usage

- Wholesale purchase costs
- Electricity costs
- Water Efficiency
- Operations
- Engineering (partial)

} 26.4% of costs

Proposed Rate Schedule

	Current	April 1, 2025	Jan. 1, 2026	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029
Overall Rate Revenue Increase -->		5%	5%	5%	4%	4%
Daily Base Charges						
Up to 1" meter	\$2.92	\$3.08	\$3.23	\$3.39	\$3.53	\$3.67
1 1/2" meter	\$7.34	\$7.88	\$8.27	\$8.68	\$9.03	\$9.39
2" meter	\$11.61	\$12.48	\$13.10	\$13.76	\$14.31	\$14.88
3" meter	\$21.54	\$23.23	\$24.39	\$25.61	\$26.63	\$27.70
4" meter	\$35.72	\$38.59	\$40.52	\$42.55	\$44.25	\$46.02
6" meter	\$71.18	\$76.97	\$80.82	\$84.86	\$88.25	\$91.78
8" meter	\$113.73	\$123.03	\$129.18	\$135.64	\$141.07	\$146.71
Water Usage Charge (\$/CCF)						
All water usage	\$1.07	\$1.10	\$1.16	\$1.22	\$1.27	\$1.32
Daily Private Fire Line Rates*						
4" line	\$1.09	\$1.91	\$1.97	\$2.03	\$2.09	\$2.15
6" line	\$1.28	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47
8" line	\$1.42	\$2.48	\$2.55	\$2.63	\$2.71	\$2.79
10" line	\$1.55	\$2.73	\$2.81	\$2.89	\$2.98	\$3.07
12" line	\$1.70	\$2.93	\$3.02	\$3.11	\$3.20	\$3.30

* Fire Line Rates are increased by 3% per year based on estimated cost inflation

Bill Impact Analysis ¹

	Meter Size	Water Use (CCF)	Current Bill	Proposed Bill ¹	Change	
					\$	%
Residential						
Low Use	1"	30	\$207.30	\$217.80	\$10.50	5.1%
Median Use	1"	32	\$209.44	\$220.00	\$10.56	5.0%
Average	1"	61	\$240.52	\$251.95	\$11.43	4.8%
High Use	1"	120	\$303.60	\$316.80	\$13.20	4.3%
Multi-family	1 1/2"	200	\$654.40	\$692.80	\$38.40	5.9%
Multi-family	2"	400	\$1,124.60	\$1,188.80	\$64.20	5.7%
Multi-family	3"	800	\$2,148.40	\$2,273.80	\$125.40	5.8%
Retail Business	1"	25	\$201.95	\$212.30	\$10.35	5.1%
Restaurant	2"	400	\$1,124.60	\$1,188.80	\$64.20	5.7%
Institution	3"	800	\$2,148.40	\$2,273.80	\$125.40	5.8%
Irrigation	2"	400	\$1,124.60	\$1,188.80	\$64.20	5.7%

¹ With Year 1 rate increases

Next Steps

- Final Recommendation to Board January 15
 - Mail Prop 218 Notice January XX
 - Public Hearing March XX
 - First Rate Increase April 1

RESOLUTION NO. 24-10

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
CENSURING PAMELA E. TOBIN**

WHEREAS, Pamela E. Tobin (Tobin) is a member of the Board of Directors (Board) of the San Juan Water District (San Juan), and as such, is subject to all applicable statutes, regulations, ordinances and policies; and

WHEREAS, Tobin was a candidate for election to the Board in 2024 in the recently-established election Division 2; and

WHEREAS, on or about October 16, 2024, Tobin distributed a campaign mailer that included the logo of San Juan, in violation of the California Government Code Section 8314 and the California Elections Code Section 18304, and in violation of Section 2.3.5 of the District's Ethics Policy; and

WHEREAS, on October 17, 2024, Tobin was notified by General Manager Paul Helliker (Helliker) of these violations, and was directed to cease and desist from such actions and to notify the recipients of the mailer that San Juan was not endorsing Tobin's candidacy; and

WHEREAS, San Juan posted a notice on its website, on Facebook and on Next Door, stating that it is not endorsing any candidate running for a seat on its Board of Directors, and distributed an email to this effect to its mailing list of customers; and

WHEREAS, on November 6, 2024, Tobin filed a complaint to the Fair Political Practices Commission, alleging that the email about her campaign mailer violated the Political Reform Act; and

WHEREAS, on November 7, 2024, the Commission summarily rejected Tobin's complaint, due to the lack of violations; and

WHEREAS, Tobin has made similar false allegations in public meetings of illegal behavior by Helliker and by other Board members related to the Brown Act and Government Code Section 1090; and

WHEREAS, Tobin has made false allegations that Helliker and Board member Dan Rich (Rich) are "aggressively pushing merger" with Sacramento Suburban Water District, and that their motives are not in the best interests of the community, which both Rich and Helliker have refuted; and

WHEREAS, Tobin has attended meetings of joint powers authorities of which San Juan is a member and made statements containing inaccurate allegations of behavior by San Juan representatives, which necessitated clarification by the President of the San Juan Board of Directors, the official spokesperson for San Juan;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

1. Tobin is hereby censured by the San Juan Board of Directors; and
2. Tobin is directed to refrain from making false allegations about San Juan and its employees in violation of San Juan's ordinances and policies; and
3. Tobin is hereby removed from any role as an official representative of San Juan and the only expenses incurred by Tobin for participating in meetings as a member of the San Juan Board of Directors that will be reimbursed by San Juan are those associated with meetings of San Juan's Board or Committees.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 20th day of November 2024, by the following vote:

AYES: DIRECTORS: Costa, Miller, Rich
NOES: DIRECTORS: Tobin
ABSENT: DIRECTORS: Zamorano



EDWARD J. "TED" COSTA
Vice President, Board of Directors



TERI GRANT
Board Secretary, Board of Directors

STAFF REPORT

To: Board of Directors

From: Paul Helliker, General Manager

Date: December 18, 2024

Subject: Board Policy on the Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Behavior

RECOMMENDED ACTION

Staff requests a Board motion to approve BOD-2.5 Policy on Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Conduct. The staff recommendation was reviewed by the Legal Affairs Committee, which recommends approval by the Board of Directors.

BACKGROUND

San Juan currently has policies against discrimination, harassment, violence in the workplace and abusive behavior (the latter called “bullying”), but these policies reside in the Personnel Manual. Portions of that Manual are approved by the Board of Directors, such as the Chapter on Wages and Benefits and the Chapter on Employer-Employee Relations. Other Chapters are approved by the General Manager. The policies against discrimination, harassment, violence in the workplace and abusive behavior are in Chapter 1, which is approved by the General Manager.

The Board has adopted Policy BOD-2.3 Ethics Policy, which mainly addresses issues of fairness and honesty, such as political contributions, protection of confidential information, protection of whistleblowers and similar topics. There are brief sections on fair and equal treatment and on interactions with staff (Sections 2.3.2 and 2.3.9). However, those sections do not provide the necessary level of detail to adequately address the topics covered by this proposed policy. With the adoption of this proposed draft policy, those sections would be deleted from the Ethics Policy.

The adoption of this proposed policy would clearly articulate the District’s requirements concerning the prevention of discrimination, harassment, violence in the workplace and abusive behavior; the parties to which this policy applies; and the consequences of violation of these policies.

Attachments:

BOD-2.5 Policy on Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Conduct

BOD-2.3 Ethic Policy (red-line)



Section	BOD-2 Board of Directors	Approval Date	11/20/24
Policy	BOD-2.5 Policy on Prevention of Discrimination, Harassment, Violence in the Workplace and Abusive Conduct	Latest Revision	

BOD-2.5 Discrimination, Harassment, Violence and Abusive Conduct Prevention Policy

The purpose of this policy is to confirm the District's commitment to provide a professional work environment free of unlawful discrimination, harassment, violence and abusive conduct, including conduct based on a protected characteristic, and an environment free from retaliation for participating in any protected activity covered by this policy. This policy applies to all persons involved in the functions of the District, including directors, supervisors, managers, employees, contractors, consultants, vendors, and other third parties.

2.5.1 Policy

Discrimination, harassment, violence and/or abusive conduct in the workplace or in the course and scope of employment by any person in any form that is in violation of this policy is prohibited.

Discrimination is defined as the unequal treatment in any aspect of employment, based solely or in part on a protected characteristic, including an employee or applicant's perceived protected characteristic. Protected categories include: race, color, religion, religious creed, national origin, ancestry, citizenship, physical or mental disability, medical condition, protected medical leaves, genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, age (40 years and over), sexual orientation, veteran and/or military status, domestic violence victim status, political affiliation, and any other characteristic protected by state or federal anti-discrimination law covering employment. Discrimination includes unequal treatment based upon an association with a member of these protected classes.

Discrimination may include but is not necessarily limited to: hostile or demeaning behavior directed due to a protected characteristic; allowing the protected characteristic to be a factor in hiring, transferring, promoting, terminating, separating, compensating or other employment-related or working condition decisions unless otherwise permitted by applicable law, and providing unwarranted assistance or withholding work-related assistance, cooperation, and/or information to applicants or employees because of their protected characteristic.

Harassment is defined as unwelcome disrespectful or unprofessional conduct, including disrespectful or unprofessional conduct based on any of the protected characteristics listed above. Harassment can be verbal (such as slurs, jokes, insults, epithets, gestures, or teasing), visual (such as the posting or distribution of offensive posters, symbols, cartoons, drawings, computer displays, or emails), or physical conduct (such as physically threatening another person, blocking someone's way, or making physical contact in an unwelcome manner).

Sexual harassment is discrimination based on sex (including pregnancy, childbirth, or related medical conditions), gender, gender identity, gender expression, or sexual orientation. It can include all of the actions described above as harassment, as well as other unwelcome sex-based conduct, such as unwelcome or unsolicited requests for sexual favors, conversations regarding sexual activities, or other verbal or physical conduct of a sexual nature.

Sexual harassment is generally categorized into two types:

- “Quid pro quo” (“this for that”): Occurs when an individual in a position of authority over another (for example, a manager or supervisor) directly or indirectly demands sexual favors from a subordinate in exchange for some benefit such as a promotion or pay increase, or to avoid an adverse employment action such as demotion or termination.
- “Hostile Work Environment”: Occurs when unwelcome conduct or comments based on sex, gender, gender identity, gender expression, or sexual orientation by any person in the workplace unreasonably interferes with an individual’s work performance and/or creates an intimidating, hostile, threatening or offensive working environment.

Sexual harassment can occur regardless of if the harasser and the victim are of different sexes or the same sex. Individuals of any gender can be the target of sexual harassment. Unlawful conduct does not need to be motivated by sexual desire, but can occur as a result of hostile acts toward an individual because of the individual’s gender, gender identity, gender expression, or sexual orientation.

Examples of sexual harassment include but are not limited to: unwelcome sexual advances, flirtation, teasing, sexually suggestive or obscene pictures, letters, invitations, emails, voicemails, or gifts; sex, gender or sexual orientation-related comments, slurs, jokes, remarks or epithets; leering, obscene or vulgar gestures; displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, or posters; impeding or blocking movement, touching or assaulting others; reprisals or threats after a negative response to sexual advances; and conduct or comments consistently targeted at one gender, even if the content is not sexual.

Violence in the Workplace, including acts or threats of physical violence, which also include intimidation, harassment, and/or coercion which involve or affect the District, which occur on District property, or occur during the performance of District business will not be tolerated.

Threats of violence include conduct against persons or property that is severe, offensive or intimidating or create a hostile, abusive, or intimidating work environment for one or more District employee. Such behavior includes, but is not limited to:

- Threats of violence occurring on District property, regardless of the relationship of the individuals involved in the threat.
- Threats or acts of violence not occurring on District property but involving someone who is representing the District.

- Threats or acts of violence not occurring on District property involving a District employee if the threats or acts of violence affect the interests of District.
- Any threats or acts resulting in the conviction of an employee or agent of District, or of an individual performing services on District's behalf on a contract or temporary basis, under any criminal code relating to threats or acts of violence that adversely affect the legitimate interests and goals of the District.

Specific examples of behavior that may be considered a threat or act of violence include, but are not limited to:

- Hitting or shoving an individual.
- Threatening to harm an individual or their family, friends, associates, or their property.
- The intentional destruction or threat of destruction of property owned, operated or controlled by the District.
- Making harassing or threatening telephone calls, sending harassing or threatening letters or other forms of written or electronic communication.
- Intimidating or attempting to coerce an employee to do wrongful acts that would affect the interests of the District or its members.
- Harassing surveillance, also known as "stalking", the willful, malicious and repeated following of another person and making credible threats with the intent to place the other person in reasonable fear for their safety.
- Making a suggestion or otherwise intimidating comment regarding the injuring of persons or property.
- Carrying weapons either on their person or in their vehicle while performing District business.

Abusive Conduct is defined as conduct of an any individual in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to the District's legitimate business interests.

The District considers the following types of behavior examples of abusive conduct:

- **Verbal Abuse:** Slander, ridiculing or maligning a person or their family; persistent name calling that is hurtful, insulting or humiliating; using a person as the focus of jokes; abusive and offensive remarks.
- **Physical Abuse:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work area or property.
- **Non-Physical Abuse:** Nonverbal threatening gestures or glances that convey threatening messages.
- **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities.
- Work interference or sabotage that prevents work from getting done.

The District encourages all employees to immediately report any incidents of discrimination, harassment, violence and/or abusive conduct so that complaints can be addressed timely. The District will promptly and thoroughly investigate any complaint of discrimination, harassment, violence or abusive conduct of any type and will take whatever corrective and preventative action is deemed necessary, including disciplining or terminating any individual who is found to have violated this policy. All complaints and investigations will be designated as confidential to the extent possible and permitted by law. However, complete confidentiality of an investigation cannot be guaranteed when it interferes with the District's ability to fulfill its obligations under this policy or the law.

If an employee chooses, they may file a complaint with the State of California Civil Rights Department (CRD) and/or with the United States Equal Employment Opportunity Commission (EEOC). These agencies are charged with the responsibility of accepting and reviewing all complaints.

The District will not retaliate against an employee for reporting an allegation of discrimination or harassment, and it will not tolerate or permit retaliation by other employees against the reporting employee or any employees participating in the investigation of a discrimination, harassment, violence or abusive conduct complaint. Any employee who believes they have been retaliated against because of a claim of discrimination or harassment, violence, abusive conduct or from participation in an investigation, may file a claim of retaliation with the District, the CRD and/or the EEOC.

Revision History:

Revision Date	Description of Changes	Requested By



Section	BOD-2 Board of Directors	Approval Date	10/23/03
Policy	BOD-2.3 Ethics Policy	Latest Revision	09/28/22

BOD-2.3 Ethics Policy

The policy of the District is to maintain the highest standards of ethics from its Board members and its employees. The proper operation of the District requires decisions and policy to be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Board members and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. This policy sets forth the minimal ethical standards to be followed by the Board of Directors. The ethics policy for District employees is set forth in the District's Personnel Manual.

2.3.1 Responsibility of Holding Public Office

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest and financial disclosure laws. Board members will work in cooperation, to the best interest of the District, with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work.

2.3.2 Fair and Equal Treatment

~~Board members will not, in the performance of their official functions, discriminate against any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual preference, medical condition or disability. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.~~

2.3.32 Proper Use and Safeguarding of District Property and Resources

Except as specifically authorized, a Board member will not use or permit the use of District-owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Board member will not ask or require a District employee to perform services for the personal convenience or profit of a Board member or employee. Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. The Board has adopted policies requiring that written records, including expense accounts, be kept in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Board members.

2.3.43 Use of Confidential Information

A Director is not authorized, without approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, or (2) is protected from disclosure under the attorney/client or other evidentiary privilege.

This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

2.3.54 Soliciting Political Contributions

Board members are prohibited from soliciting political funds or contributions at District facilities. A Board member will not accept, solicit or direct a political contribution from any person or entity who has a financial interest in a contract or other matter while that contract or other matter is existing or pending before the District. A Director will not use the District's seal, trademark, stationary or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

2.3.65 Revolving Door

For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which the Board of Directors of which that person was a member had decision-making authority during the three years prior to leaving office.

For purposes of this section, "represent" will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.

These restrictions will not apply to representation of not-for-profit charitable entities before the District.

These restrictions may be waived in specific cases by a two-thirds vote of the District's Board of Directors.

Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public.

2.3.76 Improper Activities and the Protection of “Whistle Blowers”

The General Manager has primary responsibility for (1) ensuring compliance with the District's Personnel Manual, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The General Manager is obligated to operate the District according to law and the policies approved by the Board. Board members are encouraged to disclose to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board member or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a District Board member or District employee.

A Board member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a District Board member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager, or (2) a member of the Board of Directors if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District's Personnel Manual and applicable law.

A perceived violation of this policy by a Board member should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy, (b) injunctive relief, or (c) referral of the violation to the District Attorney and/or the grand jury.

2.3.87 Values

Respect for each Board member's interpersonal style will be a standard of operation. Courtesy and respect for individual points of view will be practiced at all times. All Board members shall respect each other's right to disagree. All Board members shall practice a high degree of decorum and courtesy. When addressing the public in any way, all Board members shall make certain their opinions are expressed solely as their own, and do not in any way necessarily reflect the opinions of any other Board member or the District.

2.3.9 Interaction of the Board with Staff

~~The Board shall treat staff with respect and shall not abuse staff, nor embarrass staff in public. The Board members are to work through the General Manager or General Counsel on all issues, concerns and questions.~~

Revision History:

Revision Date	Description of Changes	Requested By
9/28/22	Added section 2.3.8 and 2.3.9	Legal Affairs Committee

AGENDA ITEM VI-3

STAFF REPORT

To: Board of Directors
From: Paul Helliker, General Manager
Date: December 18, 2024
Subject: SJWD ADM-3.6 Records Management Policy Revisions (W & R)

RECOMMENDED ACTION

Staff requests a Board motion to adopt Resolution 24-08 revising Board Policy Adm-3.6 Records Management Policy. The staff recommendation was reviewed by the Legal Affairs Committee, which recommends approval by the Board of Directors.

BACKGROUND

The SJWD Records Management Policy was created to establish and describe the Records Management Policy (Policy) of the San Juan Water District (District). The Policy establishes the guidelines and procedures, under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains the District's Records Retention Schedule (Schedule) and provides references to the applicable state and federal statutes that regulate public records retention. The Policy was last updated on August 19, 2020.

CURRENT STATUS

Review of the Policy and Schedule began in October of 2023, to bring the documents into compliance with the latest regulatory and statutory requirements. Both the Policy and the Schedule were significantly revised, as a result of the extensive analysis and deliberation that every Department in the District devoted to this project. This work has included ensuring that all District records are covered by the Schedule and that the appropriate retention period per specific sections of the Government Code or other applicable law was defined in the Schedule. Legal Counsel has reviewed the Policy revisions and the Schedule.

Since the revision to the Schedule was quite extensive, a clean version of the Schedule will be attached separately from the red-line version of the Policy and, once approved by the Board, will be incorporated into the Policy.

Attachments:

Resolution 24-08 - Record Management Policy
ADM-3.6 Records Management Policy (red-line)
Records Retention Schedule (clean)

RESOLUTION NO. 24-08

**A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN JUAN WATER DISTRICT
REVISING BOARD POLICY ADM-3.6 RECORDS MANAGEMENT POLICY**

WHEREAS, Sections 60200 through 60203 of the Government Code provide procedures regulating the retention and destruction of records for special districts; and

WHEREAS, on January 1, 2005, significant amendments to Government Code sections 60201 and 60203 became effective pursuant to Assembly Bill 474 ("AB 474"), establishing new requirements for retaining and disposing of special district records; and

WHEREAS, on May 16, 2007, the District approved a Records Management Policy which incorporates a Records Retention Schedule to regulate the retention and destruction of documents and files pursuant to Government Code sections 60200, et seg.; and

WHEREAS, on January 13, 2010, and August 19, 2020, the District approved amendments to the Records Management Policy, including assigning a policy number; and

WHEREAS, the Records Management Policy and the accompanying Records Retention Schedule comply with the California Secretary of State Local Government Records Management Guidelines, as required under AB 474; and

WHEREAS, any records destroyed pursuant to the District's Records Management Policy which includes the District's Records Retention Schedule will not adversely affect the District or the public.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JUAN WATER DISTRICT as follows:

Section 1. The Records Management Policy and incorporated Records Retention Schedule, which are attached hereto as Exhibit A and incorporated herein by reference, are adopted as the policy of the Board of Directors.

Section 2. The General Manager of the District and/or his/her designee is authorized to do any and all acts necessary to give effect to and comply with the terms and intent of this Policy.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 18th day of December 2024, by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:

MANUEL ZAMORANO
President, Board of Directors
San Juan Water District

ATTEST

TERI GRANT
Secretary, Board of Directors



Section	ADM-3 Administration	Approval Date	10/23/03
Policy	ADM-3.6 Records Management Policy	Latest Revision	8/19/20

ADM-3.6 Records Management Policy

3.6.1 Policy

3.6.1.1 Purpose

The purpose of this document is to establish and describe the Records Management Policy ("Policy") of the San Juan Water District ("District"). The Policy establishes the guidelines and procedures under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains the Records Retention Schedule (Schedule) (Appendix A) and provides references to the applicable state and federal statutes that regulate public records retention.

3.6.1.2 Preparation and Amendment

The Policy shall be prepared under the direction of the General Manager and reviewed by District Legal Counsel to ensure compliance with applicable statutes. This Policy will be reviewed bi-annuallyperiodically in order to maintainremain current ~~tey~~ with legal and District requirements.

3.6.2 Definitions

The following definitions apply to terms used in this Policy ~~and Appendix A - Records Retention Schedule~~:

3.6.2.1 Public Records

~~Records include any documents, pictures, video recordings, audio recordings, books, paper, microfilm, computer printouts, computer disks or tapes, and any other fixed or permanent medium, which contain information relating to the conduct of the public's business prepared, owned, used, or retained by the District regardless of physical form or characteristics. As defined in Government Code section 7920.530, "public records" includes 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. In addition, pursuant to Government Code section 7920.545, a "writing" means any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored.~~ A record is not a compilation of existing records created outside the normal course of business.

~~**Public Records** - Any record 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 that is otherwise not exempt from disclosure under Government Code sections 6254 and 6255 7920.000 et. seqq. and other applicable provisions of law.~~

3.6.2.26 Records Retention Schedule

~~This refers to aA list of all records produced or maintained by the District and the actions taken with regards to those records. A retention schedule is the District's legal authority to receive, create, retain, and dispose of official public records. It assists the District by documenting which records require office or temporary storage, which records have historic or research value, and which records should be destroyed because they no longer have any administrative, fiscal, or legal value. In the event of litigation, courts accept a retention schedule as establishing an agency's "normal course of doing business".~~

3.6.2.23 Functional Area

~~This refers to the area or department that generates, maintains or is responsible for a record.~~

3.6.2.34 OfficeCategory

~~Defines on the Records Retention Schedule the length of time for which a Record in its original form must be maintained in the department where the document originated or is kept. The subdivision of a Function into groups that identify and arrange business activities and the resulting records into categories according to logically structured conventions, methods and procedural rules.~~

3.6.2.45 ArchiveRecord Series

~~Defines on the Records Retention Schedule the length of time for which the original or approved permanent copy of a Record must be transferred from the retaining department to storage for the archival retention period prescribed in the Records Retention Schedule. A group of similar records arranged under a category. TheyA Record Series deals with a particular subject (budget, personnel, etc.), results from the same activity (water treatment reports, customer payments, etc.), or hasve a special form (blueprints, maps, etc.).~~

3.6.2.56 TotalRetention Period

~~The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function. Then aA record should be disposed of as soon as possible in accordance with anthe approved Records Retention Schedule. Defines on the Records Retention Schedule the total length of time for which a Record must be retained by the District before it can be destroyed.~~

3.6.2.6 Records Retention Schedule

~~A list of all records produced or maintained by the District and the actions taken with regards to those records. A retention schedule is the District's legal authority to receive, create, retain, and dispose of official public records. It assists the District by documenting which records require office or temporary storage, which records have historic or research value, and which records should be destroyed because they no longer have any administrative, fiscal, or legal value. In the event of litigation, courts accept a retention schedule as establishing an agency's "normal course of doing business".~~

3.6.2.7 Retention PeriodDestruction Method

~~The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function. Then a record should be disposed of as soon as possible in accordance with an approved Records Retention Schedule. The method to use to dispose of records.~~

3.6.2.8 Legal Authority

~~References the Government Code, District policy or other means to determine the retention period for the record. When records are to be held longer than required by law, the legal retention period may be noted here. For all record categories where no legal authority is cited, the District has discretion to set the retention period in accordance with Government Code section 60201(b)(2)~~

3.6.2.9 Descriptor

~~Provides detailed information that may include, but is not limited to, the types of records contained in the Record Series.~~

3.6.2.10 Primary Office of Record

~~Department, division, section, or unit in which a record is generated or managed.~~

3.6.3 Records Retention

The criteria used to determine the length of time to retain records includes: statutory requirements; purpose, function and use; information content; and uniqueness (whether the information exists elsewhere). Records must be retained in accordance with Government Code sections 60200 through 60204 governing retention and destruction of the records of special districts. However, specific state and federal statutes may require longer, or shorter, retention periods.

The District maintains permanent records indefinitely in accordance with Government Code section 60201(d). The permanent records of the District are listed in the ~~Records Retention~~ Schedule within this Policy.

3.6.4 Destruction and Disposal of Records

Destruction of records will be in accordance with this Policy and the ~~attached Records Retention Schedule, as authorized by the General Manager or his/her designee according to Government Code section 60201(b)(2)~~. Records must be destroyed after the expiration of the applicable retention period in accordance with this Policy and generally accepted records information management guidelines and procedures. The acceptable method(s) of destruction are listed on the ~~Records Retention~~ Schedule. Generally, records not containing information of a confidential or proprietary nature may be destroyed by means of recycling or other waste removal service. Records containing confidential or proprietary information must be shredded or otherwise permanently destroyed. Records ~~recorded stored on electronically or magnetic media~~ may be erased ~~and the media re-used or discarded~~.

~~District records may be destroyed by District staff or a licensed, bonded and insured document destruction service. If District staff destroys records, the staff member destroying the records will prepare and sign a "Certificate of Destruction." If the District uses a document destruction service, it shall obtain a Certificate of Destruction from the document destruction service following destruction of District records. All Certificates of Destruction shall be filed with the District Records Disposal Log.~~

3.6.5 Retention of Other Records

- 3.6.5.1** The District must retain ~~the certain following~~ records, regardless of any different destruction policy or schedule as to any identified record or records specified in the Records Retention Schedule, according to Government Code section 60201(d):
- (1) ~~Any record of the District that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until the District has either (a) complied with the request or (b) withheld the record and provided written notice to the requestor denying the request;~~
 - (2) ~~Documents related to public works not accepted by the District or to which a stop notice claim may be legally presented;~~
 - (3) ~~Documents related to any non-discharged District debt; and~~
 - (4) ~~Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by the District.~~
 - (5) ~~Documents related to a Natural Disaster or Federal Emergency Management Agency (FEMA) claim.~~
- 3.6.5.2** The District may dispose of the following records at any time, without ~~maintenance maintaining of~~ a copy:
- (1) Duplicates, the original or a permanent photographic record of which is on file;
 - (2) Rough drafts, notes, working papers and audio recordings prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document, including but not limited to meter books after the contents thereof have been transferred to other records;
 - (3) Cards, listings, non-permanent indices, other papers used for controlling work and transitory files including letters of transmittal, suspense letters, and tracer letters;
 - (4) Canceled coupon sheets from registered bonds; and
 - (5) Telephone messages and inter-departmental notes.

3.6.6 Public Record Requests

A person ~~or entity~~ may obtain copies of public records of the District, preferably via written request, though verbal requests may be acceptable. ~~The District reserves the right to require a written request. Public records of the District are open to inspection during regular business hours and every person has a right to inspect these records.~~ Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding.

~~Copies of requested public records will be provided by the District within ten days or the District will notify the requestor within ten days when the requested public records will be provided. Pursuant to Government Code section 7922.535 (a), within 10 days from receipt of the request, the District will determine whether the request, in whole or in part, seeks copies of disclosable public records in the possession of the District and shall promptly notify the person making the request of the determination and the reasons therefor. If the agency determines that the request seeks disclosable public records, the agency shall also state the estimated date and time when the records will be made available. However, if additional time is needed to~~

determine if the District has disclosable records, then Government Code section 7922.535 (b)(c) should be referenced.

Pursuant to Government Code section 7922.530 (a), except with respect to public records exempt from disclosure by express provisions of law, the District will provide the requestor with exact copies of all requested public records unless impracticable to do so. If unless a record is in electronic form or in a specialized format, in which casethen the District will provide the most accurate copy possible within the limits of available technology and the requestor's instructions and agreement to pay the legally chargeable costs to retrieve and reproduce copies of such non-standard records. The requestor will be informed of the copying costs and payment must be received prior to copying the records.

Certain public records are exempt from disclosure under the California Public Records Act (Government Codes sections 7922.525~~6250-6276.48~~). The District will justify withholding a record by demonstrating that it is exempt under the express provisions of Government Code section 7927.705~~6254~~ or by demonstrating in accordance with Government Code section 6255~~7922.000~~ that the public interest served by not making the record available clearly outweighs the public interest served by disclosing the record. The District will provide a requestor with written notice of an intent to withhold a record stating the reasons for the withholding within ten days of the request for inspection as required by Government Code sections 7922.540~~6253~~, subdivision (c) and 6255, subdivision (b).

3.6.6.1 Copy Charge

The District may charge a per page fee to copy a record, in an amount specified on the District's current Schedule of Rates, Fees, Charges and Deposits. If the request includes public records created in an electronic format, the District may charge the costs of producing such records in accordance with Government Code section 6253~~97922.575~~. No charge will be imposed for staff time to locate records~~research~~. The District reserves the right to have copies of specialized, oversized and color records printed by an outside copy service and to charge the requestor the actual costs for such outside copy services. The District also reserves the right to require a requestor to deposit the estimated amount of copying fees and any costs for mailing before copying and delivering requested records.

3.6.6.2 Request List

The District will maintain a log of Public Record Act requests for inspection that are denied and the reasons for the denial.

3.6.7 Public Counter Records

3.6.7.1 Except for writings exempt from public disclosure, the District Board Secretary will maintain a duplicate copy of the last approved Board meeting minutes and the agenda and written materials distributed to the Board for discussion or consideration at the next scheduled Board meeting. These records will be maintained at the public counter located in the District's administrative office. Public records discussed during a public meeting but not previously available will be made available before the commencement of discussion at such meeting or as soon thereafter as practicable. In accordance with

Government Code section 54957.5, the agenda and Board meeting packet for an open session of a regular meeting shall be made available for public inspection.

- 3.6.7.2 No charge will be imposed for the use or review of the records described in this section. The District will, however, impose a copy charge if a copy of a public counter record is requested.
- 3.6.7.3 The District shall also posts on its website ~~copies of all public counter records~~, archived Board meeting minutes and agendas, current Board policies, and other important District documents. Requestors are encouraged to view and obtain copies of available documents on the District's website by visiting: www.sjwd.org

Revision History:

Revision Date	Description of Changes	Requested By
1/13/10	To add meeting audio recordings to schedule	Shauna Lorance, General Manager
8/19/20	Numerous changes – see Board staff report dated 8/19/20	Paul Helliker, General Manager

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²		
	Office	Archive ¹	Total				
Administration							
Board of Directors and Committees							
Authorizing Documents	Permanent	Permanent	Permanent		G.C. §60201(d)(1)		
Board Policies and Procedures	Current + 3 years	Permanent	Permanent				
Conflict of Interest Code	Current + 3 years	Permanent	Permanent		G.C. §87300		
Ethics Code	Current + 3 years	Permanent	Permanent				
Ethics Training—Proofs of Completion	5 years	None	5 years	Shred	G.C. §53235.2(a)		
Form 700 Statements of Economic Interests	7 years from Filing	None	7 years from Filing	Shred	G.C. §81009(e)		
Meeting Agendas	3 years	Permanent	Permanent				
Meeting Audio Recordings	30 days or until minutes approved	None	30 days or until minutes approved	Deletion			
Meeting Minutes	Permanent	Permanent	Permanent		G.C. §60201(d)(3)		
Meeting Notices	3 years	Permanent	Permanent				
Ordinances and Resolutions—current ³	Permanent	Permanent	Permanent		G.C. §60201(d)(2)		
Ordinances and Resolutions—Repealed/Invalid	5 years from Repeal	None	5 years from Repeal	Disposal	G.C. §60201(d)(2)		
Reports (including all attachments)	3 years	Permanent	Permanent				
Election Materials							
General	3 years	Permanent	Permanent		G.C. §81009(a)		
Special	3 years	Permanent	Permanent		G.C. §81009(a)		
Legal							
Attorney Correspondence	1 year	2 years	3 years	Shred			
General Correspondence	1 year	2 years	3 years	Shred			

¹ Archived records may be retained in original form or the original may be copied in a permanent medium and the original destroyed.

² For all record categories where no legal authority is cited, the District has discretion to set the retention period in accordance with Government Code section 60201, subdivision (b)(2).

³ Ordinances and Resolutions that are superseded, repealed, unenforceable or otherwise invalid may be disposed of five years after being rendered invalid.

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Legal (con't)					
Lawsuits/Claims	Until Closed + 2 years	None	Until Close + 5 years	Shred	G.C. §60201(d)(4)
Opinions	1 year	7 years	7 years	Shred	
Real Property Interests (Title, Acquisition, Disposition)	Permanent	Permanent	Permanent		G.C. §60201(d)(8)
Customer Service					
Utility Billing					
Connection Records/Will Serves	1 year	Permanent	Permanent		
Credit Bureau Assignments	1 year	3 years	Audit + 3 years	Shred	
Deposit Slips	1 year	3 years	Audit + 3 years	Shred	
Meter Reads in Billing System	Permanent	None	Permanent		
Payment Stubs & Tapes	1 year	3 years	Audit + 3 Years	Shred	
Refunds	Audit + 1 year	6 years	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)
Service Requests	1 year	3 years	Audit + 3 years	Shred	
Utility Billing Register	1 year	3 years	Audit + 3 years	Shred	
Daily Call Log Reports	3 years	0 years	3 years	Shred	
Water Efficiency					
Landscape irrigation reports	1 year	3 years	4 years	Shred	
Rebate Applications	1 year	5 years	6 years	Shred	
Water Loss Audit & Validation	3 years	Permanent	Permanent		
Finance					
Accounts Payable (A/P)					
1099's Issued	Audit + 1 year	6 years	Audit + 7 years	Disposal	26 CFR Sec. 31.6001-1(e)(2)
A/P supporting documentation (voucher, invoice, purchase order, receiving documents)	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)
Check Register Packet	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Accounts Payable (A/P) (con't)					
Payable/Receipt Registers, Adjustment, Void and Check Registers	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)
Purchase Order File (quote comparisons, email communication, documentation of receipt, requisitions and PO itself)	Audit + 2 years	None	Audit + 2 years	Disposal	
Vendor Information Packet (including W-9, Form 590, etc.)	Until no longer active + 7 years	None	Until no longer active + 7 years	Disposal	G.C. §60201(d)(12)
Voided Checks	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Accounts Receivable (A/R)					
Cash Receipts	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Cash Receipts for Connection fees	Audit + 5 years	Permanent	Permanent		
Credit Bureau Assignments	Audit + 1 year	3 years	Audit + 4 years	Shred	
Invoices	Audit + 1 year	3 years	Audit + 4 years	Shred	
Debt Administration					
Bond Transcripts (issuing documents)	Cancellation of Debt, Redemption or Maturity	10 years	Cancellation of Debt, Redemption or Maturity + 10 years	Disposal	G.C. §60201(d)(7)
CalPERS Actuarial Valuation Reports (Pension)	10 years	None	10 years	Disposal	
Financing Agreement for Other Long-Term Indebtedness	Cancellation of Debt, Redemption or Maturity	10 years	Cancellation of Debt, Redemption or Maturity + 10 years	Disposal	G.C. §60201(d)(7)
OPEB Valuation Report	10 years	None	10 years	Disposal	

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
General Ledger					
Audited Financial Statements	Audit + 10 years	Permanent	Permanent		
Budgets—adopted/final	Audit + 10 years	Permanent	Permanent		
Detailed General Ledger (electronic)	7 years	None	7 years	Delete	
Fixed Asset Listing (in year-end binder, if not, retain separately as shown)	Audit + 2 years	5 years	Audit + 7 years	Disposal	
Journal Entries	Audit + 1 year	7 years	Audit + 7 years	Disposal	
Monthly Bank Reconciliations and Statements	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Year End Audit Binder (contains reconciliation and supporting documentation for each account with a material year-end balance—balance sheet and income statement accounts)	Audit + 5 years	Permanent	Permanent		
Grants					
Grant records including procurement documents, expenditures, grant reports, program income receipts and records, etc.	Expiration of Grant + 3 years	Expiration of Grant + 4 years	Expiration of Grant + 7 years	Disposal	Gov't Code section 8546.7; 21 CFR 1403.36 & 1403.42(b); 24 CFR 85.42, 91.105(h), & 570.502; 29 CFR 97.42
Inventory					
Annual Physical Count Documentation	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Inventory Issue Batch Reports	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Property Disposal Records	Audit + 1 year	6 years	Audit + 7 years	Disposal	

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Investments					
Investment receipts, Advisor Reports and Statements, Investment Confirmations & Trade Tickets and Investment Account Statements	Audit + 1 year	6 years	Audit + 7 years	Shred	
<i>Natural Disasters Losses / Claims (including supporting documents pertaining thereto)</i>					
Federal Emergency Management Agency (FEMA) ⁴	Until Closed by FEMA + 3 years	None	Until Closed FEMA + 3 years	Delete/Shred/Disposal	
Human Resources					
<i>Pre-Employment Records</i>					
Job Announcements	2 years	None	2 years	Disposal	
Job Applications and Resumes	Duration of employment (if hired) + 2 years	None	Duration of employment + 2 years	Shred	
<i>Payroll Files</i>					
CalPERS Contribution Reports (electronic)	Permanent	None	Permanent		SJWD Board Policy
Quarterly tax filings and reconciliations of the Federal 941 and the California DE9	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12) and IRS
Timesheets and Payroll Register (taxable wages, hours, earnings, deductions)	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12)
Unlawful Employment Practices, Claims, Investigations and Legal Proceedings including Personnel and Payroll records of complaining parties and all those holding or applying for similar positions	Until Disposition of Case	Appeals Periods	Until Disposition of Case and all appeals periods have expired	Shred	

⁴ Superseding the retention schedules listed above and below; all documents related to any FEMA claim must be kept for the duration of the open claim plus 3 years after the case is closed.

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Payroll Files (con't)					
W-2s	Until updated or termination + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12) and 4 yrs per IRS
Wage Garnishment Order	Until Revoked + 7 years	None	7 years after revocation	Shred	
Employee Personnel Files					
I-9 Forms	Termination + 7 years	None	Termination + 7 years	Shred	
Accommodation Letters (regarding FMLA leave and ability of District to accommodate restrictions)	Termination + 7 years	None	Termination + 7 years	Shred	
Alcohol test results indicating an alcohol concentration of .02 or greater	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Annual calendar year summary of testings	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Benefits: Enrollment Forms, Deduction Agreements, etc.	Until Termination + Audit	None	Termination + 7 years	Shred	
Chemicals Safety and Exposure Records	Until Termination + Audit	30 years	Audit + 30 years	Shred/Disposal	8CCR 3204
COBRA Notices	Termination + 7 years	None	Termination + 7 years	Disposal	
Discharge, layoff, transfer and recall records	Termination + 7 years	None	Termination + 7 years	Shred	
Disciplinary Notices	Termination + 7 years	None	Termination + 7 years	Shred	

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Employee Personnel Files (con't)					
Documentation of refusals to take required alcohol and/or controlled substances tests	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Driver evaluation and referrals (including DMV pull program notices)	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Education Reimbursement Agreement	Termination + 7 years	None	Termination + 7 years	Shred	
Employee Health Records	Termination + 7 years	92 years	Termination + 99 years	Shred	8CCR 3204
Employment Verifications	Termination + 7 years	None	Termination + 7 years	Shred	
Fitness for Duty Evaluation Results	Termination + 7 years	None	Termination + 7 years	Shred	
General Information: Legal Name, Social Security Number, Birth/Marriage/Death Certificates, Address and Contact Information, etc.	Termination + 7 years	None	Termination + 7 years	Shred	
Offer Letter (including workweek) Workweek/Flex Time MOU, Salary, etc.	Until Termination + 7 years	None	Audit + 5 years	Shred	
Performance Management (Evaluations, etc.)	Termination + 7 years	None	Termination + 7 years	Shred	
Personnel Action Notices (PAN)	Termination + 7 years	None	Termination + 7 years	Shred	
Records of negative and cancelled controlled substances test results and alcohol test results with a concentration of less than .02	1 year	None	1 year	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Records of verified positive controlled substances test results	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Employee Personnel Files (con't)					
Records relating to the alcohol and controlled substances collection process.	2 years	None	2 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Training Certificates, etc. (if provided for file)	Termination + 7 years	None	Termination + 7 years	Shred	
Union and Employee Contracts	Until Termination + Audit	Permanent	Permanent		
Workweek/Flex Time MOU (as it pertains to employee file. Board Secretary should maintain MOU's as permanent documents)	Termination + 7 years	None	Termination + 7 years	Disposal	
Other					
OSHA Logs and Records	5 years	None	5 years	Shred	
Picture of Posted Labor Posters (electronic)	3 years	None	3 years	Disposal/ Delete	
Salary Survey	Current	2 years after completion of new study	2 years after completion of new study	Shred	
Risk Management					
Insurance					
Certificates of Insurance (District Insurance Policies)	Current + Audit	Permanent	Permanent		For protection from litigation
Claims against the District (Injury, Property, General Liability)	Settlement + 1 year	None	Settlement + 1 year	Disposal	
Insurance Policies	Current + Audit	Permanent	Permanent		For protection from litigation
Memoranda of Coverage	Current + Audit	Permanent	Permanent		For protection from litigation

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Insurance (con't)					
Surety/Fidelity Bonds	Current + Audit	Expiration + 5 years	Expiration + 5 years	Disposal	
Vendor Certificates of Insurance and Endorsements (District as Additional Insured)	Completion of Work + 7 years	None	Completion of Work + 7 years	Disposal	
Water System					
Capital Improvements					
Accepted bid documents	5 years	Permanent	Permanent		
As-built plans/documents (includes submittals, fabrication drawings, cutsheets, etc.)	7 years	Permanent	Permanent		
Contracts (including insurance endorsements naming District as additional insured)	7 years	Permanent	Permanent		G.C. §60201(d)(12)
Unaccepted construction or installation bids & proposals	2 years	None	None	Disposal	G.C. §60201(d)(11)
Source, Treatment, and Distribution					
Maps	7 years	Permanent	Permanent		
Master Plans	10 years	Permanent	Permanent		
Meter Operations	2 years	10 years	10 years	Disposal	
Permits	7 years	10 years	10 years	Disposal	
Policies & Procedures	2 years	10 years	10 years	Disposal	
Rates	2 years	10 years	10 years	Disposal	
Reclamation	2 years	10 years	10 years	Disposal	
Reports	7 years	Permanent	Permanent		
Source of Supply	2 years	10 years	10 years	Shred	
Surveyor Field Notes	7 years	Permanent	Permanent		
Surveys, Water System Sanitary	7 years	Permanent	Permanent		
Test	2 years	10 years	10 years	Shred	
Valve Main Records	2 years	10 years	10 years	Shred	
Violations, Drinking Water	2 years	10 years	10 years	Shred	

Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority ²
	Office	Archive ¹	Total		
Development					
Acreage Agreements	Permanent	Permanent	Permanent		
Conveyance Agreements	Permanent	Permanent	Permanent		
Connection Related Deposits and Payments	Permanent	Permanent	Permanent		
Property					
Deeds	Permanent	Permanent	Permanent		
Easements	Permanent	Permanent	Permanent		
Encroachment Agreements	Permanent	Permanent	Permanent		

SJWD Records Retention Schedule

Retention Key		Legal Authority Key			
AU - Audit	P - Permanent	CCP - Code of Civil Procedure of California	LAB - Labor Code		
CL - Closed/Completion	PMT - Payment	CCR - CA Code of Regulations	PEN - Penal Code		
CY - Current Year	T - Termination	CFR - Code of Federal Regulations	Title 8 - Cal/OSHA		
E - Election	TE - Termination of Employment	GC - CA Government Code	USC - United States Code		
L - Life	S - Superseded	HSC - CA Health & Safety Code	WAT - CA Water Code		
O - Duration of Ownership					

	Functional Area					
		Category				
Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
ADMINISTRATION						
<i>Contract Management</i>						
Contracts /Agreements (capital improvements - contracts >\$25,000)						
ADM-001	Agreements & Contracts - INFRASTRUCTURE / CAPITAL PROJECTS	L+ 5 yrs (may be kept longer for historical value)	Deletion/ Disposal	GC §60201	Agreements/contracts with contractors or consultants to perform capital project services, or to provide goods. Capital project related memorandum of understanding agreements (MOUs), agreements for reimbursement, grant agreements, project specifications and drawings (manual), Notice of Completion form, Contract Change Order (change to an agreement or contract relating to scope of work, completion date, etc.) Department Preference for emergency response; Covers E&O Statute of Limitations (insurance certificates are filed with agreement)	Board Secretary

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Contracts/Agreements (general - contracts < \$25,000)						
ADM-002	Agreements & Contracts - CUSTODIAL, LEASES, MAINTENANCE, PROFESSIONAL SERVICES, CONSULTING (not related to Real Property)	CL+ 4 yrs	Deletion/ Disposal	CCP §343	Includes leases, equipment, services, or supplies. Purchasing contracts. Supporting materials that substantiate the final contract or decision trail, i.e. solicitations (formal and informal), solicitation responses (successful and unsuccessful), correspondence. Includes Contract Change Order to change an agreement or contract relating to scope of work, completion date, etc. Includes insurance certificates.	Board Secretary
ADM-003	Agreements & Contracts - CUSTODIAL, LEASES, MAINTENANCE, PROFESSIONAL SERVICES, CONSULTING (related to Real Property)	CL+ 10 yrs	Deletion/ Disposal	CCP §337.15	Includes leases, equipment, services, or supplies. Purchasing contracts. Supporting materials that substantiate the final contract or decision trail, i.e. solicitations (formal and informal), solicitation responses (successful and unsuccessful), correspondence. Includes Contract Change Order to change an agreement or contract relating to scope of work, completion date, etc. Includes insurance certificates.	Board Secretary
ADM-004	District Benefit Contracts & Benefit Plans / Insurance Policies (Health, Dental, Deferred Compensation, etc.)	S or T+ 1 yr	Deletion/ Disposal	29 CFR §1627.3(b)(2)	CalPERS 457 & health plan contracts, VALIC 457 Plan contract, Sunlife Disability contract & AD&D Insurance, ACWA/JPIA Dental/Vision contract, Workers Comp insurance coverage contracts, EAP, AFLAC, WageWorks/ HealthEquity (cafeteria plan)	Human Resources
General Administration						
ADM-005	Conflict of Interest Code	S+ 2 yrs	Deletion	GC §87300	FPPC adopted Conflict of Interest Code	Board Secretary
ADM-006	Correspondence - Not related to any other record referenced in this schedule	2 yrs	Deletion/ Disposal	GC §60201	Administrative, Chronological, Communications, General Files, Letters, Memorandums, Miscellaneous Reports, Reading Files, Working Files, etc. (Does NOT include Regulatory Agency Correspondence)	All Staff

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
ADM-007	Correspondence - TRANSITORY / PRELIMINARY DRAFTS, Interagency and Intraagency Memoranda not retained in the ordinary course of business	When No Longer Needed	Deletion/ Disposal	GC §7927.500	<p>Content NOT Substantive, or NOT made or retained for the purpose of preserving the informational content for future reference (e.g. calendars, checklists, e-mail or social media, invitations, instant messaging, logs, mailing lists, meeting room registrations, supply inventories, telephone messages, text messages, transmittal letters, thank yous, requests from other cities, undeliverable envelopes, visitors logs, voicemails, webpages, copies of documents, etc.)</p> <p>E-mails, electronic records, or social media postings where either the content relates in a substantive way to the conduct of the public's business, or ARE made or retained for the purpose of preserving the informational content for future reference are saved by printing them out and placing them in a file folder, or saving them electronically. Business done on behalf of SJWD that requires the creation and preservation of records should not be conducted via text message or social media; therefore, SJWD will not preserve or retain these records, except to the extent that such records are required to be preserved due to related, pending litigation or other relevant State law.</p>	All Staff
ADM-008	District Forms	S or When No Longer Needed	Deletion/ Disposal	GC §60201	Internal District Forms	All Staff
ADM-009	Filings with Secretary of State	S	Deletion	GC §53051	Roster of Public Agencies	Board Secretary
ADM-010	Form 700 Statements of Economic Interest and Form 801	7 yrs from Filing	Deletion/ Shred	GC §81009	FPPC forms required to be filed with the District	Board Secretary
ADM-011	Grand Jury Investigations & Responses	5 yrs	Deletion/ Shred	PEN §933	Any documentation received or sent	Board Secretary

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
ADM-012	Historical Records	P		District preference	Documents or photographs/videos related to the history of the District	All Staff
ADM-013	Policies and Procedures	S+ 2 yrs	Deletion/ Disposal	GC §60201	Standard Operating Procedures (SOPs) and policies set by the General Manager or Department Manager	All Staff
Records Management						
ADM-014	Public Records Requests	CL+ 2 yrs	Deletion/ Disposal	GC §60201(d)(5)	Public records requests and responses to the request	Board Secretary
ADM-015	Public Records Requests Log	CL+ 2 yrs	Deletion	District preference	Log of all PRA requests	Board Secretary
ADM-016	Records Retention Schedules	S+ 4 yrs	Deletion	CCP §343	Included in the Board Policy and is the Board's authorization to destroy records according to the schedule	Board Secretary
CUSTOMER SERVICE						
Communications/Public Outreach						
CS-001	Brochures, publications, newsletter, bulletins, outreach materials	S+ 2 yrs - Printed P - Website	Deletion/ Disposal	GC §60201	WaterGram, Wholesale Mailers, Drought Mailers, Student Poster/Calendar Contest materials, and any other PR documents. Retain selected documents only for historic value.	Customer Service
CS-002	Consumer Confidence Report	CY+ 4 yrs	Deletion/ Disposal	22 CCR §64483(g) 40 CFR §141.155	Annual report to customers regarding drinking water quality	Customer Service
CS-003	Media Relations	CY+ 2 yrs	Deletion/ Disposal	GC §60201	Includes cable, newspaper, radio, message boards, presentations, press releases related to District business	Customer Service
CS-004	Prop 218 Notices	S+ 5 yrs	Deletion/ Disposal	GC §60201	Rate increase notice. Property related fees (assessment ballot proceeding). Assessments	Customer Service
CS-005	Prop 218 Protest Letters	CY+ 2 yrs	Deletion/ Disposal	GC §53755(d)	All protest letters received regarding the Prop 218 rate increase notice	Customer Service

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Utility Billing						
CS-006	Acreage Agreements	P	Deletion/Shred	GC §60201(d)	Contract between homeowner and District re: usage restrictions	Customer Service
CS-007	Bankruptcies	10 yrs	Deletion/Shred	District Preference	CONFIDENTIAL RECORD - Court documentation of retail customer bankruptcy	Customer Service
CS-008	Billing Adjustment Journal	AU + 7	Deletion/Shred	GC §60201	CONFIDENTIAL RECORD - Utility billing account adjustment register (account credits/debits), Returned Payments/Bounced Checks, bank notifications	Customer Service
CS-009	Billing - Utility invoices	8 months	Deletion	GC §60201	CONFIDENTIAL RECORD - Customer invoices	Customer Service
CS-010	Connection Records/Will Serves	P	Deletion/Shred	GC §60201	CONFIDENTIAL RECORD - Will Serve, application, receipts for new water service connection (also see Engineering)	Customer Service
CS-011	Customer Correspondence	As needed	Deletion/Shred	GC §60201	CONFIDENTIAL RECORD - Incoming and outgoing letters regarding customer inquiries and customer service related information (employee recognition letters give to HR)	Customer Service and Finance
CS-012	Customer Disputes	2 yrs	Deletion/Shred	GC §60201	CONFIDENTIAL RECORD - Customer disputes of billing or other charges/services	Customer Service
CS-013	Customer Surveys	P		GC §60201	Customer satisfaction surveys distributed randomly to water account holders. Used to determine satisfaction level with customer service, field service, reliability, and rates.	Customer Service
CS-014	Liens	10 yrs	Deletion/Shred	WAT §36729	May be a confidential record - Tax roll lien documentation	Customer Service
CS-015	Meter Reads in Billing System	P		District Preference	Customer meter data electronically transferred to District billing system. If software changes, then at least 2 years of data from old system is kept.	Customer Service
CS-016	Rates, Fees & Deposit Schedules	P		GC §60201	Yearly rates, fees, and deposits	Customer Service
CS-017	Report of Annual Discontinuations of Residential Service	P		HSC §116918 GC §60201	Information is incorporated into the General Manager's Monthly Report to the Board. Must post to Website (located in the Board Packet)	Customer Service

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
CS-018	Temporary Construction Meters	P		GC §60201	CONFIDENTIAL RECORD - Applications and billing (If software changes, then at least 2 years of data from old system are kept.)	Customer Service
CS-019	Utility Billing Register	P		GC §60201	CONFIDENTIAL RECORD - Customer name, service address, meter reading, usage, billings (If software changes, then at least 2 years of data from old system are kept.)	Customer Service
CS-020	Visitor Logs / Registers	1 yr	Deletion/ Shred	GC §60201	Site Visitor Logs	Customer Service
Water Efficiency						
CS-021	Annual Water Loss Report	P		WAT §10631	Annual water loss analysis and validation	Customer Service
CS-022	Evaluations, Surveys, & Audits	CY+ 1 yr	Deletion/ Shred	GC §60201	NOT A PUBLIC RECORD: Land Scape Irrigation Reports, Inspection Results, Evaluations, Meter Audits	Customer Service
CS-023	High Use Notifications	CY+ 3 yrs	Deletion/ Shred	GC §60201	NOT A PUBLIC RECORD	Customer Service
CS-024	Rebates	CL + 3 yrs	Deletion/ Shred	GC §60201	NOT A PUBLIC RECORD: Application and supporting documentation	Customer Service
CS-025	Reports	5 yrs	Deletion/ Shred	GC §60201	DDW (Division of Drinking Water) / DWR (Department of Water Resources) Monthly and Annual Water System and Conservation Reports	Customer Service
ENGINEERING						
Public Works Projects (excluding Development Projects)						
ENG-001	Planning	L or CL+ 10 yrs min	Deletion/ Disposal	CCP §337.15 GC §60201 (Dept Preference)	Correspondence (letters, memos, pertinent e-mails), reports and exhibits, calculations, cost estimates, invoices, environmental documents (if required by project), photos & videos, all required forms	Engineering

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
ENG-002	Design	L or CL+ 10 yrs min	Deletion/ Disposal	CCP §337.15 GC §60201 (Dept Preference)	Correspondence (letters, memos, pertinent e-mails), reports, exhibits, calculations, cost estimates, invoices, environmental documents (if required by project), plans & specifications, geotechnical, surveying, permitting, as-builts, photos & videos, regulatory, all required forms	Engineering
ENG-003	RFP, RFQ, or Bids	L or CL+ 10 yrs min	Deletion/ Disposal	CCP §337.15 GC §60201 (Dept Preference)	Requests for proposals (RFP), requests for qualifications (RFQ), bid exemption documents, bid and quote lists, notices of bid opening and award, comparison summaries, spreadsheets, tabulation worksheets, bid advertising records, tally sheets, bid specifications, bid award letter and other related correspondence or records. Bid documents submitted by the unsuccessful bidder. Unsuccessful Statement of Qualifications submitted by contractor or consultant in response to an RFQ. Unsuccessful proposals submitted by proposer in response to an RFP. These files are kept with Project file, although retention requirement is CL+ 2 yrs (documents may be destroyed at that time if desired)	Engineering
ENG-004	Construction	L or CL+ 10 yrs min	Deletion/ Disposal	CCP §337.15 GC §60201 (Dept Preference)	Correspondence (letters, memos, pertinent e-mails), Daily Inspection Reports (daily record of work performed for SJWD, various specialty inspections, concrete inspections, compression tests, compaction, painting, disinfection, etc.), Photographs and Videos, Change Orders & requests, requests for information, field directives, notices of award, proceed, non-compliance, and completion, Performance & Maintenance Bonds, Consultant Proposals (Successful)/Unsuccessful), Contracts & Amendments, Insurance Certificates, Notifications, Progress Payments, Permits (Construction), Submittals, bid escrow, etc.	Engineering

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
ENG-005	Environmental Permitting	P		GC §60201 CEQA Guidelines	California Environmental Quality Act (CEQA), NEPA, Fish & Wildlife Stream alterations, Exemptions, Environmental Impact Report, Mitigation monitoring, negative declaration, notices of completion and determination, comments, statements of overriding considerations	Engineering, Executive
<i>Development Projects</i>						
ENG-006	Planning	CL	Deletion/ Disposal	GC §60201	Correspondence (letters, memos, pertinent e-mails), Letter of Availability, Conditions of Approval, notices, Project Initiation Form, and attachments (preliminary plans, tentative map, etc.)	Engineering
ENG-007	Design	CL	Deletion/ Disposal	GC §60201	Correspondence (letters, memos, pertinent e-mails), design drawings, design/plan reviews, water demand calculations, reports, exhibits, Photographs and Videos, and cost estimates	Engineering
ENG-008	Construction	L	Deletion/ Disposal	GC §60201	Correspondence (letters, memos, pertinent e-mails), conveyance agreements, bonds, insurance certificates, Daily Inspection Reports (daily record of work performed for SJWD, various specialty inspections, compaction, disinfection, etc.), Photographs and Videos, requests for information, Submittals, As-Builts, Letter of Pipeline Value, Final Recorded Sub-Division Map, letter of acceptance, Bill of Sale	Engineering
ENG-009	Annexations/Detachments	P		GC §60201(d)(1)	Notices, Resolutions, Certificates of completion, Reports, agreements, fees & deposits	Engineering (Executive for Board files)
ENG-010	Connection Related Deposits, Fees, and Payments	P		GC §60201	Plan Review Deposits, Inspection & Engineering Deposits, Construction Deposits, Application for Service, Quote for Service, Receipt of Capital Facilities/Meter Fees (also see Customer Service)	Engineering

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Miscellaneous						
ENG-011	Engineering Standards	S	Deletion/ Disposal	GC §60201	Development, Design and Construction Standards	Engineering
ENG-012	Maps & Plats	P		GC §60201(d)(8) GC §7927.300	Engineering & field notes and profiles; cross-section of roads, streets, right-of-way, bridges; may include annexations, water easements, benchmarks, fire hydrants, base maps, etc. Maps are NOT A PUBLIC RECORD.	Engineering
ENG-013	Master Plans	P		GC §60201	Special or long-range program plan for District	Engineering
Property						
ENG-014	Appraisals	CL+ 2 yrs	Deletion/ Shred	GC §60201 GC §7920.000	For real property owned by District (not a public record until real estate transaction is complete and recorded)	Engineering
ENG-015	Real Property Interests	P		GC §60201(d)(8)	Deeds, Quitclaims, Easements and Encroachment Agreements. District owned with supporting documents regarding sale, purchase, exchange, lease, or rental	Executive, Engineering, Operations
EXECUTIVE						
Board of Directors and Committees						
EXEC-001	Applications for Board (not selected)	CL+ 2 yrs	Deletion/ Shred	GC §60201	Not selected	Board Secretary
EXEC-002	Applications for Board (selected)	T	Deletion/ Shred	GC §60201	Selected	Board Secretary
EXEC-003	Board Policies	S+ 2 yrs	Deletion	GC §60201	Policies, directives rendered by the Board and not assigned a resolution or ordinance number	Board Secretary
EXEC-004	Meeting - Agendas	When No Longer Needed	Deletion/ Disposal	GC §60201	Agendas for Board meetings are kept in the Board packet - individual agenda documents can be disposed of. Committee meeting minutes reflect the meeting agenda.	Board Secretary

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
EXEC-005	Meeting - Audio Recordings	30 days or until minutes approved	Deletion	GC §54953.5(b)	Used for minute preparation	Board Secretary
EXEC-006	Meeting - Minutes	P		GC §60201(d)(3)	Official minutes and hearing proceedings of governing body or board or committee	Board Secretary
EXEC-007	Meeting - Reports	P		GC §60201	Agendas, staff reports, and other Board Packet materials that are referenced in the Board meeting minutes are kept permanently.	Board Secretary
EXEC-008	Ordinances and Resolutions - current	P		GC §60201(d)(2)	Signed ordinance and resolutions located in board minute book. Logs on S Drive.	Board Secretary
EXEC-009	Ordinances and Resolutions - Repealed/Invalid	5 yrs from Repeal	Deletion/ Disposal	GC §60201(d)(2)	Signed ordinance and resolutions located in board minute book. Logs on S Drive.	Board Secretary
EXEC-010	Strategic Plan, Operations Plan, Operations Report Card, Mission, and Vision Statements	S+ 2 yrs	Deletion/ Disposal	GC §60201	Board and Department goals and objectives	Board Secretary
EXEC-011	Training: Ethics	5 yrs after training	Deletion/ Disposal	GC §53235.2(b)	Log kept and Current Certificate of Ethics Training maintained on District Webpage	Board Secretary
EXEC-012	Training: Sexual Harassment	5 yrs after training	Deletion/ Disposal	GC §53237.2(b)	Log and Certificate of Completion	Board Secretary
Election Materials						
EXEC-013	Certificates of Election	T+ 4 yrs	Deletion/ Disposal	GC §60201 GC §81009(a)(d)	Certificates of elections; original reports and statements	Board Secretary
EXEC-014	Notifications and Publications	E+ 2 yrs	Deletion/ Disposal	GC §60201	Notices, correspondence, and publications	Board Secretary
EXEC-015	Oaths of Office	5 yrs	Deletion/ Disposal	CCR 2 §26	Elected and public officials - Board members	Board Secretary
Legal						
EXEC-016	Attorney Correspondence	CY+ 2 yrs	Deletion/ Shred	GC §60201	CONFIDENTIAL- not for public disclosure (attorney-client privilege)	Board Secretary

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
EXEC-017	Lawsuits/Claims	CL+ 2 yrs	Deletion/ Shred	GC §60201(d)(4)	Cannot destroy records related to any pending claim or litigation or any settlement or other disposition of litigation within the past two years	Board Secretary
EXEC-018	Opinions	S+ 2 yrs	Deletion/ Shred	GC §60201	CONFIDENTIAL- not for public disclosure (attorney-client privilege)	Board Secretary
EXEC-019	Public Notices	2 yrs	Deletion/ Disposal	GC §60201	Legal Notices, Affidavits of Publication, notices of public meetings (other than Board or Committee meetings), CEQA notices, includes legal notices for public hearings, publication or ordinances, RFP's etc.	Board Secretary
Water Rights, Agreements, Transfers and Reports						
EXEC-020	Authorizing Documents	P		GC §60201(d)(1)	Articles of Incorporation, Formation/Reorganization/Change of Organization	Board Secretary
EXEC-021	Water Management Plans	P		GC §60201	IRWMP (Integrated Regional Water Management Plan), UWMP (Urban Water Management Plans) etc.	Water Resources Manager
EXEC-022	Water Rights	P		GC §60201	Documentation of water rights	Board Secretary
EXEC-023	Water Supply & Transfer Agreements	P		GC §60201	Agreements to buy and sell water	Board Secretary
FINANCE						
Accounts Payable (A/P)						
FIN-001	A/P Related Registers	AU+ 7 yrs	Deletion/ Shred	GC §60201(d)(12)	Potentially Confidential. Payable, Receipt, Check, Void, Payable Change, and Refund Check Registers	Finance
FIN-002	EFT & Positive Pay Electronic Bank Files	CY+ 1 yr	Deletion	Dept Preference	Electronic Banking Files for EFT and Positive Pay	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
FIN-003	Federal and State Tax Records	AU+ 7 yrs	Deletion/ Shred	26 CFR §31.6001-1(e)(2) 29 USC §436	Potentially Confidential. Forms 1096, 1099, DE 542	Finance
FIN-004	Paid Invoices	AU+ 7 yrs	Deletion/ Shred	GC §60201(d)(12)	Potentially Confidential. Supporting documentation includes payment stub, approved/coded invoice, receiving documents, correspondence, coding spreadsheet	Finance
Accounts Receivable (A/R)						
FIN-005	Cash Receipts	AU+ 7 yrs Office (AU+ 1yr) Offsite (6 yrs)	Deletion/ Shred	GC §60201	Cashiering packet (End of Day - EOD) and all supporting documentation	Finance
FIN-006	Non-Utility Billing Invoices	See retention for Journal Entries (FIN-023) and Billings Registers (FIN-001). Invoices are retained as their supporting documentation			Invoices sent for fees owed, related documents, wholesale water quarterly billing, developer projects, cost recovery, unauthorized connection fees and any other non-utility billing - not solely maintained in accounting system	
Audit						
FIN-007	Auditor Communications of Findings & Recommendations	AU+ 7 yrs	Deletion/ Disposal	District Preference	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Communications with Those Charged with Governance, Audit Planning Communication Letter, and Management Letter	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
FIN-008	Single Audit	AU+ 7 yrs	Deletion/ Disposal	2 CFR §200.512(f)	The reporting package must include the: (1) Financial statements and schedule of expenditures of Federal awards discussed in § 200.510(a) and (b), respectively; (2) Summary schedule of prior audit findings discussed in § 200.511(b); (3) Auditor's report(s) discussed in § 200.515; and (4) Corrective action plan discussed in § 200.511(c), Data Collection Form and related signed statement	Finance
FIN-009	Year End Audit Binder	AU+ 7 yrs	Deletion/ Disposal	Various	Contains reconciliation and supporting documentation for each account with a material year-end balance – balance sheet and income statement accounts	Finance
Debt Administration						
FIN-010	Annual Arbitrage Report	CL+ 10 yrs	Deletion/ Disposal	CCP §337.5 GC §60201(d)(7)	Annual Arbitrage Report	Finance
FIN-011	Bond Transcripts (issuing documents & other relevant records)	CL+ 10 yrs	Deletion/ Disposal	CCP §337.5 26 CFR 1.148 GC §60201(d)(7)	Official bond transcript (installment purchase agreement, bond counsel opinion, continuing disclosure requirement, bond covenant, amortization schedule, etc.), records with respect to use of proceeds, timing of expenditures and investments. (There are specific requirements for disposal of unused bonds) (If debt is refunded, all pertinent records from original debt must be maintained until 3 yrs after maturity of the refunding bonds. Documentation concerning the refunding bonds themselves shall be retained for 10 yrs after final payment.)	Finance or Board Secretary
FIN-012	Continuing Disclosure Annual Report (CDAR)	CL+ 10 yrs	Deletion/ Disposal	CCP §337.5 GC §60201(d)(7)	Continuing Disclosure Annual Report	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
FIN-013	Financing Agreement for Other Long-Term Indebtedness	CL+ 6 yrs or as defined by financing agreement	Deletion/ Disposal	GC §60201(d)(7)	Loan/financing agreement/SBITA/Lease Agreements (District is leasing property or equipment)	Finance or Board Secretary
Federal & State Funding						
FIN-014	Grants, SRF Loans, FEMA, etc.	AU+ 7 yrs (unless longer retention period required by governing document)	Deletion/ Disposal	GC §8546.7 29 CFR §97.42 2 CFR §200.334 (Requirement is 3 yrs from final expenditure report - District choosing longer retention for simplicity & uniformity)	Records including application, program income receipts, AP Invoices, Project Reports, Payment Check Stubs and EFT Remittances, Loan Draw Applications and Supporting Docs, Loan Draw Cash Receipts, Loan Application & Supporting Docs, Executed Loan Documents, Purchase Orders, Contracts & Change Orders, Bids and Solicitations, Davis Bacon Payroll Reports, Compliance Supporting Docs, DBE - Six Good Faith Efforts, Notices and Legal Ads	Finance
Fixed Assets						
FIN-015	ACWA/JPIA Property Program Schedule of Values	S + 1 yr	Deletion/ Disposal	GC §60201	Schedule of listed property and equipment	Finance
FIN-016	Additions/Deletions Reports	See Year-End Binder (FIN-009)				
FIN-017	Assets Purchased with Federal Money	Disposition+ 3 yrs	Deletion/ Disposal	2 CFR § 200.334	All acquisition and depreciation records	Finance
FIN-018	Depreciation Reports	AU+ 7 yrs	Deletion/ Disposal	GC §60201	Depreciation Reports	Finance
FIN-019	Fixed Asset Listing	See Year-End Binder (FIN-009)		-		

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
General Ledger						
FIN-020	Detailed General Ledger	L+ 7 yrs (Life of accounting system)	Deletion/ Shred	GC §60201	Detailed general ledger within accounting system, and any printed or electronic copies produced for posterity	Finance
FIN-021	Financial Statements	P (via website starting FY 2003-04 - via paper for prior years)		GC §60201(d)(3)	Financial statements, Comprehensive Annual Financial Report (CAFR), Annual Comprehensive Financial Report (ACFR), or other applicable titles for financial statements	Finance
FIN-022	Fiscal Year Budget	P (via website starting FY 2007-08 - via paper for prior years)		GC §60201(d)(3)	Proposed and subsequently adopted Fiscal Year Budget retained permanently via the Board resolution/minutes. This line pertains to the printed and published adopted budget.	Finance
FIN-023	Journal Entries & Manual Project Adjustments	AU+ 7 yrs	Deletion/ Shred	GC §60201	Journal entries, manual project adjustments and supporting documentation	Finance
FIN-024	Monthly Bank Reconciliations and Statements	AU+ 7 yrs	Deletion/ Shred	GC §60201	Bank statements, reconciliation packets, and supporting documentation	Finance
Inventory						
FIN-024	Inventory Records	AU+ 7 yrs Office (AU+1) Offsite (6 yrs)	Deletion/ Disposal	GC §60201	Inventory count sheets, adjustment packets, disbursement registers, Citiworks disbursement reports, and other inventory worksheets and documents	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
FIN-025	Surplus Property - Auction & Disposal Records	Retained w/Source Transaction documents - see cashiering (FIN-005 Cash Receipts) & asset disposal records (FIN-017 Assets Purchased with Federal Money)	Deletion/Disposal	-		
FIN-026	Vehicle Ownership and Title	O	Provide to Purchaser	GC §60201	Owner's manual, warranty documents, Department of Motor Vehicle title and registration, and related documents	Documents in the "descriptor" cell would be maintained by different depts. Owner's manual and warranty documents should be maintained within the vehicle, as would the registration. The pink slips are stored in the vault in the Admin Building.

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Investments						
FIN-027	Investments	AU+ 7 yrs Office (AU+ 2yrs) Offsite (5 yrs)	Deletion/ Disposal	GC §60201 Dept Discretion	Advisor Reports and Statements, Investment Confirmations & Trade Tickets, and Investment Account Statements	Finance
Purchasing						
FIN-028	Form Templates	S	Deletion/ Disposal	GC §60201	Contract templates, vendor information packets, contract routing forms, etc.	Finance Department: contract templates, vendor information packets. Board Secretary for contract routing form.
FIN-029	Purchase Order File for Non-Contract Items	AU+ 7 yrs	Deletion/ Disposal	GC §60201 CCP §337	Quotes, signed PO, and related communications	Finance
FIN-030	Vendor Information Packet	Until no longer active + 7 yrs	Deletion/ Disposal	GC §60201(d)(12)	Completed forms for vendor information form, W-9, and Form 590/587	Finance
Reports						
FIN-031	CalPERS Pension Actuarial Valuation Report	AU+ 7 yrs	Deletion/ Disposal	GC §60201		Finance
FIN-032	Financial Plans and Rate/Fee Studies	S + 10 yrs	Deletion/ Disposal	GC §60201	Wholesale and Retail Financial Plans, Rate Studies, User Fees Studies, Capital Facility Fee Studies.	Finance
FIN-033	OPEB Valuation Report	AU+ 7 yrs	Deletion/ Disposal	GC §60201		Finance
FIN-034	State Controller's Report	AU+ 7 yrs	Deletion/ Disposal	GC §60201	Special District's Financial Transactions Report	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HUMAN RESOURCES						
<i>Employee Personnel Files - Regular and Confidential</i>						
HR-001	Pre-Employment Records - Pertaining to Applicants Hired	TE+ 7 yrs	Deletion/ Shred	Title VII , FEHA , ADA , ADEA , GINA , CA Fair Pay Act (LAW: TE+ 4 yrs)	Inquiries about Employment Opportunities, Cover Letter, Resume, Application, References Provided outside of background check process, Offer Letter including copy of job description, background checks (authorization and results), Pre-Employment Physicals.	Human Resources
HR-002	Applicant Identification and Employment Eligibility Documents	TE+ 30 yrs	Deletion/ Shred	8 CFR §274a2(b)(2)(A) (Law: 3 yrs after date of hire or termination + 1 yr, whichever is later)	I-9, copies of identification, E-Verify documents, SSA-89 Social Security, D-34 EDD.	Human Resources
HR-003	Benefit Documents	TE+ 30 yrs	Deletion/ Shred	ERISA - 6 years but not less than 1 year following a plan termination	Enrollment forms, deduction agreements/directives, benefit change forms, Birth/Marriage/Death Certificates, name change documents, CalPERS Reciprocity forms. Any other benefit related forms not specified elsewhere.	Human Resources
HR-004	DMV Pull Program	TE+ 30 yrs	Deletion/ Shred	FMCSA requires employers to retain but does not specify retention duration. Audit occurs every year. Retention period is due to document in confidential file with longest required retention.	DMV Pull Program Participation Acknowledgement and Medical Certificates/DOT physicals	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HR-005	General Employee Information	TE+ 7 yrs	Deletion/ Shred	Title VII, FEHA , ADA, ADEA , GINA, CA Fair Pay Act (LAW: TE+ 4 yrs)	Personnel Contact Information Form	Human Resources
HR-006	Payroll Related Employee Documents	TE+ 30 yrs	Deletion/ Shred	FLSA CA Unemployment Insurance Code Sec 1085, 22 CCR §1085-2 (LAW: 4 yrs (it is recommended that ER's keep records related to employee vacation/PTO accrual for the duration of employment plus 4 yrs after termination in the event there is a dispute about unpaid vacation.))	W-4, DE-4, direct deposit enrollment form, voided check for pre-note, cell phone stipend agreement. Wage Garnishment orders, Personnel Action Notices, cash in lieu of health care benefit requests and proof of other health coverage, other compensation documents not otherwise specified	Human Resources
HR-007	Performance Related Documents	TE+ 7 yrs	Deletion/ Shred	LAB §1198.5, CA Fair Pay Act, Title VII, FEHA, ADA, ADEA, GINA (LAW: duration of employment + 4 yrs)	Performance Evaluations, disciplinary notices and action reports, performance improvement plans, other performance related documents not otherwise specified	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HR-008	Training Related Documents - if provided for file	TE+ 7 yrs	Deletion/ Shred	LAB §1198.5 , CA Fair Pay Act , Title VII , FEHA , ADA , ADEA , GINA (LAW: TE+ 4 yrs)	Certificates of Achievement, Licenses, etc.	Human Resources and Safety & Regulatory Compliance Coordinator
HR-009	Employee Health Records - Workers Compensation	TE+ 30 yrs	Deletion/ Shred	8 CCR §3204 , LAB §6400 et seq. , 8 CCR §14300 et seq. . (LAW: First Aid: duration of employment + 3 yrs. WC Related 5 yrs after the end of the year that the records cover.)	FMLA Leave letters from EE and ER, ADA Accommodation Letters, Physician notes/letters regarding EE health status (restrictions, return to work status, etc.), ER paid fitness for duty evaluation results, DWC-1 Form – Workers’ Compensation Claim Form & Notice of Potential Eligibility, other Workers Compensation related paperwork. First Aid records of job injuries causing loss of work time. See SAFETY for COVID-19 and Chemical Safety and Exposure Records.	Human Resources
HR-010	Employee Health Records - Non-Workplace Health Condition or Injury	TE+ 30 yrs	Deletion/ Shred	8 CCR §3204 , LAB §6400 et seq. , 8 CCR §14300 et seq. . (Law: 5 yrs)	FMLA Leave letters from EE and ER, ADA Accommodation Letters, Physician notes/letters regarding EE health status (restrictions, return to work status, etc.), ER paid fitness for duty evaluation results, New hire Fit for Duty exam results, COVID vaccination documents, COVID test results All other COVID-19 documents are in SAFETY section as are Chemical Safety and Exposure Records.	Human Resources
HR-011	Employee Specific Employment Related Contracts/Agreements	TE+ 7 yrs	Deletion/ Shred	FLSA , LAB §226 , LAB §1174 , CA Fair Pay Act (LAW: 3 yrs)	Employment Contract and subsequent amendments, Education Reimbursement Agreement, Flex Time/Work Week MOU's, WTP MOU signature page with reference to effective date of agreement...Board Secretary should have full MOU), CalCard agreements, Cell Phone Stipend Agreement	Human Resources & Board Secretary
HR-012	Accident and Incident Investigations	TE+ 30 yrs	Deletion/ Shred	District Preference	Completed Accident and Incident Investigation forms	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HR-013	Investigations	TE+ 7 yrs	Deletion/ Shred	2 CCR §11013(c) , Title VII , FEHA , ADA , ADEA , GINA , NLRA , FLSA (All State and Federal laws require retention until final disposition of formal complaint; State requires 2 yrs after action is taken)	Unlawful Employment Practices, Claims, Investigations, and legal proceedings records. May include Arbitration, grievances, union requests, sexual harassment and Civil Rights, complaints, discrimination, hostile work environment, etc.	Human Resources & Legal
HR-014	Other General Employment Records	TE+ 30 yrs	Deletion/ Shred	District Preference	Verification of employment forms	Human Resources
HR-015	Employee Termination Related Documents	TE+ 7 yrs, except COBRA Notices TE + 30 yrs	Deletion/ Shred	LAB §1198.5 , CA Fair Pay Act , Title VII , FEHA , ADA , ADEA , GINA (LAW: T+4, except COBRA notices s/b retained for 6 yrs)	Discharge, layoff, transfer and recall records, exit interviews, COBRA notices.	Human Resources
HR-016	Pre-Employment Records - General and those pertaining to applicants not hired	4 yrs (or the duration of any claim or litigations involving hiring practices). Unsolicited applications and related documents need not be kept.	Deletion/ Shred	Title VII , FEHA , ADA , ADEA , GINA , CA Fair Pay Act	Inquiries about Employment Opportunities, Help Wanted Ads and Job Opening Announcements, Job Applications and Resumes received, Interview process documents such as questions, panel notes, ranking sheets, tests given, test answers (all applicants).	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Other						
HR-017	Drug & Alcohol Program Related Documents w/5-year retention requirement	TE + 30 yrs	Deletion/ Shred	49 CFR Part 382 Subpart D -- Handling of Test Results, Records Retention, and Confidentiality and 49 CFR Part 40 Section 40.33 Subpart P Confidentiality and Release of Information. 1 yr - Records of negative and cancelled drug test results and alcohol test results with a concentration of less than .02 2 yrs - Records related to the alcohol and controlled substances collection process. 3 yrs - Information obtained from previous employers under SS 40.25 concerning drug and alcohol test results of employees. 5 yrs - Everything else listed.	DOT, Random, Post-Accident and Reasonable Suspicion alcohol test results indicating an alcohol concentration of .02 or greater, verified positive drug test results, Records of negative and cancelled drug test results and alcohol test results with a concentration of less than .02. Documentation of refusals to take required alcohol and/or controlled substances tests (including substituted or adulterated drug test results), Driver evaluation and referrals, calibration of evidential breath testing devices documentation. SAP reports and all follow-up tests and schedules for follow-up tests. Information obtained from previous employers under SS 40.25 concerning drug and alcohol test results of employees. Annual calendar year summary of testings. Records related to the collection process.	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HR-018	Employee/Contractor ID Badges	TE	Deletion/ Shred	GC §60201	Employee ID Badges and ID Photos	Human Resources
HR-019	Job Descriptions	S+ 4 yrs	Deletion/ Disposal	GC §12946	Description of position classification duties and responsibilities.	Human Resources
HR-020	Compensation Schedule	S+ 2 yrs	Deletion/ Disposal	CCR Title 2 §570.5 29 CFR §516.6(2)	Compensation range for each position	Human Resources
HR-021	DMV Pull Program	5 yrs	Deletion/ Shred	Audited every 5 yrs to examine last 2 yrs DOT employee notices	DMV driver action and activity reports, listing of employees in the Class A DOT program.	Human Resources
HR-022	Personnel Manual	S+ 4 yrs	Deletion/ Disposal	GC §60201	General employee information (see Personnel Manual Table of Contents)	Human Resources
HR-023	Expired Labor Poster and Pictures of Posting	AU+ 10 yrs	Deletion/ Disposal	District Preference	One original expired poster and one picture of the poster posted at each building	Human Resources
HR-024	Reports	S+ 2 yrs	Deletion/ Disposal	GC §60201	HR related studies such as compensation studies, benefit reviews, and other misc. reports	Human Resources

Payroll Files

HR-018	CalPERS Contribution Reports (electronic)	P		Board Policy		Human Resources
HR-019	Payroll Internet Payables Packets	AU+ 7 yrs	Deletion/ Shred	GC §60201(d)(12)	Payable register, payroll internet payment routing form, evidence of payments and supporting documentation, payroll internet payment reconciliation, tax reconciliation reports, and approved detail register payroll summary page(s)	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
HR-020	Payroll Processing Packets	AU+ 7 yrs	Deletion/ Disposal	GC §60201(d)(12)	EFT transfer confirmation, payroll verification checklist, new hire report, employee rate change history report, check register, check stock request e-mail, check stubs, EFT remittance advices, payroll variance review, detail register, payroll distribution register, employee timesheet verification, delegate entry e-mails, STD calculation, FLSA premium pay calculation, WTP Shift Operator payroll calculation, WTP Shift Operator timesheets, Board of Director stipend requests and supporting documentation, payroll time entry register, timesheet employee detail, ESS approval history report, flex review-Monday reports, flex review-Friday reports, FLSA review reports, Vacation Payout Packets and supporting documentation as listed above and applicable, Payroll 3rd Party Sick Packets and supporting documentation as listed above and applicable, Payroll Accrual Leave Verification Packet (checklist, STD calculation, less than 80 calculation, leave accrual register), and Manual Leave Packet and supporting documentation. Final Payout Payroll Packet and supporting documentation.	Human Resources
HR-021	Public Compensation Reports	AU+ 7 yrs	Deletion/ Disposal	GC §60201	Government Compensation in Calif. (State Controller's report), E-4 Census of Governments	Human Resources
HR-022	Quarterly Payroll Tax Filings	AU+ 7 yrs	Deletion/ Shred	GC §60201(d)(12); IRS Reg §31.6001-1(e)(2); 26 CFR §31.6001-1; R&T §19530	Federal 941 and the California DE9 and supporting documentation	Human Resources
HR-023	W-2s and W-3s	AU+ 10 yrs	Deletion/ Shred	GC §60201(d)(12) and IRS	W-2s and W-3s	Human Resources

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
Pre-Employment Records						
HR-024	Job Announcements/Recruitment Brochures	2 yrs	Deletion/ Disposal	GC §60201	Job Announcements/Recruitment Brochures in newspapers, websites, newsletters, etc.	Bryce Consulting
HR-025	Job Applications and Resumes - Hired	See Employee Personnel File			Applications & ethnicity disclosures, resumes, written references, background check results (pre-employment medical exam results - see Employee Medical File)	Human Resources
HR-026	Job Applications and Resumes - Not Hired	4 yrs after record received	Deletion/ Shred	GC §12946	Applications & ethnicity disclosures, resumes, written references, background check results, alternate lists/logs; examination materials; examination answer sheets; interview materials; pre-employment medical exam results	Bryce Consulting
INFORMATION TECHNOLOGY						
Software						
IT-001	Databases	P		GC §60201	Customer Service Database (Customer billing, meter data input, etc.); Financial System Database / ERP Database (System qualifies as a "trusted system"); CMMS Database (Computerized Maintenance Management System - Work Orders / Service Requests / Inspections); SCADA Database (Supervisory Control and Data Acquisition)	Information Technology
IT-002	Inventory, Information Systems	S+ 2 yrs	Deletion/ Shred	GC §60201	Hardware/Software Inventory logs; systems manuals	Information Technology
IT-003	Network Information Systems (LAN/WAN)	CY+ 4 yrs	Deletion/ Shred	GC §60201 CCP §§337.2 CCP §343	Configuration maps and plans	Information Technology

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
IT-004	Program Files and Directories	CY+ 2 yrs (Annual) CM+ 2 mo. (Current Month) CW+ .5 yr (Current Week) CD+ 2 mos. (Current Day)	Deletion/ Shred	GC §60201	Annual backup Daily backup Monthly backup Weekly backup	Information Technology
Website Content						
IT-005	District Website Content	S	Deletion	GC §60201	Content added to the District website	Information Technology
IT-006	Enterprise System Catalogue	S	Deletion	GC §6270.5	Posted to website - the catalog shall disclose a list of the enterprise systems utilized by the agency	Information Technology
OPERATIONS						
Distribution						
OP-001	Corrosion Control - Lead & Copper	CY+ 12 yrs	Deletion/ Disposal	40 CFR §141.91	Compliance documentation	Field Services
OP-002	Cross Connection and Backflow Prevention Program	3 yrs	Deletion/ Shred	17 CCR §7605	Cross Connection and Backflow Prevention Program Documentation supporting program regulations. Including reports of testing and maintenance. Differential Pressure Gauge Calibrations (annual calibration certification for backflow testing equipment)	Field Services and Pumps
OP-003	Discharge Monitoring	CY+ 5 yrs	Deletion/ Shred	40 CFR §122.41	Average amount of pollution discharged into waters of municipality. Reports submitted to the Water Resources Control Board and US Fish & Wildlife Service regarding planned and unplanned drinking water discharges. Includes chlorine, turbidity, and pH info.	Field Services

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
OP-004	Incident Files	5 yrs	Deletion/ Shred	22 CCR §64470(a) 40 CFR §122.41(j)(2) 40 CFR §141.33(b)	Incidents / Unauthorized Discharges: Pipeline Breaks, Spills, Investigations and Corrective Actions, Notice to Comply	Field Services
OP-005	Lead Service Line	P		40 CFR §141.91	Service line inventory	Field Services
OP-006	Meter Operations	L	Deletion	GC §60201	Reader reports, orders, tests, maintenance reports	Field Services and Customer Service
OP-007	National Pollutant Discharge Elimination System NPDES)	5 yrs		40 CFR §122.41(j)(2)	Municipalities of 100,000/more, compliance with Clean Water Act re: pollutants	Field Services
OP-008	Permits	1 yr	Deletion	GC §60201	Alterations, encroachment, excavations, road, street sidewalks & curb alterations, transportation, etc.	Field Services
OP-009	Water Appurtenance Locations & Maintenance	L		GC §60201	Mains, valves, hydrants, blow-offs, etc.	Engineering
Facilities & Fleet						
OP-010	Aboveground Petroleum Storage Tanks Spill Prevention Control and Countermeasures (SPCC), Inspections, Integrity Testing, Maintenance, Repairs	L	Deletion/ Disposal	GC §60201	Applies to both Tier I and Tier II Tanks; (Tier II tanks are required to have an integrity test every 20 years); EPA recommends that formal test records or reports be retained for the life of the container	Safety & Regulatory Compliance Coordinator
OP-011	CARB Permits (Portable & Off-Road)	5 yrs	Deletion/ Disposal	40 CFR §70.6	All required monitoring data and support information from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit	Field Services

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
OP-012	Daily Safety Checks / Pre-Starts / Commercial Vehicle Prestarts Inspections	CY+ 2 yrs	Deletion/ Disposal	GC §60201	Every motor carrier shall maintain the driver vehicle inspection report, the certification of repairs, and the certification of the driver's review for three months from the date the written report was prepared, Log books	Field Services
OP-013	Fueling	AU+ 4 yrs	Deletion/ Disposal	CCP §337	Meter readings, fuel consumption reports, invoices, receipts, and records pertaining to refueling operations	Field Services
OP-014	Maintenance/ Operations	L+ 2 yrs	Deletion/ Disposal	GC §60201	Related to requests for service and work orders for fuel, vehicle and equipment maintenance and repairs; documents pertaining to equipment maintenance and retrofit on on-road heavy duty diesel fueled vehicles owned or operated by public agencies and utilities	Field Services
OP-015	Vehicle Assignment	CY+ 2 yrs	Deletion/ Disposal	GC §60201	Log books, request forms, lists	Field Services

Maintenance & Operations

OP-016	Equipment History Files	L+ 1 yr	Deletion/ Disposal	GC §60201	Any document related to the equipment	Field Services
OP-017	Generator Logs (Air Quality)	5 yrs	Deletion/ Disposal	SMAQMD Rule 201 §502 Title 17 CCR §93115.10(f)(1) Placer County APD Rule 410, Section 301.1	AQMD Rule 1470; Form 400-E-13a instructions	Field Services and Safety & Regulatory Compliance Coordinator
OP-018	Maintenance & Operations	L+ 2 yrs	Deletion/ Disposal	GC §60201	Includes work orders, inspection, repairs, cleaning, reports, complaints, service requests, invoices, supporting documentation; buildings, equipment, field engineering, public facilities including work orders	Field Services
OP-019	Manuals - O&M	L	Deletion/ Disposal	GC §60201	Operations and Maintenance Manuals	Field Services and Pumps

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
OP-020	Pressure Vessel Permits & Tests: Compressors, Propane, etc.	S	Deletion/ Disposal	CCR Title 8 §461	Permits to operate	Field Services, Treatment and Safety & Regulatory Compliance Coordinator
Security						
OP-021	Security Incident Reports	CY+ 3 yrs	Deletion	GC §60201	Security Activity Reports (SAR) and video monitoring files documenting malevolent acts involving District critical infrastructure and other assets.	Operations
OP-022	Security Plans	S	Deletion	GC §60201	District-wide risk assessments and security/emergency plans	Operations
OP-023	Video Recordings	1 yr	Deletion	GC §53160	Include video recording by a video or electronic imaging system designed to record the regular and ongoing operations of the special district, including building security recording systems	Information Technology
REGULATORY						
State						
REG-001	Correspondence – State Regulatory Agency Compliance	10 yrs	Deletion/ Disposal	GC §60201	Compliance related letters, reports, fax, memos to or from State regulatory agencies including but not limited to SWRCB - DDW, DWR, DSOD	Operations, Customer Service and Water Efficiency
RISK MANAGEMENT						
Insurance						
RM-001	Certificates of Insurance (District Insurance Policies)	S	Deletion/ Disposal	Dept Preference	District's Certificates of Insurance and memorandums of coverage	Finance
RM-002	Claims against the District (Injury, Property, General Liability)	Settlement + 1 yr	Deletion/ Shred	GC §60201(d)(3)	All documents pertaining to claim	Finance

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
SAFETY						
<i>Hazardous Materials</i>						
SAF-001	Chemicals Safety and Exposure Records	TE+ 30 yrs	Deletion/ Shred	CCR §3204(d), et seq.	Includes substance to which employee was exposed plus information related to the methods used to determine the actual exposure; the identity of employees exposed; detailed environmental monitoring records and material safety sheets can be destroyed at an earlier period provided that adequate summary records are maintained. Medical records to be stored separately in confidential and secure location (Laboratory reports and worksheets - T+ 1 yr)	Human Resources
SAF-002	Hazardous Materials Business Plan	S+ 3 yrs	Deletion/ Disposal	GC §25508	Departments consistently recommend permanent retention of environmentally sensitive materials.	Safety & Regulatory Compliance Coordinator
SAF-003	Hazardous Waste Disposal	CL+ 3 yrs	Deletion/ Disposal	40 CFR §262.11	Documentation re handling and disposal of hazardous waste	Safety & Regulatory Compliance Coordinator
SAF-004	OSHA Logs and Records	CY+ 5 yrs	Deletion/ Shred	29 CFR §1904.33 (OSHA) LAB §6429(c)	OSHA Log 200, 300, 300A, 301, etc.; OSHA Inspections & Citations; Calif. Labor Division is required to keep their records 7 years; OSHA requires 5 years; State law requires 2 years	Safety & Regulatory Compliance Coordinator

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
SAF-005	SDS / MSDS Masters (Safety Data Sheets / Material Safety Data Sheets) / Chemical Use Report Form (or records of the chemical / substance / agent, where & when it was used) Provided by On-line Subscription	T+ 30 yrs	Deletion/ Disposal	CCR §3204(d), et seq.	Provided by on-line service; Previous MSDS may be obtained from a service; MSDS may be destroyed as long as a record of the chemical / substance / agent, where & when it was used is maintained for 30 years; Applies to qualified employers; Claims can be made for 30 years for toxic substance exposures. EID: MSDS – Documentation of all chemicals being used at each facility. Used for emergency and first responders, and operational purposes. Specifies procedures necessary for handling chemicals safely	Safety & Regulatory Compliance Coordinator
SAF-006	Spill Prevention, Control, and Countermeasures Plan (SPCC)	CY+ 3 yrs	Deletion/ Disposal	40 CFR §112.7(e)	Procedures and methods the District would use to prevent or respond to an unplanned oil discharge. Plans are required for facilities that store more than 1,320 gallons of petroleum product on-site.	Safety & Regulatory Compliance Coordinator
SAF-007	Training Records	TE+ 5 yrs	Deletion/ Shred	29 CFR §1910.1030(h)(2)	Training records shall include the following information: (A) The dates of the training sessions; (B) The contents or a summary of the training sessions; (C) The names and qualifications of persons conducting the training; and (D) The names and job titles of all persons attending the training sessions.	Safety & Regulatory Compliance Coordinator
Reports & Plans						
SAF-008	COVID-19 Recordkeeping	T + 30 yrs	Deletion/ Shred	CCR, Title 8, §§ 3205 §3205.1 §3205.2 §3205.3	Appendix A: Investigating COVID-19 Cases will be used to keep a record of and track all COVID-19 Cases. Must be retained for at least two years beyond the period in which it is necessary to meet the requirements of CCR, Title 8, sections 3205, 3205.1, 3205.2, and 3205.3.	Human Resources and Safety & Regulatory Compliance Coordinator

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
SAF-009	Covid-19 Response Plan	S	Deletion/ Disposal	CCR, Title 8, §§ 3205 §3205.1 §3205.2 §3205.3	Written document	Human Resources and Safety & Regulatory Compliance Coordinator
SAF-010	Emergency Action Plans (EAP)	S	Deletion/ Disposal	CCR §3220	Fire/earthquake emergency action plans	Safety & Regulatory Compliance Coordinator
SAF-011	Emergency Response Plans (ERP) - AWIA	S+ 5 yrs	Deletion/ Disposal	42 USC §300i-2	Vulnerability Assessment / Hazard Mitigation Plans	Operations
SAF-012	Emergency Response Plans (ERP) - CalARP	S	Deletion/ Disposal	19 CCR §5120.2	Emergency Response Plan for CalARP	Operations
SAF-013	Injury & Illness Prevention Plan	S	Deletion/ Disposal	8 CCR §3203	Written document	Safety & Regulatory Compliance Coordinator
SAF-014	Safety Permits & Equipment Calibrations	1 yr	Deletion/ Disposal	8 CCR §5157(d)(14)	Confined Space Entries / Hot Work Permits / Lock Out / Tag Out / Energy Control Procedures (ECP) / Air Monitoring Calibrations	Safety & Regulatory Compliance Coordinator
SAF-015	Workplace Violence Prevention Incident Log	5 yrs	Deletion/ Shred	LAB §6401.9	Violence incident log and investigations	Human Resources and Safety & Regulatory Compliance Coordinator
SAF-016	Workplace Violence Prevention Program	S	Deletion/ Disposal	LAB §6401.9	Written document	Human Resources and Safety & Regulatory Compliance Coordinator

Record ID	Record Series	Retention Period	Destruction Method	Legal Authority	Descriptor	Primary Office of Record
WATER SYSTEM						
<i>Inspection Services</i>						
WS-001	Tank Maintenance / Water Storage Tanks / Reservoir Maintenance Reports	10 yrs	Deletion/ Disposal	GC §60201	Includes dive and tank inspection reports, other inspection reports, etc.	Treatment
<i>Treatment</i>						
WS-002	Bacteriological & Turbidity Analysis	CY+ 5 yrs	Deletion/ Shred	40 CFR §141.33	Records of microbiological analyses and turbidity analyses, include location, date, method and results; corrections, analysis of bacterial content	Treatment
WS-003	Chemical Analysis & Quality	CY+ 10 yrs	Deletion/ Shred	40 CFR §141.33	Compliance records include location, date, method used and results; corrections, analysis of chemical content, sampling data, reports, surveys, documents, evaluation, schedules, valves, etc.	Treatment
WS-004	Customer Concerns: Odor / Taste / Visual Complaints about Potable Water	CY+ 5 yrs	Deletion/ Shred	22 CCR §64470	5 years is required in State and Federal law for any complaints. Retained in Cityworks Database	Treatment and Field Services
WS-005	Drinking Water Corrections	CY+ 3 yrs	Deletion/ Shred	40 CFR §141.33	Records of action taken by the system to correct violations of primary drinking water regulations	Treatment
WS-006	Incident Files	CY+ 5 yrs	Deletion/ Shred	40 CFR §68.200	Incidents / Unauthorized Discharges - Chlorine	Treatment
WS-007	Logs	CY+ 5 yrs	Deletion/ Shred	GC §60201	Logs, registers, or similar records listing permits, certificates of occupancy issued; may include inspection, building activity, daily, plan check, utility	Treatment
WS-008	Permits	P		GC §60201	Water Quality Permits (DDW (Division of Drinking Water) / DWR (Department of Water Resources) / SWRCB (State Water Resources Control Board, etc.)	Treatment and Operations
WS-009	Surveys, Water System Sanitary	P		22 CCR §64470 (State/Federal requirement is 10 yrs)	Statistics, reports, correspondence, compliance documentation	Treatment

STAFF REPORT

To: Board of Directors
From: Donna Silva, Director of Finance
Date: December 18, 2024
Subject: Overview of Deferred Compensation Options for Employee Retirement Savings

RECOMMENDED ACTION

Receive and provide direction to staff.

BACKGROUND

At the October 16, 2024, Board meeting, Director Zamorano asked staff to investigate and report back to the Board on the District's ability to offer a deferred compensation plan to its employees. The purpose of this report is to provide an overview of the different kinds of deferred compensation plans which are available for use by the District. Additionally, this report highlights the potential benefits of offering an employer matching contribution to employees' deferred compensation plans.

ANALYSIS

A deferred compensation plan is a voluntary retirement savings plan that allows an employee to defer any amount, subject to annual limits, from their paycheck, usually pre-tax. The funds are invested within the account and earn interest and dividends, which are also tax free until withdrawal. An employer may or may not choose to provide a matching contribution to encourage employees to utilize this retirement savings tool. Deferred Compensation plans are available under various sections of the Internal Revenue Code as follows:

1. 401(k) Plan

- **Eligibility:** Primarily for private-sector employees. NOT AVAILABLE TO GOVERNMENT ENTITIES.
- **Contribution Limits:** Up to \$23,000 for standard 401(k) plans in 2024, with lower limits for SIMPLE 401(k) plans.
- **Key Features:** Contributions grow tax-deferred until withdrawn. Withdrawals before age 59½ may incur a 10% penalty.
- **Catch-Up Contributions:** Available for participants over age 50.

2. 403(b) Plan

- **Eligibility:** Suited for employees in public schools, non-profits, and other public-sector roles.
- **Contribution Limits:** Up to \$23,000 in 2024.
- **Key Features:** Similar to 401(k) plans, but tailored for non-profit and public-sector employees. Money cannot be withdrawn penalty free until retirement age of 59 ½.

- **Catch-Up Contributions:** Includes additional options for employees with 15+ years of service.

3. 457(b) Plan

- **Eligibility:** Designed for government employees.
- **Contribution Limits:** Up to \$23,000 in 2024.
- **Key Features:** Contributions and earnings are tax-deferred until withdrawn. No penalties for early withdrawal upon separation from employment.
- **Catch-Up Contributions:** Allows employees nearing retirement age to increase contributions if they did not maximize contributions in prior years.

The District currently offers a 457 plan to its employees through CalPERS. This is separate and distinct from the CalPERS Pension system. The CalPERS 457 Plan provides a convenient, low-cost way for employees of public agencies to save for retirement with several investment options and financial support resources. Key benefits include:

- **Investment Options:** Core investment options designed for public employees, including Target Retirement Date Funds and a self-directed brokerage option.
- **Contribution Flexibility:** Allows for both pre-tax and Roth after-tax contributions.
- **Additional Support:** CalPERS offers financial education and workshops to support employee financial literacy.
- **Low Fees:** Total fund expenses ranging from 0.21% to 0.34%.
- **Roth 457 Option:** Allows employees to make after-tax contributions with tax-free qualified withdrawals.

30 of the District's 49 employees are currently utilizing the 457 Deferred Compensation plan, contributing an average of just under 9% of their wages. Of those participating, just over half are considered PEPRA employees, meaning their pension benefit is lower than those of the "classic" employees. *Figure 1* provides additional employee participation information:

CalPERS Member Type	Currently Enrolled Employees		Employees Not Currently Enrolled in a Deferred Compensation Plan		Total Employees	% Enrolled
	Compensation Contributions	Plan	Enrolled in a Deferred Compensation Plan	Deferred Compensation		
Classic T1	\$ 57,800.00		6	3	9	67%
Classic T2	107,382.00		8	5	13	62%
PEPRA	179,532.71		16	11	27	59%
Grand Total	\$ 344,714.71		30	19	49	61%

Figure 1 - Employees Currently Enrolled

Interestingly, the employee group with the highest pension benefit (Classic Tier 1) is utilizing the deferred contribution retirement savings plan the most, and the employee group with the lowest pension benefit is using it the least, in terms of participation percent, not raw number of employees participation.

Benefits of Employer Matching Contribution

In addition to employee contributions, the 457 plan allows the employer to contribute on behalf of employees. Some employers will offer a match, up to a set percentage of pay to incentivize employee participation. For example, the District could offer a matching contribution of up to 3% of an employee compensation. If the employee does not participate in the program, the District contributes nothing. If the employee contributes 2% of their compensation to the plan, the District would match that by contributing an equal amount. If the employee contributed 5%, the District would contribute the maximum matching contribution of 3%.

The District could choose any amount to contribute, either as a match or not. The IRS annual contribution limits apply to the sum total of both employee and employer contributions. The plan itself allows for the District to offer a contribution to certain employees only, such as PEPRA employees. The law is less clear. The Age Discrimination in Employment Act prohibits an employer from providing a benefit to employees under the age of 40 that is not provided to employees over the age of 40. There is an exception for benefits that are based "on a reasonable factor other than age". This exception would seem to apply in this instance there are many government entities that utilize this exemption to provide increased contributions to their PEPRA employees, but there is some risk involved.

The brief analysis below outlines the potential cost to the District if the Board decides to implement an employer match for current staff and assumes that all employees would choose to participate if the match is introduced.

An employer matching contribution is calculated for four different percentages ranging from two to six percent. Employer contributions are calculated as percentage of the employee salary limited to rules and regulations set forth from the IRS. *Figure 2* below shows the maximum employer match contributions for all employees at different percentages of contributions.

Employer Deferred Compensation Contribution (full employee participation)

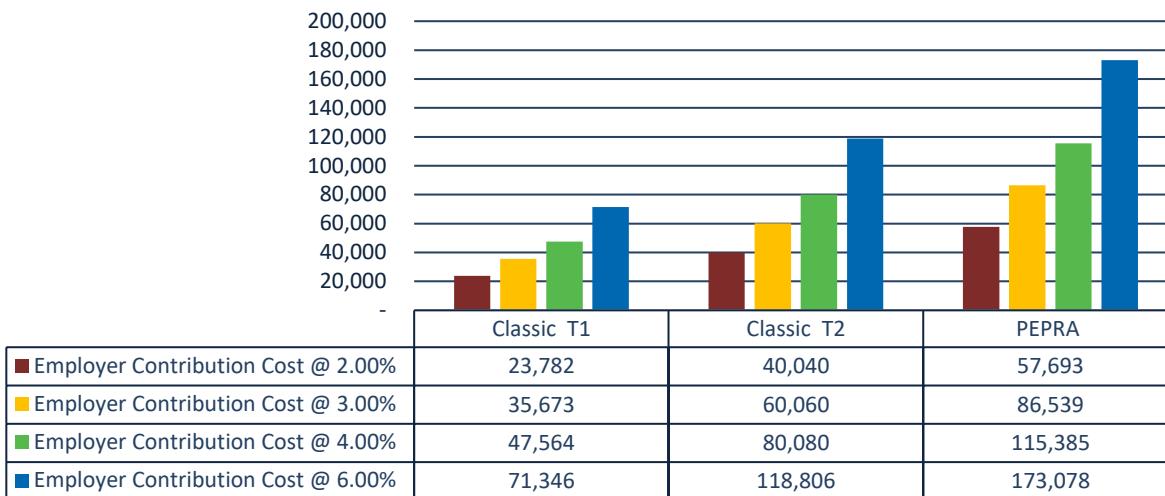


Figure 2 - Employer Deferred Compensation Cost – Full Employee Participation

The maximum annual employer total cost for full employee participation at a 2% match is \$121,514, at 3% is \$182,272, 4% is \$243,029 and at 6% is \$363,230. These costs are subject to increases as employees salary increase due to annual COLA and employee performance reviews.

Implementing an employer matching contribution would enhance retirement readiness and bolster the District's appeal as an employer of choice.

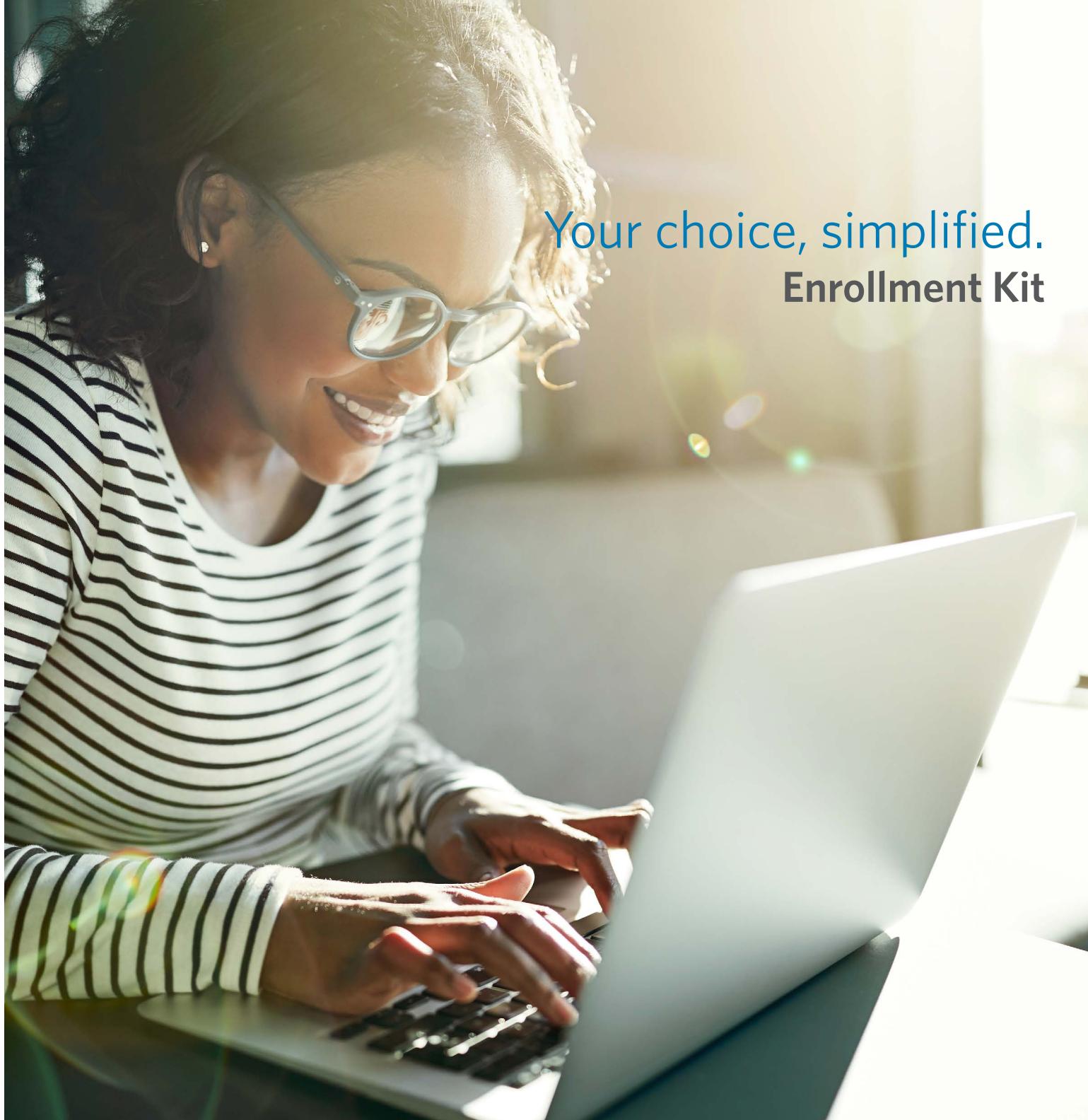
The first section of the CalPERS 457 Deferred Compensation Enrollment Kit is attached as it contains detailed information on the plan.

ATTACHMENTS

Excerpt from CalPERS 457 Deferred Compensation Enrollment Kit



CalPERS 457 Plan



Your choice, simplified.
Enrollment Kit

A photograph of a woman with dark hair and glasses, wearing a striped shirt, smiling as she looks at a laptop screen. The scene is bathed in warm, golden sunlight, creating lens flare effects and a bright, positive atmosphere.

We are CalPERS

CalPERS is the largest public pension fund in the U.S., with assets of approximately \$400 billion. The retirement system administers retirement benefits for more than 2 million current and retired California State, public school, and local public agency employees and their families on behalf of nearly 3,000 public employers in the state. CalPERS also administers health benefits for 1.5 million enrollees and offers additional programs, including a deferred compensation retirement savings plan, member education services, and an employer trust for post-retirement benefits.

Your CalPERS 457 Plan.

All employees whose employers have adopted the CalPERS 457 Plan (the "Plan") are eligible to join the Plan and there are currently no minimum service requirements to fulfill. The Plan is a voluntary savings program that allows you to defer any amount, subject to annual limits, from your paycheck on pre-tax and/or Roth after-tax basis (if your employer can process Roth contributions from their payroll). In addition, your contributions and their earnings, if any, can benefit from the power of tax-deferred compounding. What this means is that you don't pay income taxes on your pre-tax investments or earnings until you start to take withdrawals, usually in retirement, and federal tax-free withdrawals of your Roth after-tax contributions and any earnings when you retire (qualifying factors apply).

Designed with your interests in mind

- Promotes smart investing principles
- Easy payroll deduction of contributions
- Pre-tax contributions and earnings can benefit from the power of tax-deferral
- Withdrawals of pre-tax contributions and earnings are taxed as ordinary income when distributions begin
- Roth after-tax contributions can be made, if your employer can process Roth contributions from their payroll
- Simplified fee structure
- Dedicated Account Managers can help you define retirement goals and integrate them with existing defined benefit planning
- Access to financial learning resources, provided by Voya Institutional Plan Services, LLC.

This Guide is intended to introduce you to general investment concepts and help you understand the investment options available to you as a participant in the Plan. This Guide is not intended to provide investment advice. You should consider consulting with an outside investment advisor prior to investing.

Table of Contents

Preparing your action plan	How much will you need?	How much can you save?
1	2-3	2-3

What's your investment strategy?

4-5

Introducing your fund options

6-7

Account Management

8

Plan Features

9

Plan Forms

All forms noted in this brochure can be found at calpers.voya.com (go to *Plan Information > CalPERS 457 Plan Information*, then go to *Plan Information > Forms* at the top of the page) or obtained by calling the Plan Information Line at **800-260-0659**.

Your Personal Identification Number (PIN)

You will receive a PIN in the mail shortly after you complete the enrollment process. You will need your PIN to access your account information and to make transactions either online or through the Plan Information Line.

PIN Reset Capabilities

When you log on to the Plan website for the first time, you will be prompted to establish a username and password to access your account online. Your PIN can still be used for automated phone service, though, on the Plan Information Line. If you misplaced your PIN, please call **800-260-0659** to request a PIN reset.

Your PIN will be mailed to your address on record within three business days.

Need Assistance?

Participant Service Representatives are available Monday – Friday, 6:00 a.m. to 5:00 p.m. PT (excluding stock market holidays) to assist you with transactions, information about your account or any other general CalPERS 457 Plan questions and requests by calling the Plan Information Line at **800-260-0659**.

Ready to enroll?

Visit calpers457.com to download the *Participant Enrollment Kit*, then return the completed forms to your Personnel/Payroll Department and you're on your way!

Preparing your action plan.

It's never too late to start and it's never too small an amount to invest when it comes to planning for your retirement.

You may enroll in the Plan at any time, as there is no waiting or enrollment period. Your contributions are made through easy payroll deductions and the Plan is flexible so you may stop, increase, or decrease your contributions as often as your employer allows without penalty or cost.

The Target Retirement Date Funds have been designated as the default investment under the Plan. IF YOU DO NOT MAKE AN AFFIRMATIVE INVESTMENT ELECTION PRIOR TO THE DATE THE FIRST CONTRIBUTION IS DEPOSITED INTO YOUR ACCOUNT, YOUR CONTRIBUTIONS WILL BE INVESTED IN THE APPROPRIATE TARGET RETIREMENT DATE FUND, BASED ON YOUR DATE OF BIRTH AND ASSUMING YOU WILL RETIRE AT AGE 59. Prior to investing you should carefully review all fund information and objectives and consider consulting with an outside investment adviser. Investing involves risk, including possible loss of principal.



Tips to planning.

Unexpected challenges will likely cross your path at some point or another over your career. By creating an action plan, you may have an easier time staying on track to meet your retirement goals. Here are a few things to consider as you get started:

✓ Maintain an emergency fund.

The Plan was not designed to be a short-term savings vehicle or to replace your household emergency fund. Therefore, it is important that you have another source of savings that you can access easily for emergencies.

- Most experts suggest having three to six months of your living expenses set aside in cash.

✓ Be consistent.

Consistency is important to help you achieve your retirement goals.

- The contribution amount you select is made every pay period via payroll deduction, making the Plan a consistent and convenient way to save.

✓ Make small changes where you can.

Keep a spending journal for a few weeks to help you track where your money is going and to identify saving opportunities, such as:

- Bring your lunch to work.
- Brew your own coffee.
- Drink tap water instead of buying bottled water.
- Stream a movie and pop your own popcorn on Saturday night.

✓ Keep it together!

If you have an eligible IRA or retirement plan from a previous employer, you may want to consider moving those funds into the CalPERS 457 Plan. Just complete a *Rollover Contribution Form* to start the transfer process. Assets rolled over from another plan may be subject to additional restrictions.

STEP ONE: How much will you need?

Today, many financial experts agree that you will need 70% or more of your current income to maintain your current lifestyle in retirement. Your long-term strategy not only has to work up to the day you retire, it will most likely need to continue generating growth and income throughout your retirement.

So, if you have 30 years before you retire, and you live another 30 years after you retire, you're looking at creating and maintaining a 60-year investment strategy!

Chances are you're going to need to rely on personal savings, over and above your Social Security and defined benefit pension benefits, when it comes to meeting your retirement income goals. Participating in the CalPERS 457 Plan is another way to save for your retirement goals.



STEP TWO: How much can you save?

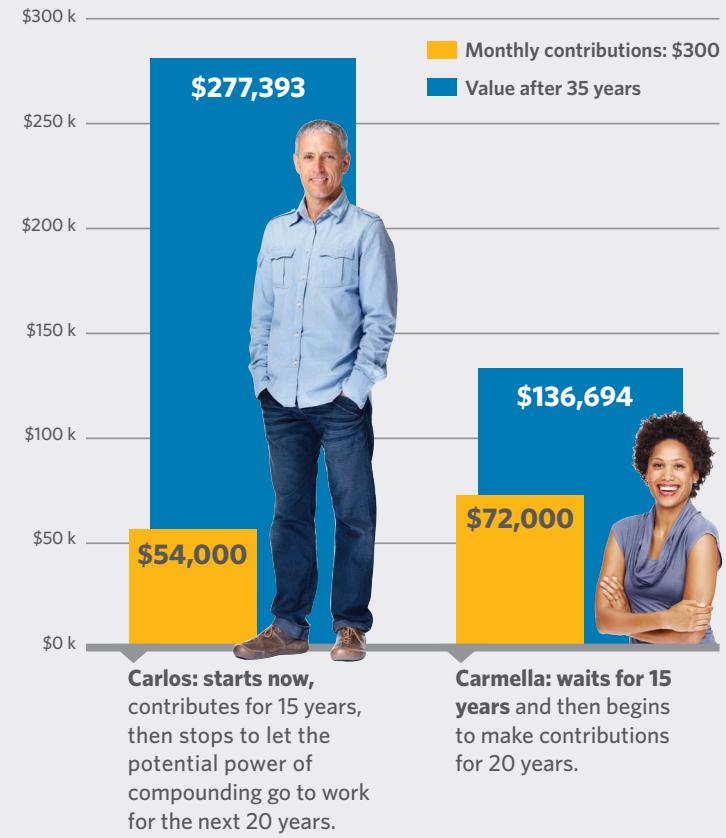
Deciding how much to save is a personal decision.

Check out the **My Retirement Overview®** calculator at voya.com/tool/how-much-do-i-need-to-retire.* It can help you determine how much you can really afford to save from each paycheck.

Don't put off until tomorrow what you can do today.

You might think you can't afford to put much aside, but making small changes now could make a big difference over the long term. By investing early, your money has more time to work for you.

This chart demonstrates the potential power of time vs. the potential cost of waiting.

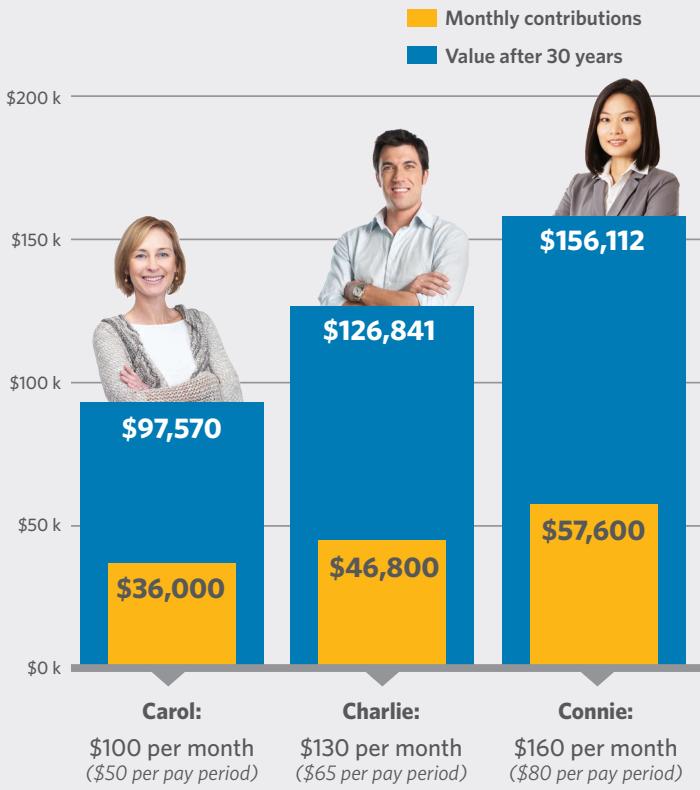


* **IMPORTANT:** The illustrations or other information generated by the calculators are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. This information does not serve, either directly or indirectly, as legal, financial or tax advice and you should always consult a qualified professional legal, financial and/or tax advisor when making decisions related to your individual tax situation.

This hypothetical example assumes a 6% effective annual interest rate and no withdrawals. For illustrative purposes only, to show how the number of years invested in the Plan could affect participant account values. Not intended as a guarantee of past or future performance of any security. Hypothetical assumptions are not guaranteed. Your actual results may vary. Actual rate of return may be more or less than shown and will depend upon a number of different factors, including a participant's choice of investment options. Any fees, expenses or charges that may be associated with the Plan are not considered in this illustration. Plans having these charges would reflect lower net returns. Systematic investing does not ensure a profit nor guarantee against a loss in declining markets. You should consider your financial ability to consistently invest in up as well as down markets. Consider your personal investment horizon and current as well as anticipated income bracket when making an investment decision. Changes in tax rates and tax treatment of investment earnings may impact results.

Pay yourself first with Plan contributions.

This chart demonstrates the potential added value of contributing more money over time.



This hypothetical example assumes bimonthly employee contributions and a 6% average annual return. Any fees, expenses or charges that may be associated with the Plan are not considered in this illustration. Plans having these charges would reflect lower net returns. Hypothetical assumptions are not guaranteed. Systematic investing does not ensure a profit nor guarantee against a loss in declining markets. You should consider your financial ability to consistently invest in up as well as down markets.

Incentives to help you save.

IRS Saver's Credit

To encourage low- and moderate-income individuals to save, the federal government offers a tax credit for contributions to eligible retirement plans. You may be eligible for a credit on your federal taxes based on your adjusted gross income. If you take this tax credit you can still deduct your contributions to qualified retirement savings plans as allowed under current law. For more information or to see if you qualify, contact your tax professional.

Catch-Up Provisions

Age 50 Catch-Up — allows a participant who is at least age 50 before the end of the tax year to make additional contributions of \$7,500, for a maximum of \$30,500.

Special 3-Year Catch-Up — allows a participant who meets special conditions and has not been contributing the maximum in previous tax years to contribute up to twice the maximum annual contribution amount during the three years prior to their Normal Retirement Age. The current annual limit is \$46,000 or the amount of Catch-Up credit available to you, whichever is less.

IRS regulations state the Age 50 Catch-Up Provision cannot be used in the same calendar year as the Special 3-Year Catch-Up Provision.

2024 Maximum Annual Contribution Limits

100% of income, up to \$23,000

Age 50 Catch-Up: \$7,500

Special 3-Year Catch-Up: \$46,000

Annual IRS contribution limits are subject to change.

The Bottom Line.

Start planning for your retirement early!

- **Just starting out in your career?** You might think you can't afford to put anything aside. By investing early, though, your investment has the opportunity to grow tax-deferred over a longer period. In the future you may want to consider increasing your contributions as your salary increases.
- **Nearing retirement?** When starting later in life it's important to consider your investment and tax-shelter strategies carefully. Consider consulting with an investment and tax advisor prior to making investment decisions.

STEP THREE: What's your investment strategy?

When it comes to investing, people have different levels of risk tolerance and experience. There are some that have limited knowledge in actively developing an investment portfolio and there are those who prefer to select their own mix of investments.

Offering a simple approach to investing, the Plan's investment lineup is organized into choices designed to match your level of interest in investing.

Your choice, simplified.

Your Choice	Your Involvement	The Investment Approach
Help-Me-Do-It  Target Retirement Date Funds — A diversified portfolio in a single fund.	You select the fund, CalPERS manages the asset allocation of the fund. This approach is convenient if you don't have the desire, time or experience to actively select your asset allocation and manage it over time.	Over time, the investment mix of each fund gradually shifts from a greater concentration of higher-risk investments to a greater concentration of lower-risk investments. This disciplined and systematic approach is designed to reduce volatility through diversification, especially as each fund approaches its target date and the years after retirement. However, there is no guarantee that a fund will achieve its strategic objective.
Do-It-Myself  Core Funds — A carefully selected list of passively managed investment options.	You select your funds and actively design and manage your asset allocation over time. If you like to design and actively manage your own asset allocation based on your individual circumstances, you can choose from a carefully selected list of core investment fund options.	CalPERS has selected a set of six index funds in different asset classes (stocks, bonds, and cash equivalents) so you can diversify your portfolio based on your personal situation.

Personal Choice Retirement Account®

The Personal Choice Retirement Account® (PCRA) is a fee-based brokerage account that affords you more flexibility in choosing your own retirement savings investments, with access to thousands of different mutual funds from hundreds of fund families. Investments are limited to mutual funds made available by the Schwab PCRA. Please call the Plan Information Line at **800-260-0659** for information on how to enroll into the PCRA option. Please note, however, the mutual funds are not selected, reviewed or monitored by CalPERS.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer which also provides other brokerage and custody services to its customers. ©2023 Charles Schwab & Co., Inc. All rights reserved. Used with permission. Charles Schwab and Voya Financial are separate and unaffiliated and are not responsible for each other's policies or services,

Participant Fees

We strive to provide investments and services at a reasonable cost using a simple fee schedule with an overall objective of minimizing expenses. There are costs associated with investing in the underlying investment fund options offered under the Plan. Each of the investment fund options currently have an annual fee of less than 0.40%, prorated daily based on your account balance. CalPERS periodically reviews fees and operating costs, and changes to fees and costs may be made at any time.

More information about the fees associated with each investment offering can be found in the Fund Fact Sheets on **calpers457.com**.



What are target date funds?

Target date funds are diversified funds that are designed for investors who don't have the time, desire, or expertise to choose an appropriate asset mix for their situation and actively manage it. Over time, the investment mix of a target date fund gradually shifts from a greater concentration of higher-risk investments to a greater concentration of lower-risk investments.

Target date funds are designed for investors who intend to retire during or near the target date year that is included in the name or description of the fund. However, you should not choose a target date fund solely based on your age or intended retirement date. You should also consider factors such as your risk tolerance, personal circumstances, and complete financial situation. While target date funds are intended to offer a simpler way to diversify your portfolio, you should continue to monitor your investments and make adjustments as needed.

What are index funds?

Index funds are designed to produce results that mirror the performance of the index they track by buying and holding the stocks or bonds included in the index. That's why these funds are often described as passively managed. If you want to invest in a certain asset class, such as the stocks or bonds of large U.S. companies, an index fund gives you a convenient way to invest without having to choose individual stocks or bonds.

What is an index?

A fund's performance is usually compared with its market benchmark or index. An index is a grouping of stocks or bonds selected to represent a particular market. The best-known index is the Dow Jones Industrial Average that follows 30 of the largest U.S. companies. The Standard & Poor's 500 Index widens the range to include 500 of the largest U.S. companies for a broader reading of the market. An index is not managed and cannot be invested in directly.

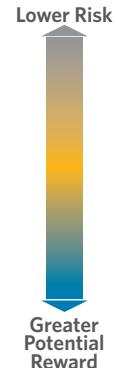
Investing 102



The Asset Classes

There are three basic asset classes and each has specific risk and return features to consider. There are also asset allocation investments, like the target date funds, that generally contain a mix of any of the three asset classes.

Asset Class	Benefit	Risk
Asset Allocation	Professionals make the diversification, asset allocation and rebalancing decisions	Shifting to a conservative mix over time helps manage risk, but does not guarantee earnings growth
Asset Class	Benefit	Risk
Cash Equivalents	Designed to protect original investment or principal	May not keep pace with inflation over time
Bond	Generally offer greater income potential than short-term investments and not as much risk as stocks	Lower growth potential
Stocks	Historically, stocks have provided greater long-term returns than other asset classes	Due to market volatility the value of stocks can go up and down over short periods of time



Investing 103



Investment risk vs. inflation risk

Investment risk is generally associated with the potential that investments may go down in value as a result of market volatility, though other risks exist. Stocks are generally considered riskier investments because they tend to fluctuate in value more than conservative investments like bonds. Conservative investments may help reduce investment risk, but over the long term they can expose you to another kind of risk — inflation risk. When investments are earning less than the rate of inflation, they are actually losing value.

The importance of asset allocation & diversification

Combining different types of investments through asset allocation and diversification may help you manage risk and maximize your return potential by smoothing out market fluctuations, while still taking advantage of the market's potential for higher returns.

Asset allocation involves assigning specific percentages of your investments to different asset classes according to your financial goals, risk tolerance and time horizon. Diversification is a risk management technique that mixes a variety of investments within a portfolio. It involves distributing your money among different securities, sectors, industries and strategies within a number of asset classes. Diversification through asset allocation does not ensure a profit or protect against loss.

Help-Me-Do-It

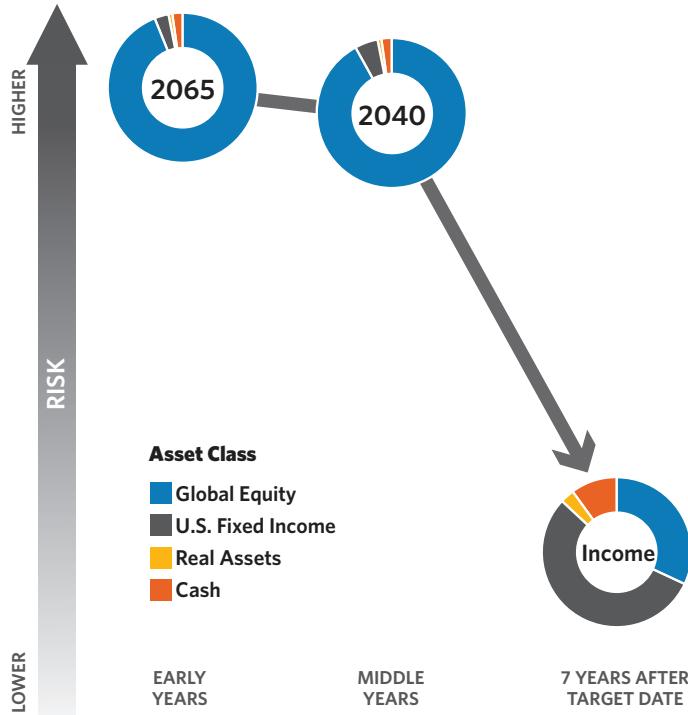
Target Retirement Date Funds —
A diversified portfolio in a single fund.

CalPERS Target Date Funds

The Target Retirement Date Funds offer diversified portfolios for participants who don't have the time, desire or expertise to choose an appropriate asset mix for their situation and actively manage it over time.

Funds that evolve over time.

Over time, the investment mix of each fund gradually shifts from a greater concentration of higher-risk investments (such as stock funds) to a greater concentration of lower-risk investments (such as bond funds). Each fund will reach its most conservative asset allocation seven years after the target date year. The shift, known as a "glide path," focuses on asset accumulation to help achieve participants' retirement objectives. This disciplined and systematic approach is designed to reduce volatility through diversification, especially as each fund approaches its target date and the years after retirement. However, there is no guarantee that a fund will achieve its strategic objective. The CalPERS Board of Administration reserves the right to change the target asset allocations, asset classes, underlying portfolios, and benchmarks at any time.



For illustration purposes only. Actual fund allocations may vary.
Please refer to the individual fund fact sheets.

Picking your target date fund.

Each fund is designed for an investor who intends to retire during or near the target date year that is included in the name of the fund. However, you should not choose a fund solely based on your age or intended retirement date. You should also consider factors such as your risk tolerance, personal circumstances, and complete financial situation. For example, even if you intend to retire in 2030, you may decide that the 2025, 2035 or other fund is more appropriate for you.

If your birthdate is....	Your CalPERS Target Retirement Date Fund may be...
On or after 2004	CalPERS Target Retirement 2065 Fund
On or between 1999 and 2003	CalPERS Target Retirement 2060 Fund
On or between 1994 and 1998	CalPERS Target Retirement 2055 Fund
On or between 1989 and 1993	CalPERS Target Retirement 2050 Fund
On or between 1984 and 1988	CalPERS Target Retirement 2045 Fund
On or between 1979 and 1983	CalPERS Target Retirement 2040 Fund
On or between 1974 and 1978	CalPERS Target Retirement 2035 Fund
On or between 1969 and 1973	CalPERS Target Retirement 2030 Fund
On or between 1964 and 1968	CalPERS Target Retirement 2025 Fund
On or between 1959 and 1963	CalPERS Target Retirement 2020 Fund
On or before 1958	CalPERS Target Retirement Income Fund

Based on assumption that retirement age is 59.

The "target date" is the approximate date when a participant plans to retire (assuming a retirement age of 59). There is no guarantee that any investment option will achieve its stated objective. Principal value fluctuates and you may lose money, including losses near and following retirement, and there is no guarantee that the investment will provide adequate retirement income. Asset allocation, diversification and rebalancing do not ensure a profit or protect against loss in declining markets.

While target date funds are intended to offer a simpler way to diversify your portfolio, you should continue to monitor your Plan investments and make adjustments as needed.

Do-It-Myself

Core Funds — A carefully selected list of passively managed investment options.

Core Funds

If you like to pick, actively manage and design your asset allocation, you can choose from a carefully selected list of core investment fund options. CalPERS has selected a set of six index funds in different asset classes (stocks, bonds, and cash equivalents) so you can diversify your portfolio based on your personal situation.

Index Fund	Asset Class
State Street Short Term Investment Fund	Cash Equivalent
State Street Real Asset Fund	Inflation Protection
State Street U.S. Short-Term Government/ Credit Bond Index Fund	Bond
State Street U.S. Bond Index Fund	Bond
State Street Russell All Cap Index Fund	U.S. Stocks
State Street Global All Cap Equity ex U.S. Index Fund	Global Stocks

Building your investment portfolio.

It is important for you to determine how long you plan to keep your money invested, and your willingness to stay invested during market ups and downs, and build a portfolio appropriate for that strategy.

When developing your investment strategy, you need to consider:

- How much to save and invest today.
- Your investment time horizon.
- Your risk tolerance.

Once you determine the answers to these questions you can create an investment mix that will help you work toward your objective.

A reminder about asset allocation.

Asset allocation helps to reduce investment risk by spreading your money among different investments, or across the main asset classes. Combining different types of investments, i.e. stocks, bonds and cash equivalents, may help you manage risk and maximize your return potential by smoothing out market fluctuations, while still taking advantage of the market's potential for higher returns. However, diversification through asset allocation does not specifically ensure a profit or protect against loss.

Be aware of inflation risk.

When you're ready to retire, you'll most likely be living in a much more expensive world than today. Conservative investments (like bonds) may help reduce volatility risk, but over the long term they can expose you to inflation risk. When investments are earning less than the rate of inflation, they are actually losing value.

Want to learn more?

Attend a CalPERS 457 Plan webinar. Visit calpers457.com to view the schedule of upcoming webinars.



Account Management is at your fingertips.

We're just a click away!

The Plan gives you 24/7 access to your account (excluding any period of time dedicated to scheduled standard system maintenance) to manage your Plan investments and manage your personal information by logging into your account online or calling the Plan Information Line.

Download the **Voya Retire** mobile app for iPhone® and Android™ devices to view information about your account or to use the savings calculator.

- To try the mobile app for the first time, register your username at calpers.voya.com. Then visit your favorite app store (keyword: **Voya Retire**) for the Voya Retire mobile app. For more information, visit mobile.voya.com.



iPhone is a trademark of Apple Inc., registered in the U.S. and other countries. Android is a trademark of Google Inc. Amazon and Kindle are trademarks of Amazon.com, Inc. or its affiliates.

Account access

You will need your PIN to access your account by phone to complete any transactions, to register your username online, or to change any personal information if not done by form.

What can you do where?	ONLINE	MOBILE	PHONE APP
Investments			
Change and/or monitor your investment elections	●	●	●
Review current and historic balances	●	●	●
Transfer money among funds	●	●	●
Reallocate account balance	●	●	●
Automatic rebalancing	●		●
Personal Information			
To review or change designation of beneficiary information	●		●

These requests must be submitted by form to your employer's benefit coordinator for processing.

Type of Request	Form Name
Enroll in the Plan	<i>Employee New Enrollment</i>
Distribution Request	<i>Distribution</i>
457 Transfers into CalPERS 457 Plan	<i>457 Account Transfer</i>
IRA, 401(a), 401(k) or 403(b) Rollover	<i>Rollover</i>

Confirmation of changes

You will be mailed a confirmation within three business days following any changes made to your account. If you do not receive a confirmation in a timely manner, please contact the Plan Information Line to ensure that your changes were properly made to your account. It is your responsibility to monitor these changes and to promptly notify a Participant Service Representative by calling **800-260-0659** weekdays between 6:00 a.m. - 5:00 p.m. PT (excluding stock market holidays) if a change to your account was not implemented correctly.

Features of the CalPERS 457 Plan.



Distribution Flexibility

You may begin taking distributions from your CalPERS account at any time once you retire or separate from employment. The Plan offers you the flexibility to receive:

- a lump sum.
- a partial lump sum.
- payments for a specific time period.
- payments based on your life expectancy or the combined life expectancy of you and your spouse.
- payments through the purchase of an annuity.

There is no early withdrawal penalty in the CalPERS 457 Plan. You may take a distribution at anytime once you have separated from employment. Federal tax-free distributions of Roth after-tax contributions and earnings, though, require additional qualifying factors.

Required Minimum Distributions

Federal tax law requires you to begin taking distributions from your pre-tax savings source no later than April 1 of the year following the year you reach age 73, unless you are still employed. If you remain employed beyond April 1 following the year in which you reach age 73, payment must begin by April 1 in the year following the year you end your employment. Distributions from the Roth after-tax savings source are not required.

* CalPERS does not offer legal or tax advice. You should consult with your independent tax and legal advisors regarding your individual situation and if the Roth plan option is appropriate for you.

Tax Liability on Pre-Tax Distributions

Pre-tax distributions are treated as ordinary income in the year the money is paid and are subject to federal and state income taxes. 20% is withheld for federal tax purposes, as well as 2% for state taxes for California residents, at the time of payment on all distributions. A rollover to another eligible retirement plan or a traditional IRA is not subject to tax withholding.

Purchasing Service Credit

You may choose to use your investments in the Plan to purchase Pension Service Credit, if eligible.

In-service Withdrawals

Generally, you cannot withdraw money from your account while you are still employed by your employer with the exception of:

- **Unforeseeable Emergency Withdrawals**

You may make an emergency withdrawal under qualifying circumstances prior to separating from service.

- **Loan Privilege (if available)**

You may borrow from your account balance to assist you in meeting your financial needs only if your employer has adopted the loan provision of the Plan. Additional fees apply.

Roth Plan Option*

If your employer can process Roth contributions from their payroll, you can make contributions of money that has already been taxed. This helps you build a nest egg of federal tax-free income in retirement. Your qualified withdrawals of contributions and any earnings then come out federal tax-free, which means you could potentially end up with more in net distributions in retirement.

Guidelines & Forms

Guidelines on distributions, tax liability and in-service withdrawals are available on calpers457.com.

All forms noted in this brochure can be found at calpers.voya.com (go to *Plan Information > CalPERS 457 Plan Information*, then go to *Plan Information > Forms* at the top of the page) or obtained by calling the Plan Information Line at **800-260-0659**.

Easy 24/7 account access
at calpers.voya.com or
800-260-0659 (Press 2)

- View, download, and print account statements
- Manage beneficiary information online
- Automatic account rebalancing
 - Automatically rebalances an account to current investment elections
- Reallocation of account balances
 - Redistribute fund balances across multiple funds in one simple transaction
- Download forms and stay up-to-date on Plan rules

For more information:

- Visit calpers457.com
- Call **800-260-0659**
 - **Press 2** for a Participant Service Representative weekdays between 6:00 a.m. - 5:00 p.m. PT, excluding stock market holidays
 - **Press 3** to schedule a meeting with a dedicated Account Manager*
- **Personal Phone Appointment**

Schedule a one-on-one personal phone appointment with your dedicated Account Manager. Phone appointments are available in both English and Spanish. Take advantage of this unique benefit offered to help you stay on track. Go to calpers457.timetap.com or call toll-free at **888-713-8244**.

 - Schedule a phone appointment at a time of your choice
 - Receive an email confirmation of your appointment
 - Receive an email reminder one hour prior to your appointment

* Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC (VFA). Plan administration services provided by Voya Institutional Plan Services, LLC.

STAFF REPORT

To: Board of Directors
From: Paul Helliker, General Manager
Date: December 18, 2024
Subject: Combination with Sacramento Suburban Water District

RECOMMENDED ACTION

Consider a motion to suspend further discussions with Sacramento Suburban Water District on combination of the two Districts.

BACKGROUND

Initial Discussions

Combination discussions between the Sacramento Suburban Water District (SSWD) and San Juan Water District (SJWD) have been occurring since 2011. The two districts have historically worked together on multiple fronts. With the construction of the Cooperative Transmission Pipeline in 1996, and with its extension to SSWD's Antelope Transmission Pipeline, the water transmission systems of both districts were connected. Since these transmission pipelines were built, SJWD has treated SSWD's surface water entitlement from PCWA and its own water supplies and delivered them to SSWD as part of its successful conjunctive use program. The Antelope Pump Back facility was constructed and connected to the ATP to allow SSWD's groundwater supplies to be pumped into SJWD whenever necessary.

Phase 1 Study

In 2013, the SJWD and SSWD Boards both voted unanimously to conduct the Phase 1 Study, which was a high-level assessment of the options of remaining separate (status quo), collaborating via additional contractual mechanisms and full merger of the two organizations. That report, completed in May 2014, identified the following benefits of proceeding with combination of the two Districts:

- Economies of scale for district representation on regional, state and federal matters within the Lower American River region;
- Flexibility to use Pre-1914 water and maximize the use of CVP supplies for SSWD, SJWD and the Wholesale Agencies resulting in increased water supply reliability;
- Establish a historical record of using CVP supplies; and,
- Avoid event-driven inter-agency negotiations for exchanges or transfers of water supplies during dry-year reductions or critically dry-year events.

The SJWD Board voted unanimously to approve the Phase 1 report and proceed with the Phase 2A study, which would assess in more detail the potential configuration of a merged organization. The SSWD Board approved the actions by a 4-1 vote.

Phase 2A Study

The Phase 2A study was completed in June of 2015, and it described in more detail the benefits of integrating the water supply systems of the two Districts, including expanding conjunctive use activities, utilizing more of SJWD's excess surface water supplies and ensuring greater supply reliability in critical drought years. The report provided much more detail about the following benefits of combination:

- Greater ability for succession planning, career mobility, job training and promotion opportunities with combined staff.
- Better ability to respond to emergencies and workload variations with combined staff.
- Ability to combine resources to focus efforts on planning and prevention rather than reaction and response.
- Larger district would provide opportunity to gravitate to the newest and best performing information and computer-based systems as existing systems require replacement.
- Ability to reduce the impact of future rules and regulations and rules on rates with a greater base over which to spread future costs.
- Future rate increases might be reduced through economies of scale.
- Both districts have excellent credit ratings; combining the two districts might provide for even higher credit ratings resulting in savings should future debt issues be required.
- Potential ability to restructure debt for lower cost to customers.
- Potentially reduced cost due to improved purchasing power combination of districts would result in one legal counsel contract, one auditing firm with one annual audit, more efficient use of outside consultants, etc.
- Increase ability of executive staff to focus on external affairs through realignment of staff.
- Improved Regional, Statewide, and Federal advocacy and involvement.

In June 2015, the SJWD Board unanimously approved the Phase 2A report. However, the SSWD Board chose to discontinue the merger discussions.

Actions from 2018-2021

In 2018, the SJWD Board unanimously directed their General Manager to communicate with SSWD, to inquire about restarting discussions concerning combination efforts. The two organizations set up a 2x2 Ad Hoc Committee, which met during 2018 and 2019. During 2019, SJWD and SSWD agreed to expand the discussion of potential combination to other interested agencies, and conducted a "collaboration/integration"

project with five other neighboring water agencies, to evaluate different alternatives that ranged from status quo operations to merger among the agencies. That project was completed in 2021.

Reinitiated Combination Deliberations

In 2024, the SSWD Board directed their General Manager to send a letter to SJWD inquiring about their interest in conducting further discussions about potential combination of SSWD and SJWD. On May 25, 2024, the SJWD Board unanimously agreed to conduct joint meetings with the SSWD Board and provided three dates for the first meeting.

The two Boards met on June 25, 2024, and both unanimously directed their General Managers to prepare a Request for Proposals for a Business Case Analysis, which would be the Phase 2B analysis that was identified in 2015 as the next phase of the combination process. The RFP was completed and provided to the Boards for their consideration at a joint meeting on July 31, 2024. The Boards both approved the RFP unanimously, and it was distributed to five firms on August 17, 2024.

The RFP contained three tasks for two scenarios: a description of the existing characteristics, operations and assets of the two organizations; an analysis of the pros and cons of continuing to operate as independent organizations compared to combining into one organization; and the meetings and deliverables for the project. Two firms bid on the project, and after the General Managers conducted interviews on September 30, 2024, they recommended to the two Boards at the October 3, 2024 joint meeting that BakerTilly be the consultant to do the analysis. The SJWD Board approved BakerTilly by a vote of 3-2, and the SSWD Board unanimously approved BakerTilly at their October 21, 2024 meeting.

Comments and Responses

The following comments have been made concerning the combination project and responses are provided.

Comment: A merger of SSWD and SJWD would result in layoffs of SJWD staff.

Response: No layoffs were identified as necessary in the Phase 1 or Phase 2A reports. Both organizations use consultant support to conduct functions that existing staff do not have the time or resources to do, and most operations of the two Districts would not change with a merger (e.g., the treatment plant would continue to operate as it currently does). When Arden Arcade and Northridge Water Districts were merged to create SSWD in 2002 (which has been an example of a very successful merger), not only were there no layoffs, but staffing has increased significantly in the intervening years.

Comment: SSWD would “take over” SJWD and would dominate it politically.

Response: The combined populations of the SSWD and SJWD service areas would be 330,000, of which 45% are in the current SJWD wholesale area and the rest in the SSWD retail area. Board members of either a County Water District or a Community Services District are mandated to represent all of the constituents of the complete

District, and not just those who reside in their electoral division. SJWD has had periods during which Board members were concentrated in a specific area (four of the five Board members were from Granite Bay during the years of 2018-2022), yet they faithfully represented the interests of all SJWD constituents.

Comment: There is no need for a business case analysis because it has already been completed.

Response: In 2015, the two Boards reviewed the Phase 2A report, and stated that it was the precursor to the Phase 2B report (the business case analysis) and the Phase 3 report (the LAFCO municipal services review). SSWD and SJWD received many comments from various stakeholders, and in response, noted that many of the questions and comments that were raised concerning the Phase 2A report would be addressed in the Phase 2B business case analysis.

Comment: SJWD would be dissolved in a merger and would lose its water rights.

Response: The merger approach proposed in both the Phase 1 and Phase 2A studies was for SSWD to dissolve and SJWD to annex the SSWD service territory. Neither organization in any merger loses its assets – they become the property of the merged organization. In the proposed merger approach, nothing about San Juan's water rights would change.

Comment: A merger would not require LAFCO approval (their decision would be ministerial) and constituents would have no vote.

Response: LAFCO approval of any merger would be required, and the decision is not ministerial. The LAFCO decisionmaking process includes a Municipal Services Review and a public hearing and vote on the proposal. Constituents would be notified of the potential approval by LAFCO, and LAFCO would have to conduct an election if 25% of the voters submitted protests.

STAFF REPORT

To: Board of Directors
From: Greg Zlotnick, Water Resources Manager
Date: December 18, 2024
Subject: Potential San Juan Retail Groundwater Well – Part 2

RECOMMENDATION

Continue to pursue partnerships with neighboring agencies (including Wholesale Customer Agencies) to expand groundwater banking/transfer activities and to improve dry year reliability. Only if such partnerships do not bear fruit should San Juan consider development of its own groundwater facilities.

BACKGROUND

At the conclusion of its discussion regarding this issue at its October 16th meeting, the Board asked staff to return with additional information regarding the cost of beginning the process to develop a groundwater well, which would include identifying potential properties on which to site a well, and the availability of grant funding to support that process.

DISCUSSION

Property Identification

Staff thanks the Sacramento Suburban Water District (SSWD) for sharing relevant documentation and processes it developed for its own property identification and well siting needs to inform this discussion. SSWD retained West Yost (WY) consultants to undertake the property identification component of seeking to site a groundwater well through a GIS tool WY had developed. District staff met with WY to receive a briefing on their tool. WY's GIS-based methodology provides for transparently, repeatably, objectively, and efficiently identifying potentially qualified sites for future groundwater wells. Once identified, additional site-specific investigation would be recommended for selected parcels.

To apply its GIS tool within only the Sacramento County portion of San Juan's wholesale service area, WY very roughly estimated it would recommend a budget of \$75,000 to \$100,000, noting that additional refinement could alter those numbers. The higher end of the cost range would provide for application of the GIS-based well siting tool, a Well Siting Technical Memorandum (TM) detailing the

STAFF REPORT

Potential San Juan Retail Groundwater Well – Part 2

Greg Zlotnick

work completed and documenting a recommended list of potential well site locations, as well as a board presentation on the study and outcome.

The criteria used to limit or expand the analysis would affect the budget. Moreover, WY assumed it would not need to undertake hydrogeological analyses since it has or would access existing data and analyses within the region. However, there is no guarantee that that assumption would hold true and further such analyses could still be necessary, which would result in an increased budget.

The following is a list comprising a “Property Acquisition Roadmap” used by SSWD, showing tasks that would take place after identifying potential parcels (Phase A in the list, fulfilled for example, through application of the WY GIS tool), and a chart describing additional external resources that would need to be contracted for as part of a well siting process:

- Phase A – Identify Parcels
- Phase B – Determine Availability of Parcels
- Phase C – Perform Due Diligence
- Phase D – Negotiate Purchase Agreement
- Phase E – Proceed Through Escrow
- Phase F – Close Property Acquisition
- Phase G – Test Well

Prior to Phase D, the General Manager would screen the potential properties that cleared the process favorably and bring a recommendation to the Board.

External Resources

Service	Role	Property Acquisition Phase
Property Agent	<ul style="list-style-type: none">• Support Staff through Property Acquisition• Initial and primary point of contact with Property Owner(s)• Support purchase negotiations, escrow process and closing	Phase B through Phase F
Environmental Assessment Firm	<ul style="list-style-type: none">• Prepare Phase 1 Environmental Site Assessment	Phase C
Appraiser	<ul style="list-style-type: none">• Conduct appraisal of parcels. This service may be available through the Property Agent	Phase C
Land Surveyor	<ul style="list-style-type: none">• Stake property boundaries and test well location, if needed	Phase C and/or Phase G
Engineer	<ul style="list-style-type: none">• Hydraulic analysis, design and construction of test well, if required	Phase C and/or Phase G

Rincon Consultants, another firm staff contacted that was willing to provide a rough, non-binding estimate for a Well Siting Report, indicated the cost could be \$50,000 or more, while acknowledging that “Investigations of large areas with

multiple legal parcels, complicated regulatory environments, and/or significant hydrogeologic data gaps increase the effort required.”

There would be additional costs to carry out necessary environmental site assessments. Based upon conversations with various consulting firms, a guesstimate for that work ranges widely from \$50,000 to \$100,000 or so.

In addition to drilling pilot boreholes in recommended potential locations, ultimately drilling a test well (Phase G above) would be necessary, entailing additional costs beyond the property identification/acquisition process, environmental assessment, and pilot boreholes. As noted in the Staff Report last meeting, a test well is estimated to cost around \$300,000. Consequently, the investment necessary to get to the point at which the design and construction of a well could begin is estimated to range in cost from approximately \$400,000 to \$500,000.

Funding Opportunities

The Ferguson Group (TFG), San Juan’s federal advocacy firm, is well versed in identifying and pursuing federal grants and appropriations (commonly referred to as “earmarks”) for agency projects.

In fact, TFG recently worked to secure a \$1.25M earmark for the District’s Kokila Reservoir project. In addition, the District facilitated TFG’s engagement with Orange Vale Water Company (OVWC) to secure earmarks totaling \$2.075M in support of OVWC’s current well rehabilitation project.

TFG provided the District with a comprehensive memo (attached) regarding the potential sources of federal grant funds and programs which could be targeted for appropriations through the earmark process to support San Juan’s development of a groundwater well project, including whether such financing is available for planning and/or construction.

TFG confirmed, as reported in the Staff Report provided last month on this subject, there are no state grant programs available to pursue at this time for well projects and state programs generally will not support only planning efforts.

TFG concluded the following regarding federal planning grant opportunities:

“While many grant funding programs are available for the funding of full ground water well projects, very few opportunities exist for the sole purpose of planning. Most programs that allow for planning activities to be included in the project scope **also require those activities to be accompanied with construction or implementation activities.**”

[Emphases added.]

With respect to pursuing an earmark for funding support, TFG advises:

“...given the political and competitive nature of earmarking, TFG recommends SJWD explore this method of funding when the project is further developed and is ready to move into implementation and/or construction.”

The only federal program TFG identified that could provide a grant in support of planning for a groundwater well is the Department of Interior’s “WaterSMART: Planning and Project Design Grants program”, which is administered by the Bureau of Reclamation.

TFG’s memo calls out several important “things SJWD should consider” relative to this particular program:

- ✓ The minimum award amount under this program is \$100,000. The maximum award is \$400,000.
- ✓ **It is expected that applicants will have already performed some general planning work and preliminary studies that led to the identification of a specific location for project design.**
[Emphases added.]
- ✓ Project design projects should result in a final design package at approximately a 60% design level with the anticipation that the package will lead to applying for construction funding.
- ✓ Acceptance of planning funds under this program will not require SJWD to move in to construction on the project.

The next round of applications for this program will not be open until next summer. It then takes approximately 6 months for the selection of recipients, and an additional 4 or 5 months for the awards to be made. As a result of this timeline, funding from this program, were it to be made available to the District, would not be received until the spring of 2026.

As described in the TFG memo, there are a few other grant programs that the District could pursue in support of developing a well, but those funding sources are focused on support of actual project construction. Should the District ultimately decide to pursue development of a groundwater well, staff will work with TFG to seek funding support from those sources.

Conclusion

Based on the foregoing, and the information provided in the Staff Report last month, staff's recommendation remains the same with regard to whether the District should consider pursuing the development of its own groundwater well: (1) direct staff to continue to pursue potential partnerships with neighboring agencies (including Wholesale Customer Agencies) who already operate groundwater facilities, and only if such partnerships do not bear fruit should San Juan Retail consider development of its own groundwater facilities; and (2) defer any further consideration of the District developing its own groundwater well until a decision is made regarding the potential combination with SSWD.

Memo



TO: San Juan Water District

DATE: November 4, 2024

Funding Opportunities for Groundwater Well Development Activities

Overview

The San Juan Water District (SJWD) is interested in pursuing funding for the development of a groundwater well, specifically for costs associated with planning, initial property search, assessment, and land acquisition. While many grant funding programs are available for the funding of full ground water well projects, very few opportunities exist for the sole purpose of planning. Most programs that allow for planning activities to be included in the project scope also require those activities to be accompanied with construction or implementation activities. Funding opportunities included in this memo are grouped by those ideal for planning only and those ideal for planning and/or construction.

In addition to competitive grant funding, SJWD could also consider pursuing congressionally directed spending (earmarks) in the FY 2026 appropriations cycle for a ground water well project through programs and accounts administered by the Environmental Protection Agency and the U.S. Army Corps of Engineers. However, given the political and competitive nature of earmarking, TFG recommends SJWD explore this method of funding when the project is further developed and is ready to move into implementation and/or construction. Information on potential earmark funding accounts is included at the end of this memo.

Program Summary Information

TFG has provided a summary for each of the programs identified as a potential funding opportunity. Each summary includes a brief synopsis of the program, eligibility requirements, funding amounts, award ranges, match commitment requirements, and most recent solicitation dates, or periods of time for which the program is open and accepting applications. Additional information can be found in the linked TFG Profile and Summary for the program as well as in the Things to Consider box.

Program information is based on the most recent solicitation available. Generally, grant programs change little from year-to-year, making previous solicitations reliable and accurate in predicting future solicitations. TFG has noted where any large-scale changes to programs are anticipated. Previous solicitation dates indicate when the program was last run and act as a good indicator of when a program might be re-run as the majority are released on an annual basis. TFG has checked that all existing programs included in this memo are

anticipated to be re-run in 2024 or 2025. Programs not anticipated to be re-run were not included in this memo.

Competitive Funding Opportunities for Planning Activities

The following program has been identified as a potential funding opportunity for SJWD to pursue for planning only activities associated with the development of a ground water well.

Identified Funder	Competition	Deadline
U.S. Department of Interior – Bureau of Reclamation	WaterSMART: Planning and Project Design Grants	Anticipated Summer 2025

DOI - WaterSMART: Planning and Project Design Grants

The purpose of the [WaterSMART: Planning and Project Design Grants program](#) is to provide funding for collaborative planning and design projects to support water management improvements. This includes funding for:

- Water Strategy Grants: Projects to conduct planning activities to improve water supplies (e.g., water supplies to disadvantaged communities that do not have reliable access to water, water marketing, water conservation, drought resilience, and ecological resilience).
- Project Design Grants: Projects to conduct project-specific design for projects to improve water management or water supplies.
- Drought Contingency Planning: Proposals to develop a new or update an existing Drought Contingency Plan.

ELIGIBILITY: Water Strategy Grants and Project Design Grants eligible applicants are divided into two categories. Category A applicants are states, Tribes, irrigation districts, and water districts; State, regional, or local authorities, the members of which include one or more organizations with water or power delivery authority; and other organizations with water or power delivery authority. Category B applicants are nonprofit conservation organizations that are acting in partnership with, and with the agreement of, an entity described in Category A. Drought Contingency Planning eligible applicants are a state, Tribe, irrigation district, water district, or other organization with water or power delivery.

FUNDING: For FY 2023 and FY 2024, approximately \$35 million is available to support an estimated 60-70 awards through this program. Awards are provided through two separate funding groups: • Water Strategy and Project Design Grants: o Maximum Award: \$400,000.00 o Minimum Award: \$100,000.00 • Drought Contingency Planning: o Maximum Award: \$400,000.00 o Minimum Award: \$25,000.00 Project awards for Water Strategy Grants and Project Design Grants will be made through grants or cooperative agreements as applicable to each project. Project awards for Drought Contingency Planning will be made through cooperative agreements.

MATCH AND COST SHARING: Applicant cost-share requirements for projects will depend on the project type as follows:

- Water Strategy Grants and Project Design Grants: Applicants must be capable of cost sharing 25 percent or more of the total project costs.

- For all other projects, applicants must be capable of cost sharing 50 percent or more of the total project costs.
- Drought Contingency Plans: In exceptional circumstances and upon request of the applicant, Reclamation may reduce or waive the non-Federal cost share requirement, if an overwhelming Federal interest and a significant financial need are identified.
- Proposals for the planning or design of projects the purpose of which is to provide domestic water supplies to disadvantaged communities may be eligible for 0% nonfederal cost share

MOST RECENT SOLICITATION: August 7, 2023 to April 2, 2024.



[TFG Profile and Summary: FY 2023-24 WaterSMART Planning and Project Design Grants](#)

THINGS SJWD SHOULD CONSIDER:

- ✓ The minimum award amount under this program is \$100,000. The maximum award is \$400,000.
- ✓ It is expected that applicants will have already performed some general planning work and preliminary studies that led to the identification of a specific location for project design.
- ✓ Project design projects should result in a final design package at approximately a 60% design level with the anticipation that the package will lead to applying for construction funding.
- ✓ Acceptance of planning funds under this program will not require SJWD to move in to construction on the project.

Competitive Funding Opportunities for Construction Activities

The following program has been identified as a potential funding opportunity for SJWD to pursue for construction activities associated with the development of a ground water well. In most cases, planning activities are also covered under these programs.

Identified Funder	Competition	Deadline
U.S. Department of Interior – Bureau of Reclamation	WaterSMART: Drought Response Program, Drought Resiliency Projects	Anticipated Spring to Summer 2025
U.S. Environmental Protection Agency	Water Infrastructure Finance and Innovation Act (WIFIA) Program	Open
U.S. Department of Interior – Bureau of Reclamation	Small Surface Water and Groundwater Storage Projects	Open

DOI - WaterSMART: Drought Response Program Drought Resiliency Projects

The [WaterSMART Drought Response Program](#) supports a proactive approach to drought by providing financial assistance to develop and update comprehensive drought plans and implement projects that will build long-term resilience to drought. This program will support projects that can increase water management

flexibility and reliability to help entities prepare for and address the impacts of drought and water supply shortages. Projects that may be funded under this program are divided into four task areas: Task A: Increasing the reliability of water supplies through infrastructure improvements; Task B: Increasing the reliability of water supplies through groundwater; Task C: Improving water management through decision support tools, modeling, and measurement; and Task D: Construction of domestic water supply projects of which the primary purpose is to provide domestic water supplies to Tribal or disadvantaged communities that do not have reliable access to water supplies. Applicants must also demonstrate that the proposed project is supported by an existing drought planning effort.

ELIGIBILITY: Eligible applicants are states, tribes, irrigation districts, water districts, and other state, regional, or local authorities with water or power delivery authority located in the Western United States, as well as nonprofit conservation organizations working in partnership with the entities listed above.

FUNDING: In FY 2025, an unspecified amount of funding is available to support an estimated 20-40 awards through this program. Awards are provided through separate funding groups:

- For Categories A through C:
 - Group I: Up to \$750,000 will be available for projects generally completed within two years
 - Group II: Up to \$3,000,000 will be available for projects completed within three years and funded on an annual basis, contingent upon future appropriations. Category A entities are limited to a total of \$3,000,000. Category B applicants may be considered for multiple awards up to a total of \$15,000,000, if the Category A partners are different for each project selected
- For Category D:
 - Up to \$10,000,000 will be available for the construction of domestic water supply projects for Tribes or disadvantaged communities that do not have reliable access to water supplies and will be completed within three years

MATCH AND COST SHARING: Applicants applying for funding under Tasks A-C must be capable of cost sharing 50 percent or more of the total project costs. Applicants applying for funding through Task D must provide a five percent cost-share of the total project's costs.

MOST RECENT SOLICITATION: July 24, 2024 to October 7, 2024. The anticipated award date is September 1, 2025.



[TFG Profile and Summary: FY 2025 WaterSMART Drought Response Program Drought Resiliency Project Grants](#)

THINGS SJWD SHOULD CONSIDER:

- ✓ The minimum award amount under this program is \$25,000. The maximum award is \$3 million.
- ✓ Funding will be awarded to projects that increase water supply reliability and build long-term resilience to drought and aim to mitigate the necessity for emergency drought response actions, such as water hauling and temporary infrastructure.
- ✓ Well projects funded under this program are meant to be used for supplemental supplies during times of drought and not part of long-term planning efforts to support increased need due to population growth or increased irrigation demands.
- ✓ Funding can **NOT** go toward the purchase of water, land, or land with the primary purpose to secure a permanent easement.

EPA – Water Infrastructure Finance and Innovation Act (WIFIA) Program

The purpose of the [Water Infrastructure Finance and Innovation Act \(WIFIA\) program](#) is to accelerate investment in the nation's water, wastewater, and stormwater infrastructure by providing long-term, low-cost, supplemental credit assistance under customized terms to creditworthy water infrastructure projects of national and regional significance. This program is implementing the following five key priorities of the funding agency including: increasing investment in economically stressed communities, making rapid progress on lead service line replacement, addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS) and emerging contaminants, strengthening climate resilience in the water sector, and supporting one water innovation and resilience.

ELIGIBILITY: Eligible applicants are corporations, partnerships, joint ventures and trusts; state, local, and tribal governments; and state infrastructure financing authorities.

FUNDING: In FY 2024, approximately \$6.5 billion is available to help finance an unspecified number of direct loans or loan guarantees. Projects must have eligible costs that are reasonably anticipated to be equal to or exceed \$20 million, or for small communities (serving not more than 25,000 individuals), project costs that are reasonably anticipated to equal or exceed \$5 million.

MATCH AND COST SHARING: In general, applicants must provide 51% of the project costs. The maximum amount of WIFIA credit assistance to a project is 49 percent of eligible project costs in almost all instances. The funding agency may offer small community prospective borrowers credit assistance up to 80 percent of the eligible project costs.

MOST RECENT SOLICITATION: September 10, 2024. Letters of Intent accepted on a rolling basis.



[TFG Profile and Summary: FY 2024 Credit Assistance Under the Water Infrastructure Finance and Innovation Act \(WIFIA\) Program](#)

THINGS SJWD SHOULD CONSIDER:

- ✓ Funding is administered through a long-term, low interest loan and funds 49% of the total project cost.
- ✓ The minimum project size is \$20 million for large communities.
- ✓ The application process occurs in two steps. First, a Letter of Intent is submitted to EPA. Upon review, EPA will invite recommend entities to submit a full application for funding.

DOI - Small Surface Water and Groundwater Storage Projects

The purpose of this [program](#) is to enhance water storage opportunities for future generations. Award funding will support stakeholder efforts in the western United States to stretch scarce water supplies and avoid conflicts over water. Projects must include planning, design, and construction of small surface water and groundwater storage facilities. Projects are expected to enhance and make more reliable municipal and irrigation water supplies, provide opportunities to enhance groundwater management abilities, and provide water quality improvements and ecosystem benefits. Projects will provide western communities with new sources of water and increase water management flexibility, making water supplies more reliable and increasing resilience to climate change. A project must have a completed small storage feasibility study submitted to Reclamation for review prior to application submission.

ELIGIBILITY: Eligible applicants are state governments, county governments, city or township governments, special district governments, independent school districts, institutions of higher education, Native American Tribal governments and organizations, public housing authorities/Indian housing authorities, nonprofits, Individuals, for-profit organizations and small businesses. Joint powers authorities organized pursuant to state law are also eligible.

MATCH AND COST SHARING: Applicants must be capable of cost sharing 75 percent or more of the total project costs.

FUNDING: In FY 2025, approximately \$43.5 million is available to support an estimated 3 – 7 awards of up to \$30 million through this program.

MOST RECENT SOLICITATION: Period 1: Proposals due December 12, 2024 with Feasibility Study submitted by August 15, 2024. Period 2: Proposals due July 15, 2025 with Feasibility Study submitted by April 30, 2025.



[TFG Profile and Summary: FY 2025 Small Surface Water and Groundwater Storage Projects \(Small Storage Program\)](#)

THINGS SJWD SHOULD CONSIDER:

- ✓ Funding of up to \$30 million per project can be awarded through this program. The average federal award from previous years is about \$5 million.
- ✓ A completed feasibility study is required to be submitted to Reclamation prior to submitting a full application for funding. Feasibility studies for Period 1 were due to Reclamation August 15, 2024. Feasibility studies for Period 2 are due April 30, 2025.
- ✓ Projects must have water storage capacity of not less than 200 acre-feet and not more than 30,000 acre-feet, and increase surface water or groundwater storage, or convey water, directly or indirectly, to or from surface water or groundwater storage.
- ✓ Projects must be ready to proceed once a financial agreement is in place with Reclamation after a notice to award.

Congressionally Directed Spending (Earmarks)

In addition to the competitive funding opportunities presented above, opportunities exist in the congressionally directed spending and the federal appropriations process to potentially fund construction of a ground water well.

Corps of Engineers – Section 219 Environmental Infrastructure Program

Section 219 of the Water Resources Development Act of 1992 (P.L. 102-580) authorizes the U.S. Army Corps of Engineers to assist non-federal interests in carrying out water-related environmental infrastructure and resource protection and development projects. Such assistance may be in the form of technical, planning, and/or design assistance for water supply and storage, treatment and distribution systems; and wastewater treatment systems including treatment plants. Projects must specifically be authorized by Congress to be eligible for funds under this program. To be eligible to compete for assistance, a project must be within a state, county, city, or region specifically authorized by Congress to be eligible for funds under this program. A 25% non-federal match is required under this account.

NOTE: SJWD is an eligible participant on the Sacramento Area, CA Section 219 authorization and has already partners with the Corps on projects within the SJWD service area under the program.

EPA – State and Tribal Assistance Grants (STAG)

The EPA STAG account funds local wastewater and drinking water infrastructure projects. This includes construction of and modifications to municipal sewage treatment plants and drinking water treatment plants. Dams and reservoirs are not eligible under this account. Projects must be publicly owned or owned by a nonprofit entity and eligible for the funding under the state's Clean Water or Drinking Water State Revolving Funds (SRF) loan programs. Privately-owned projects are not eligible for infrastructure grants, even if they are otherwise eligible for assistance under a SRF program. A 20% match is required for any portion of a project funded through a STAG infrastructure grant.

NOTE: SJWD is an eligible participant on the Sacramento Area, CA Section 219 authorization and has already partners with the Corps on projects within the SJWD service area under the program.

Next Steps

To best match a specific project with a program, TFG recommends consultation with funding agency staff, and congressional staff for congressionally directed spending, before the solicitation period opens. Funding agency staff are generally more willing to speak with prospective applicants and give tips and advice when the solicitation is not open. TFG is available to work with SJWD to meet with potential funding agencies, if desired, and to vet program eligibility as SJWD continues to explore ground water well development.

AGENDA ITEM VII-1.1

STAFF REPORT

To: Board of Directors
From: Paul Helliker, General Manager
Date: December 18, 2024
Subject: General Manager's Monthly Report (November)

RECOMMENDED ACTION

For information only, no action requested.

TREATMENT PLANT OPERATIONS*Water Production*

Item	November 2024	November 2023	Difference
Monthly Production AF	2,854.30	2,749.95	3.8%
Daily Average MG	31.00	29.87	3.8%
Annual Production AF	48,866.88	44,109.70	10.8%

Water Turbidity

Item	October 2024	September 2024	Difference
Raw Water Turbidity NTU	2.62	2.44	7%
Treated Water Turbidity NTU	0.016	0.016	0%
Monthly Turbidity Percentage Reduction	99.37%	99.33%	

*Folsom Lake Reservoir Storage Level AF**

Item	2024	2023	Difference
Lake Volume AF	329,932	480,888	-31%

AF – Acre Feet

MG – Million Gallons

NTU – Nephelometric Turbidity Unit

* Total Reservoir Capacity: 977,000 AF

Other Items of Interest:

- Complete Annual Chlorine Maintenance

SYSTEM OPERATIONS

Distribution Operations:

Item	November 2024	October 2024	Difference
Leaks and Repairs	5	12	-7
Mains Flushed	0	0	0
Valves Exercised	0	0	0
Hydrants Maintenance	0	0	0
Back Flows Tested	24	9	+15
Customer Service Calls	26	41	-15

Distribution System Water Quality:

Water Quality Samples Taken	# Failed Samples	Supporting Information
40 Lab 8 In-House	0	

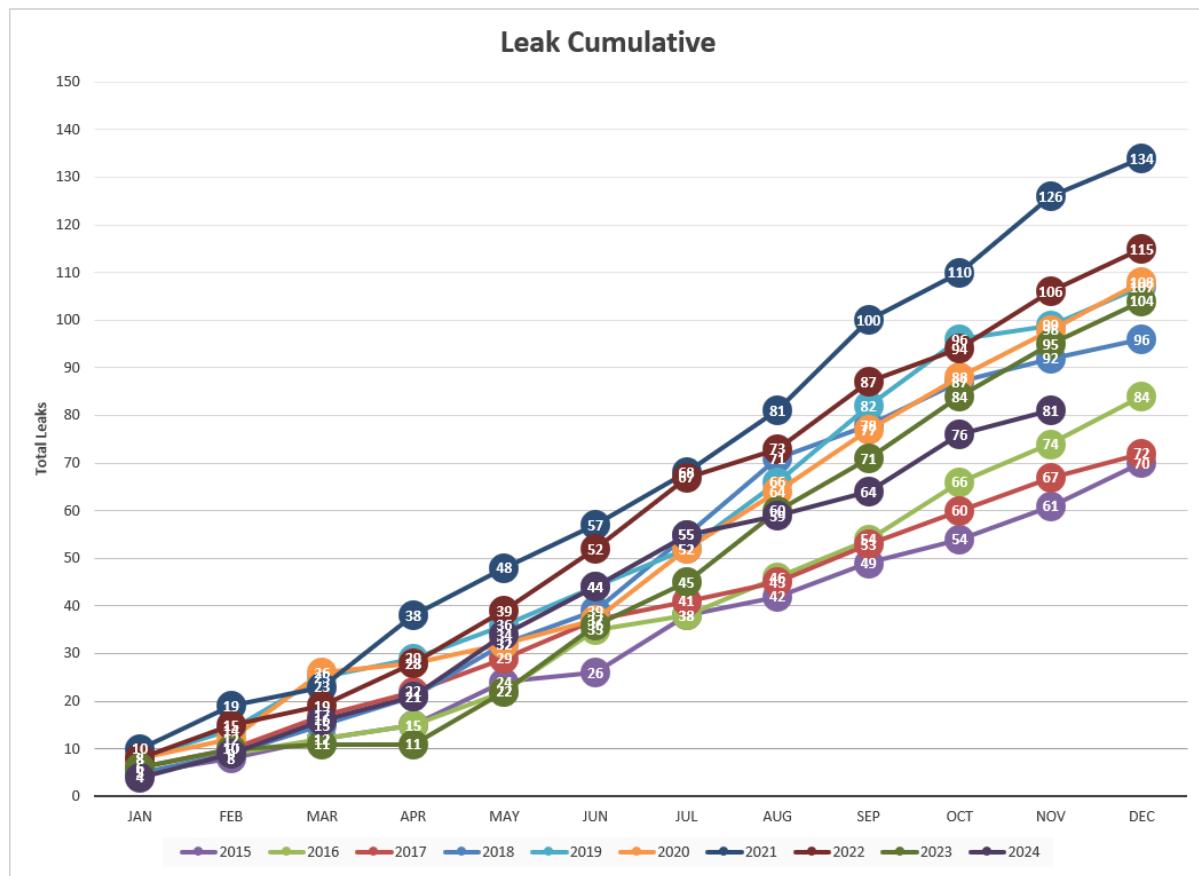


Figure 1: Annual Distribution System Leaks

STAFF REPORT

General Manager's Monthly Report

Paul Helliker

CUSTOMER SERVICE ACTIVITIES*Billing Information for Month of November*

Total Number of Bills Issued	Total Number of Reminders Mailed	Total Number of Shut-off Notices Delivered	Total Number of Disconnections
4419	650	0	0

Water Efficiency Activities for November

Water Waste Complaints Received	Number of Customers Contacted for High Usage (potential leaks)	Number of Rebates Processed	Number of Meters Tested/Repaired (non-reads)
4	130	6	39

Other Activities

- The final Water Efficiency workshop of the season was a huge success with over 70 attendees

ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)

Project Title	Description	Status	Issues / Notes
Chula Acres	4-Lot Minor Subdivision (8149 Excelsior Ave)	In Construction	Water main installed. Construction on hold.
Greenside Parcel Split (5640 Macargo)	Minor parcel split of 2.0-Ac parcel into 3 lots	In Construction	Contractor to submit deposit for construction.
The Ivy at Granite Bay (formerly Pond View)	Senior Living Community (5620, 5630, 5640, 5650 Douglas Blvd; APNs 048-142-089, -092)	In Planning	Developer to submit improvement plans in 2025.
The Residences at GB	4-Lot Minor Subdivision (NW Cor. Barton & E Rsvl Pkwy)	In Design Review	Project on hold
Hawk Estates	6-Lot Minor Subdivision (Dearwester Ln)	In Planning	Anticipate 1 st plan review submittal in 2025
Canyon Terrace Apartments	Apartment Complex (7 new buildings; 1600 Canyon Terrace Ln)	In Construction	Construction started November 2022
Whitehawk I	24 Lot Subdivision (Douglas, east of Sierra College)	In Design	2nd plan review submitted 11/2024
WellQuest Granite Bay Cottages	16 Senior Housing Units (just east of 9747 Sierra College Blvd)	In Design	Initial plan review submittal 11/2024

ENGINEERING - CAPITAL PROJECTS*Status Update for Current Retail Projects*

Project Title	Description	Status	Issues / Notes
Spahn Ranch Rd. Main Extension	Install new pipeline; provides looped distribution network	In Design	Construction in FY 25/26
Kokila Reservoir Replacement	Replace existing hypalon lined and covered reservoir with a new concrete tank	In Design	Secured EPA Grant, and applying for SRF funding. Construction in FY 24/25
Canyon Falls Village and "Subway" PRS Replacements	Rehabilitation of existing Pressure Reducing Stations (near the intersections of Canyon Falls Dr and Santa Juanita Ave, and AFR and Park Pl)	In Design	Construction in FY 24/25
Service Line Replacement Projects (85/year)	Yearly program to replace 85 services per year as identified in the 2020 Retail Master Plan	In Design	FY23/24 replacements (ACE Shopping Center & Hidden Oaks) to be Bid in 2025
Air Release Valve Replacements (45/year for next 20 years)	Replacement of 45 Air Release Valves per year for the 20 years as identified in the 2020 Retail Master Plan	In Construction	Notice to Proceed issued 8/26/24
Douglas Blvd and Auburn Folsom Road Pipeline Replacement	Replacement of approx. 130-If of existing 6-in pipe with new 10-in	Complete	Construction complete, Notice of Completion filed
Lakeland Dr Pipeline Replacement	Replacement of approx. 650-If of 8-in pipe with new 12-in (from Douglas Blvd to W Granite Dr)	In Design	Design in FY24/25, Construction in FY26/27
W Hidden Lakes Dr Pipeline Replacement	Replacement of approx. 950-If of existing 8-in pipe with new 12-in (from 7960 W Hidden Lakes Dr to Haley Dr)	In Design	Design in FY24/25, Construction in FY26/27
Fuller Dr Pipeline Extension	Installation of approx. 575-If of new 10-in pipe (Fuller Dr, just east of AFR)	In Design	Design in FY24/25, Construction in FY26/27
Santa Juanita Ave Pipeline Replacement	Replacement of approx. 1,500-If of existing 3-in pipe with new 8-in (from 8045 Santa Junita Ave to Barton Rd)	In Design	Design in FY24/25, Construction in FY25/26
Administration Building Electrical Panel Upgrade	Replacement of the electrical service at the Administration Building (50/50 split W/R)	In Design	Construction in FY24/25

STAFF REPORT

General Manager's Monthly Report

Paul Helliker

Status Update for Current Wholesale Projects

Project Title	Description	Status (% Complete)	Issues/ Notes
Hinkle Liner & Cover Replacement	Replace both the hypalon cover and liner	Complete	Construction complete, Notice of Completion filed
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	Complete	Construction complete, Notice of Completion filed
Clarifier Access Ladders	Installation of new ladders for each of the three Clarifiers	Complete	Construction complete, Notice of Completion filed
Backwash Hood Rehabilitation and Rail Track Improvements	Rehabilitate or replace the two oldest Filter Backwash Hoods in the North and South basins, and replacement of the Rail Track.	In Construction	Construction for first Hood in FY24/25, second Hood in FY25/26
Administration Building Electrical Panel Upgrade	Replacement of the electrical service at the Administration Building (50/50 split W/R)	In Design	Construction in FY24/25

SAFETY & REGULATORY TRAINING – November 2024

Training Course	Staff
Hearing Conservation	Treatment, Field Services, and Water Efficiency
Lockout-Tagout: Control of Hazardous Energy	Treatment and Field Services

FINANCE/BUDGET

See attached



San Juan Water District, CA

Wholesale Operating Income Statement

Group Summary

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 010 - WHOLESALE					
Revenue					
41000 - Water Sales	11,508,200.00	11,508,200.00	0.00	6,293,364.59	5,214,835.41
43000 - Rebate	2,000.00	2,000.00	0.00	546.88	1,453.12
45000 - Other Operating Revenue	0.00	0.00	0.00	5.00	-5.00
49000 - Other Non-Operating Revenue	242,300.00	242,300.00	11,165.23	76,270.69	166,029.31
49990 - Transfer In	82,300.00	82,300.00	0.00	0.00	82,300.00
Revenue Total:	11,834,800.00	11,834,800.00	11,165.23	6,370,187.16	5,464,612.84
Expense					
51000 - Salaries and Benefits	4,727,800.00	4,727,800.00	309,039.02	1,631,134.70	3,096,665.30
52000 - Debt Service Expense	853,300.00	853,300.00	0.00	43,104.38	810,195.62
53000 - Source of Supply	893,800.00	893,800.00	7,518.39	339,762.35	554,037.65
54000 - Professional Services	879,500.00	879,500.00	7,950.97	137,499.02	742,000.98
55000 - Maintenance	691,900.00	691,900.00	34,213.52	167,497.34	524,402.66
56000 - Utilities	365,800.00	365,800.00	121,488.14	171,976.52	193,823.48
57000 - Materials and Supplies	1,307,200.00	1,307,200.00	29,175.28	565,342.61	741,857.39
58000 - Public Outreach	46,500.00	46,500.00	0.00	14,134.73	32,365.27
59000 - Other Operating Expenses	818,100.00	818,100.00	5,403.28	524,904.86	293,195.14
69000 - Other Non-Operating Expenses	2,500.00	2,500.00	0.00	0.00	2,500.00
Expense Total:	10,586,400.00	10,586,400.00	514,788.60	3,595,356.51	6,991,043.49
Fund: 010 - WHOLESALE Surplus (Deficit):					
Total Surplus (Deficit):	1,248,400.00	1,248,400.00	-503,623.37	2,774,830.65	-1,526,430.65

Wholesale Operating Income Statement

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESALE	1,248,400.00	1,248,400.00	-503,623.37	2,774,830.65	-1,526,430.65
Total Surplus (Deficit):	1,248,400.00	1,248,400.00	-503,623.37	2,774,830.65	



San Juan Water District, CA

Wholesale Capital Income Statement

Group Summary

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 011 - Wholesale Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,530,000.00	1,530,000.00	0.00	15,859.27	1,514,140.73
44000 - Connection Fees	75,000.00	75,000.00	4,599.00	29,343.00	45,657.00
49000 - Other Non-Operating Revenue	850,000.00	850,000.00	41,958.45	470,452.38	379,547.62
Revenue Total:	2,455,000.00	2,455,000.00	46,557.45	515,654.65	1,939,345.35
Expense					
55000 - Maintenance	720,000.00	720,000.00	0.00	29,450.18	690,549.82
61000 - Capital Outlay	2,934,900.00	2,934,900.00	21,934.73	333,044.65	2,601,855.35
69900 - Transfers Out	82,300.00	82,300.00	0.00	0.00	82,300.00
Expense Total:	3,737,200.00	3,737,200.00	21,934.73	362,494.83	3,374,705.17
Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):					
Total Surplus (Deficit):	-1,282,200.00	-1,282,200.00	24,622.72	153,159.82	-1,435,359.82

Wholesale Capital Income Statement

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
011 - Wholesale Capital Outl...	-1,282,200.00	-1,282,200.00	24,622.72	153,159.82	-1,435,359.82
Total Surplus (Deficit):	-1,282,200.00	-1,282,200.00	24,622.72	153,159.82	



San Juan Water District, CA

Retail Operating Income Statement

Group Summary

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 050 - RETAIL					
Revenue					
41000 - Water Sales	17,455,000.00	17,455,000.00	2,006,468.69	5,431,326.69	12,023,673.31
45000 - Other Operating Revenue	472,100.00	472,100.00	17,467.18	120,375.11	351,724.89
49000 - Other Non-Operating Revenue	282,600.00	282,600.00	7,686.33	90,687.05	191,912.95
Revenue Total:	18,209,700.00	18,209,700.00	2,031,622.20	5,642,388.85	12,567,311.15
Expense					
41000 - Water Sales	0.00	0.00	103.79	2,131.94	-2,131.94
51000 - Salaries and Benefits	6,974,200.00	6,974,200.00	458,365.02	2,399,321.17	4,574,878.83
52000 - Debt Service Expense	556,800.00	556,800.00	0.00	28,736.25	528,063.75
53000 - Source of Supply	3,367,800.00	3,367,800.00	0.00	1,619,970.88	1,747,829.12
54000 - Professional Services	1,144,300.00	1,144,300.00	55,998.63	193,036.79	951,263.21
55000 - Maintenance	441,200.00	441,200.00	892.61	118,770.07	322,429.93
56000 - Utilities	767,000.00	767,000.00	185,652.52	392,316.37	374,683.63
57000 - Materials and Supplies	365,900.00	365,900.00	15,974.46	91,095.21	274,804.79
58000 - Public Outreach	85,000.00	85,000.00	0.00	19,620.00	65,380.00
59000 - Other Operating Expenses	1,076,100.00	1,076,100.00	33,389.06	552,559.91	523,540.09
69000 - Other Non-Operating Expenses	58,800.00	58,800.00	0.00	0.00	58,800.00
69900 - Transfers Out	2,284,100.00	2,284,100.00	0.00	0.00	2,284,100.00
Expense Total:	17,121,200.00	17,121,200.00	750,376.09	5,417,558.59	11,703,641.41
Fund: 050 - RETAIL Surplus (Deficit):					
Total Surplus (Deficit):	1,088,500.00	1,088,500.00	1,281,246.11	224,830.26	863,669.74

Retail Operating Income Statement

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
050 - RETAIL	1,088,500.00	1,088,500.00	1,281,246.11	224,830.26	863,669.74
Total Surplus (Deficit):	1,088,500.00	1,088,500.00	1,281,246.11	224,830.26	



San Juan Water District, CA

Retail Capital Income Statement

Group Summary

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 055 - Retail Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,530,000.00	1,530,000.00	0.00	15,859.27	1,514,140.73
44000 - Connection Fees	100,000.00	100,000.00	20,537.00	92,553.00	7,447.00
49000 - Other Non-Operating Revenue	1,930,000.00	1,930,000.00	33,591.83	369,407.26	1,560,592.74
49792 - Proceeds from Issuance of Debt	17,110,000.00	17,110,000.00	0.00	0.00	17,110,000.00
49990 - Transfer In	2,284,100.00	2,284,100.00	0.00	0.00	2,284,100.00
Revenue Total:	22,954,100.00	22,954,100.00	54,128.83	477,819.53	22,476,280.47
Expense					
54000 - Professional Services	400,000.00	400,000.00	0.00	23,659.18	376,340.82
61000 - Capital Outlay	24,090,600.00	24,090,600.00	25,228.20	1,378,305.57	22,712,294.43
Expense Total:	24,490,600.00	24,490,600.00	25,228.20	1,401,964.75	23,088,635.25
Fund: 055 - Retail Capital Outlay Surplus (Deficit):					
Total Surplus (Deficit):	-1,536,500.00	-1,536,500.00	28,900.63	-924,145.22	-612,354.78

Retail Capital Income Statement

For Fiscal: 2024-2025 Period Ending: 11/30/2024

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
055 - Retail Capital Outlay	-1,536,500.00	-1,536,500.00	28,900.63	-924,145.22	-612,354.78
Total Surplus (Deficit):	-1,536,500.00	-1,536,500.00	28,900.63	-924,145.22	

Project Summary

Project Number	Project Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
185170	Bacon Pump Station Perimeter Fence	0.00	8,703.00	-8,703.00
191280	Hinkle Reservoir Cover	-1,078,837.21	428.50	-1,079,265.71
201117	Backwash Hood Rehabilitation (Two)	0.00	104,944.80	-104,944.80
201126	Lime Tower Design and Replacement	-2,318.65	151,391.76	-153,710.41
201153	Thickener Access Ladders (3)	-8,130.07	25,405.04	-33,535.11
215114	Bacon Pump Station Generator Rep	-90,573.27	2,240.00	-92,813.27
215120	Kokila Reservoir (Replace Hypalon w	0.00	1,751.78	-1,751.78
235110	FY22-23 Service Laterals Planned Re	-63,551.06	2.05	-63,553.11
241105	Powdered Activated Carbon System	0.00	21,766.43	-21,766.43
245100	Connex Storage Box - Upper Yard Re	0.00	26,044.52	-26,044.52
245103	Power Monitors for LGB Hinkle & AR	0.00	1,563.25	-1,563.25
245107	FY23-24 Meter Replacement Program	0.00	0.00	0.00
245108	FY23-24 Air/Vacuum Relief Valve Re	0.00	23,107.09	-23,107.09
245112	Douglas Blvd and Auburn Folsom Ro	0.00	190,979.99	-190,979.99
245113	FY23-24 Fire Hydrant Replacements	0.00	3,033.40	-3,033.40
255125	Pump Station Evaluation (All District	0.00	23,659.18	-23,659.18
255133	FY24-25 Air/Vacuum Relief Valve Re	0.00	50,298.82	-50,298.82
255137	FY24-25 Failed Service Laterals Repl	0.00	409,929.21	-409,929.21
255147	FY 24-25 Meter Replacement Progra	0.00	410,640.46	-410,640.46
255149	Vacuum Pit Improvements	0.00	39,187.64	-39,187.64
255151	FY24-25 Blow Off Valve (BOV) Repla	0.00	27,195.36	-27,195.36
Project Totals:		-1,243,410.26	1,522,272.28	-2,765,682.54

Group Summary

Group	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
CIP - Asset	-1,243,410.26	1,500,505.85	-2,743,916.11
CIP - Expense	0.00	21,766.43	-21,766.43
Group Totals:	-1,243,410.26	1,522,272.28	-2,765,682.54

Type Summary

Type	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
Engineering	-164,573.05	1,443,724.38	-1,608,297.43
Field Services	0.00	78,119.40	-78,119.40
Water Treatment Plant	-1,078,837.21	428.50	-1,079,265.71
Type Totals:	-1,243,410.26	1,522,272.28	-2,765,682.54

GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
011-20030	Retentions Payable	1,089,285.93	0.00	1,089,285.93
011-700-54120	Professional Services - Other	0.00	21,766.43	21,766.43
011-700-61145	Capital Outlay - WTP & Improv...	0.00	256,336.56	256,336.56
011-700-61155	Capital Outlay - Reservoirs & ...	0.00	428.50	428.50
011-700-61160	Capital Outlay - Equipment a...	0.00	25,405.04	25,405.04
055-20030	Retentions Payable	154,124.33	0.00	154,124.33
055-700-54120	Professional Services - Other	0.00	23,659.18	23,659.18
055-700-61120	Capital Outlay - Improvemen...	0.00	47,890.64	47,890.64
055-700-61135	Capital Outlay - Pump Station...	0.00	3,803.25	3,803.25
055-700-61140	Capital Outlay - Buildings & I...	0.00	26,044.52	26,044.52
055-700-61150	Capital Outlay - Mains/Pipeli...	0.00	704,545.92	704,545.92
055-700-61153	Capital Outlay - Meters and E...	0.00	410,640.46	410,640.46
055-700-61155	Capital Outlay - Reservoirs & ...	0.00	1,751.78	1,751.78
GL Account Totals:		1,243,410.26	1,522,272.28	-2,765,682.54



San Juan Water District, CA

Balance Sheet

Account Summary

As Of 11/30/2024

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
Asset					
Type: 1000 - Assets					
10010 - Cash and Investments	5,951,683.64	27,313,835.60	3,542,813.36	21,867,341.34	58,675,673.94
10510 - Accounts Receivable	12,000.00	0.01	738,032.88	-0.01	750,032.88
11000 - Inventory	7,018.91	0.00	381,818.84	325,893.79	714,731.54
12000 - Prepaid Expense	85,235.16	0.00	27,815.16	0.00	113,050.32
12850 - Lease Receivable	969,664.74	0.00	969,664.75	0.00	1,939,329.49
14010 - Deferred Outflows	4,331,567.56	0.00	4,927,206.29	0.00	9,258,773.85
17010 - Capital Assets - Work in Progress	779,207.35	0.00	2,178,784.38	0.00	2,957,991.73
17150 - Capital Assets - Land Non-depreciable	120,712.00	0.00	166,272.00	0.00	286,984.00
17160 - Capital Assets - Improvements Other Than Buildings	1,292,811.55	0.00	108,342.32	0.00	1,401,153.87
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	9,438,813.81	0.00	16,485,991.81
17300 - Capital Assets - Buildings & Improvements	1,336,421.99	0.00	304,844.05	0.00	1,641,266.04
17350 - Capital Assets - Water Treatment Plant & Imp	42,079,818.94	0.00	16,000.00	0.00	42,095,818.94
17400 - Capital Assets - Mains/Pipelines & Improvements	28,130,034.95	0.00	60,143,204.00	0.00	88,273,238.95
17410 - Capital Assets - Meters	17,097.25	0.00	1,100,805.78	0.00	1,117,903.03
17500 - Capital Assets - Reservoirs & Improvements	27,012,211.53	0.00	2,492,421.90	0.00	29,504,633.43
17700 - Capital Assets - Equipment & Furniture	13,759,391.25	0.00	1,133,444.66	0.00	14,892,835.91
17750 - Capital Assets - Vehicles	434,187.29	0.00	1,115,711.84	0.00	1,549,899.13
17800 - Capital Assets - Software	277,730.52	0.00	629,123.80	0.00	906,854.32
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-46,864,620.37	0.00	-34,010,832.98	0.00	-80,875,453.35
Total Type 1000 - Assets:	87,445,548.26	27,313,835.61	55,404,286.84	22,193,235.12	192,356,905.83
Total Asset:	87,445,548.26	27,313,835.61	55,404,286.84	22,193,235.12	192,356,905.83
Liability					
Type: 1000 - Assets					
10510 - Accounts Receivable	0.00	0.00	101,439.28	0.00	101,439.28
Total Type 1000 - Assets:	0.00	0.00	101,439.28	0.00	101,439.28
Type: 2000 - Liabilities					
20010 - Accounts Payable	255,092.48	21,934.73	185,500.81	21,622.30	484,150.32
20100 - Retentions Payable	0.00	0.00	0.00	0.01	0.01
21200 - Salaries & Benefits Payable	38,307.96	0.00	70,000.46	0.00	108,308.42
21250 - Payroll Taxes Payable	0.01	0.00	-0.01	0.00	0.00
21300 - Compensated Absences	596,164.61	0.00	680,419.42	0.00	1,276,584.03
21373 - Deferred Inflows of Resources - Leases	942,670.58	0.00	942,669.78	0.00	1,885,340.36

Balance Sheet

As Of 11/30/2024

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
21500 - Premium on Issuance of Bonds Series 2017	914,344.22	0.00	616,561.50	0.00	1,530,905.72
21600 - OPEB Liability	2,238,823.79	0.00	3,065,844.31	0.00	5,304,668.10
21700 - Pension Liability	2,611,908.12	0.00	3,455,920.54	0.00	6,067,828.66
22010 - Deferred Income	0.00	0.00	69,068.60	0.00	69,068.60
22050 - Deferred Inflows	983,749.92	0.00	1,038,091.43	0.00	2,021,841.35
23000 - Loans Payable	23,468,452.60	0.00	3,633,472.95	0.00	27,101,925.55
24000 - Current Bonds Payables	426,000.00	0.00	284,000.00	0.00	710,000.00
24250 - Bonds Payable 2017 Refunding	12,450,000.00	0.00	8,300,000.00	0.00	20,750,000.00
24300 - Loan - Refunding	3,811,517.43	0.00	2,069,546.35	0.00	5,881,063.78
29010 - Other Payables	9.93	0.00	0.00	0.00	9.93
Total Type 2000 - Liabilities:	48,737,041.65	21,934.73	24,411,096.14	21,622.31	73,191,694.83
Total Liability:	48,737,041.65	21,934.73	24,512,535.42	21,622.31	73,293,134.11
Equity					
Type: 3000 - Equity					
30100 - Investment in Capital Assets	33,863,776.22	0.00	29,652,709.37	0.00	63,516,485.59
30500 - Designated Reserves	1,157,794.55	27,138,741.06	882,690.31	19,715,449.68	48,894,675.60
30600 - Restricted Fund Balance	0.00	0.00	0.00	3,380,308.35	3,380,308.35
30700 - Restricted Debt Service Reserve	912,105.19	0.00	131,521.48	0.00	1,043,626.67
Total Type 3000 - Equity:	35,933,675.96	27,138,741.06	30,666,921.16	23,095,758.03	116,835,096.21
Total Total Beginning Equity:	35,933,675.96	27,138,741.06	30,666,921.16	23,095,758.03	116,835,096.21
Total Revenue	6,370,187.16	515,654.65	5,642,388.85	477,819.53	13,006,050.19
Total Expense	3,595,356.51	362,494.83	5,417,558.59	1,401,964.75	10,777,374.68
Revenues Over/Under Expenses	2,774,830.65	153,159.82	224,830.26	-924,145.22	2,228,675.51
Total Equity and Current Surplus (Deficit):	38,708,506.61	27,291,900.88	30,891,751.42	22,171,612.81	119,063,771.72
Total Liabilities, Equity and Current Surplus (Deficit):	87,445,548.26	27,313,835.61	55,404,286.84	22,193,235.12	192,356,905.83



San Juan Water District, CA

Check Report

By Vendor Name

Date Range: 11/06/2024 - 12/04/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
	Void	11/12/2024	Regular	0.00	0.00	60457
03406	Alpha Analytical Laboratories Inc.	11/19/2024	Regular	0.00	969.00	60464
03406	Alpha Analytical Laboratories Inc.	11/26/2024	Regular	0.00	642.00	60483
03406	Alpha Analytical Laboratories Inc.	12/03/2024	Regular	0.00	900.00	60500
01073	Amarjeet Singh Garcha	11/12/2024	Regular	0.00	4,200.00	60445
01073	Amarjeet Singh Garcha	12/03/2024	Regular	0.00	1,400.00	60501
01039	American Family Life Assurance Company of Co	11/25/2024	Bank Draft	0.00	301.50	Q386911-25-2C
01039	American Family Life Assurance Company of Co	11/25/2024	Bank Draft	0.00	301.50	Q386911-25-2C
01026	American River Ace Hardware, Inc.	11/19/2024	Regular	0.00	7.33	60465
01026	American River Ace Hardware, Inc.	12/03/2024	Regular	0.00	32.95	60502
01090	American Water Works Association	12/03/2024	Regular	0.00	525.00	60503
03838	Aria Service Group	11/12/2024	EFT	0.00	1,692.00	409676
01328	Association of California Water Agencies / Joint	11/26/2024	EFT	0.00	7,436.16	409702
01898	Association of California Water Agencies / JPIA	11/12/2024	EFT	0.00	278,224.74	409677
03739	Azteca Systems Holdings, LLC	11/19/2024	Regular	0.00	450.00	60466
03899	Bennett Engineering Services Inc	11/19/2024	EFT	0.00	19,783.01	409687
01242	Bureau of Reclamation-MPR	11/13/2024	EFT	0.00	9,536.00	409686
01242	Bureau of Reclamation-MPR	12/03/2024	EFT	0.00	39,947.50	409713
03690	California Department of Tax and Fee Administr	11/26/2024	Regular	0.00	898.63	60484
01289	California Special Districts Association	12/03/2024	Regular	0.00	9,785.00	60504
03080	California State Disbursement Unit	11/08/2024	Bank Draft	0.00	1,741.26	PAY0000000000
03080	California State Disbursement Unit	11/08/2024	Bank Draft	0.00	1.50	PAY0000000000
03080	California State Disbursement Unit	11/22/2024	Bank Draft	0.00	1,741.26	PAY0000000000
03080	California State Disbursement Unit	11/22/2024	Bank Draft	0.00	1.50	PAY0000000000
03078	CalPERS Health	11/08/2024	Bank Draft	0.00	55,468.47	1002773789
03078	CalPERS Health	11/08/2024	Bank Draft	0.00	44,554.69	1002773789
03078	CalPERS Health	11/08/2024	Bank Draft	0.00	54,154.21	1002773789
03078	CalPERS Health	12/04/2024	Bank Draft	0.00	42,512.09	1002788455
03078	CalPERS Health	12/04/2024	Bank Draft	0.00	54,811.34	1002788455
03078	CalPERS Health	12/04/2024	Bank Draft	0.00	54,811.34	1002788455
03130	CalPERS Retirement	11/08/2024	Bank Draft	0.00	48,142.78	1002773471
03130	CalPERS Retirement	11/08/2024	Bank Draft	0.00	38.07	1002773475
03130	CalPERS Retirement	11/22/2024	Bank Draft	0.00	48,432.57	1002783366
01310	Capital Rubber Co., Ltd	12/03/2024	Regular	0.00	2,185.00	60505
03226	Capitol Sand & Gravel Co.	11/12/2024	Regular	0.00	118.74	60446
03221	Chemtrade Chemicals Corporation	11/19/2024	EFT	0.00	18,068.80	409688
03221	Chemtrade Chemicals Corporation	12/03/2024	EFT	0.00	9,141.98	409714
01366	Citistreet/CalPERS 457	11/08/2024	Bank Draft	0.00	9,418.63	1002773474
01366	Citistreet/CalPERS 457	11/22/2024	Bank Draft	0.00	9,388.51	1002783369
01372	City of Folsom	11/26/2024	Regular	0.00	1,597.34	60485
01372	City of Folsom	12/03/2024	Regular	0.00	41.22	60506
01375	City of Sacramento	11/26/2024	Regular	0.00	3,825.75	60486
01378	Clark Pest Control of Stockton	11/12/2024	Regular	0.00	839.00	60447
03836	Clyde G. Steagall, Inc.	11/26/2024	EFT	0.00	12,052.96	409703
01423	County of Sacramento	11/19/2024	Regular	0.00	238.00	60467
01423	County of Sacramento	12/03/2024	Regular	0.00	119.00	60507
03890	Datalink Networks, Inc.	11/26/2024	EFT	0.00	1,230.01	409704
01521	DataProse, LLC	11/19/2024	EFT	0.00	1,614.11	409689
03865	Davis Farr LLP	11/19/2024	EFT	0.00	15,000.00	409690
01509	Domenichelli & Associates, Inc.	12/03/2024	EFT	0.00	792.00	409715
03163	Economic Development Department	11/22/2024	Bank Draft	0.00	143.87	0-286-319-248
03163	Economic Development Department	11/22/2024	Bank Draft	0.00	12,289.69	0-286-319-248
03163	Economic Development Department	11/08/2024	Bank Draft	0.00	60.81	1-039-727-760
03163	Economic Development Department	11/08/2024	Bank Draft	0.00	11,824.39	1-039-727-760

Check Report

Date Range: 11/06/2024 - 12/04/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
03749	Eide Bailly LLP	11/12/2024	EFT	0.00	727.50	409678
04014	Fallstead, Entela	11/12/2024	Regular	0.00	342.94	60448
03702	Flowline Contractors, Inc.	11/12/2024	EFT	0.00	100,604.50	409679
03702	Flowline Contractors, Inc.	11/19/2024	EFT	0.00	34,039.00	409691
03702	Flowline Contractors, Inc.	11/26/2024	EFT	0.00	69,259.00	409705
03702	Flowline Contractors, Inc.	12/03/2024	EFT	0.00	24,401.00	409716
01630	FM Graphics, Inc.	12/03/2024	Regular	0.00	1,848.37	60508
01644	Franchise Tax Board	11/12/2024	Regular	0.00	199.00	60449
01644	Franchise Tax Board	11/12/2024	Regular	0.00	75.00	60450
01644	Franchise Tax Board	11/26/2024	Regular	0.00	75.00	60487
01651	Future Ford, Inc.	11/19/2024	EFT	0.00	631.42	409692
03870	Genuine Parts Company	11/19/2024	Regular	0.00	101.12	60468
03091	Granite Bay Ace Hardware	11/12/2024	Regular	0.00	101.32	60451
03091	Granite Bay Ace Hardware	11/19/2024	Regular	0.00	493.24	60469
03091	Granite Bay Ace Hardware	11/26/2024	Regular	0.00	145.58	60488
03721	Granite Bay LLC	12/03/2024	Regular	0.00	352.05	60509
02567	Grant, Teri	11/12/2024	Regular	0.00	137.98	60452
01706	Graymont Western US Inc.	11/19/2024	EFT	0.00	8,124.48	409693
01721	Hach Company	11/26/2024	EFT	0.00	381.86	409706
01721	Hach Company	12/03/2024	EFT	0.00	2,000.85	409717
01732	Harrington Industrial Plastics LLC	11/12/2024	Regular	0.00	621.92	60453
01733	Harris Industrial Gases	12/03/2024	Regular	0.00	153.49	60510
01741	HDR Engineering, Inc.	11/26/2024	EFT	0.00	1,385.00	409707
01763	Holt of California	12/03/2024	Regular	0.00	1,846.93	60511
03164	Internal Revenue Service	11/08/2024	Bank Draft	0.00	84.17	270471365439
03164	Internal Revenue Service	11/08/2024	Bank Draft	0.00	59,770.14	270471365439
03164	Internal Revenue Service	11/08/2024	Bank Draft	0.00	232.72	270471365439
03164	Internal Revenue Service	11/22/2024	Bank Draft	0.00	60,195.88	270472732764
03164	Internal Revenue Service	11/22/2024	Bank Draft	0.00	1,107.30	270472732764
04015	K and S Fire Protection LLC	12/03/2024	Regular	0.00	283.00	60512
01917	Kennedy/Jenks Consultants, Inc.	11/19/2024	EFT	0.00	2,098.20	409694
03754	Liebert Cassidy Whitmore	12/03/2024	Regular	0.00	1,008.00	60513
02024	MCI WORLDCOM	11/26/2024	Regular	0.00	55.66	60489
01472	Mel Dawson, Inc.	11/19/2024	EFT	0.00	2,078.15	409695
03458	MSDSonline, Inc.	11/19/2024	EFT	0.00	4,260.44	409696
02093	NDS Solutions, Inc	12/03/2024	Regular	0.00	390.41	60514
02131	ODP Business Solutions, LLC	11/12/2024	Regular	0.00	956.26	60454
02131	ODP Business Solutions, LLC	11/19/2024	Regular	0.00	490.34	60470
02131	ODP Business Solutions, LLC	11/26/2024	Regular	0.00	60.26	60490
02131	ODP Business Solutions, LLC	12/03/2024	Regular	0.00	148.19	60515
02150	Pace Supply Corp	11/19/2024	Regular	0.00	1,590.28	60471
02150	Pace Supply Corp	11/26/2024	Regular	0.00	3,707.21	60491
02150	Pace Supply Corp	12/03/2024	Regular	0.00	345.50	60516
02158	Pacific Storage Company	11/19/2024	EFT	0.00	117.63	409697
03303	Paulson, Rachael	11/12/2024	Regular	0.00	345.16	60455
02146	PG&E	11/12/2024	Regular	0.00	17,833.13	60456
02146	PG&E	11/19/2024	Regular	0.00	10.00	60472
03917	Philips, April R	11/26/2024	Regular	0.00	373.36	60492
02219	Placer County Tax Collector	11/26/2024	Regular	0.00	77.72	60493
02225	Polydyne, Inc	11/19/2024	EFT	0.00	3,356.75	409698
03961	Prosio Communications	11/19/2024	Regular	0.00	7,902.50	60473
03896	R.S. Hughes Co., Inc	12/03/2024	EFT	0.00	1,260.00	409718
02283	Recology Auburn Placer	11/19/2024	Regular	0.00	812.25	60474
02293	RFI Enterprises, Inc.	12/03/2024	EFT	0.00	1,339.38	409719
03828	Richard D. Jones, A Professional Law Corporation	11/12/2024	Regular	0.00	280.28	60458
03828	Richard D. Jones, A Professional Law Corporation	11/19/2024	Regular	0.00	4,974.70	60475
03828	Richard D. Jones, A Professional Law Corporation	12/03/2024	Regular	0.00	12,559.68	60517
03670	River City Painting, Inc.	11/19/2024	Regular	0.00	5,522.80	60476
03681	RS Americas, Inc.	11/12/2024	EFT	0.00	5,011.04	409680
03385	S J Electro Systems Inc	11/19/2024	EFT	0.00	4,750.00	409699
02369	Sacramento County	11/26/2024	Regular	0.00	13.98	60494

Check Report

Date Range: 11/06/2024 - 12/04/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02381	Sacramento Metropolitan Air Quality Management	11/19/2024	Regular	0.00	7,802.23	60477
02357	Sacramento Municipal Utility District (SMUD)	11/26/2024	Regular	0.00	24,836.29	60495
03822	SIJ Holdings LLC	11/19/2024	EFT	0.00	1,034.93	409700
03267	Silva, Donna	11/19/2024	Regular	0.00	372.66	60478
04001	Soracco, Inc.	11/26/2024	EFT	0.00	9,347.27	409708
02514	State Water Resources Control Board - SWRCB	11/26/2024	Regular	0.00	28,956.09	60496
02514	State Water Resources Control Board - SWRCB	11/26/2024	Regular	0.00	105.00	60497
03830	Stoel Rives LLP	11/12/2024	EFT	0.00	15,648.75	409681
01411	SureWest Telephone	11/26/2024	Regular	0.00	3,850.10	60498
02163	The Pape' Group, Inc.	11/19/2024	Regular	0.00	9,435.87	60479
03799	Thirkettle Corporation	11/26/2024	EFT	0.00	734.63	409709
02162	Tobin, Pamela	11/12/2024	EFT	0.00	144.72	409682
02622	Total Compensation Systems, Inc.	11/19/2024	Regular	0.00	877.50	60480
03729	Tree Pro Tree Services, Inc.	11/12/2024	Regular	0.00	4,960.94	60459
03729	Tree Pro Tree Services, Inc.	12/03/2024	Regular	0.00	32,675.00	60518
03846	U.S. Bancorp Asset Management, Inc.	11/26/2024	EFT	0.00	1,040.50	409710
03846	U.S. Bancorp Asset Management, Inc.	12/03/2024	EFT	0.00	1,010.82	409720
02281	UBEO West, LLC	12/03/2024	Regular	0.00	447.14	60519
02651	United Parcel Service, Inc.	11/19/2024	Regular	0.00	65.80	60481
02667	US Bank Corporate Payments Sys (CalCard)	11/18/2024	Bank Draft	0.00	34,766.15	474-641267-24
03077	VALIC	11/08/2024	Bank Draft	0.00	5,056.39	372575
03077	VALIC	11/22/2024	Bank Draft	0.00	5,117.30	375398
03986	Vaneli's Inc.	11/12/2024	EFT	0.00	160.25	409683
03986	Vaneli's Inc.	11/19/2024	EFT	0.00	52.25	409701
03986	Vaneli's Inc.	12/03/2024	EFT	0.00	57.25	409721
02690	Verizon Wireless	11/26/2024	Regular	0.00	3,167.56	60499
01687	W. W. Grainger, Inc.	11/12/2024	Regular	0.00	1,518.24	60460
01687	W. W. Grainger, Inc.	12/03/2024	Regular	0.00	62.03	60520
03387	WageWorks, Inc	11/12/2024	EFT	0.00	438.07	409684
03387	WageWorks, Inc	11/26/2024	EFT	0.00	438.07	409711
01068	Walker, Glenn C.	12/03/2024	Regular	0.00	2,824.72	60521
01486	WAPA - Department of Energy	12/03/2024	EFT	0.00	1,832.64	409722
03791	Water Systems Consulting, Inc.	11/12/2024	EFT	0.00	2,899.07	409685
03791	Water Systems Consulting, Inc.	11/26/2024	EFT	0.00	20,945.18	409712
03831	Water Works Engineers, LLC	12/03/2024	Regular	0.00	1,751.78	60522
02730	Western Area Power Administration	12/03/2024	EFT	0.00	1,850.00	409723

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	127	73	0.00	218,717.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	29	29	0.00	616,470.03
EFT's	83	48	0.00	737,979.87
	239	151	0.00	1,573,167.42

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	127	73	0.00	218,717.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	29	29	0.00	616,470.03
EFT's	83	48	0.00	737,979.87
	239	151	0.00	1,573,167.42

Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	11/2024	1,265,714.77
999	INTERCOMPANY	12/2024	307,452.65
			1,573,167.42



San Juan Water District, CA

Vendor History Report

By Vendor Name

Posting Date Range 07/01/2024 - 11/30/2024

Payment Date Range -

Payable Number Item Description	Description Units	Post Date Price	1099 Amount	Payment Number Account Number	Payment Date Account Name	Amount Dist Amount	Shipping	Tax	Discount	Net	Payment
Vendor Set: 01 - Vendor Set 01											
02162 - Tobin, Pamela						1,338.08	0.00	0.00	0.00	1,338.08	1,338.08
Exp Reimb 07-2024	ACWA BOD Wrkshp Prkng, SSWD/SJWD BC	9/17/2024	409581		9/17/2024	124.50	0.00	0.00	0.00	124.50	124.50
	ACWA BOD Wrkshp Prkr	0.00	0.00	124.50	010-010-52110	Training - Meetings, Education & Tr	62.25				
				050-010-52110	Training - Meetings, Education & Tr	62.25					
Exp Reimb 08-2024	Reg 8 Prgm Airport,CH Chmbr Meet Electe	9/17/2024	409581		9/17/2024	701.12	0.00	0.00	0.00	701.12	701.12
	Reg 8 Prgm Reg/Flight/P:	0.00	0.00	701.12	010-010-52110	Training - Meetings, Education & Tr	350.56				
				050-010-52110	Training - Meetings, Education & Tr	350.56					
Exp Reimb 10-2024	ACWA Fndtin, SJWD BBQ, ACWA Reg 5 Mil	10/15/2024	409629		10/15/2024	367.74	0.00	0.00	0.00	367.74	367.74
	ACWA Fndtin, SJWD BBC	0.00	0.00	367.74	010-010-52110	Training - Meetings, Education & Tr	183.87				
				050-010-52110	Training - Meetings, Education & Tr	183.87					
Exp Reimb 11-2024	SSWD/SJWD Joint BOD,CCWD Memorial Se	11/12/2024	409682		11/12/2024	144.72	0.00	0.00	0.00	144.72	144.72
	SSWD/SJWD Joint BOD,C	0.00	0.00	144.72	010-010-52110	Training - Meetings, Education & Tr	72.36				
				050-010-52110	Training - Meetings, Education & Tr	72.36					
Vendors: (1) Total 01 - Vendor Set 01:											
Vendors: (1) Report Total:											



Payroll Set: 01-San Juan Water District

Employee Number	Employee Name	Pay Code	# of Payments	Units	Pay Amount
<u>0690</u>	Costa, Ted	Reg - Regular Hours	5	38.00	6,925.00
			0690 - Costa Total:	38.00	6,925.00
<u>0670</u>	Miller, Ken	Reg - Regular Hours	5	21.00	3,825.00
			0670 - Miller Total:	21.00	3,825.00
<u>1003</u>	Rich, Daniel	Reg - Regular Hours	5	15.00	2,775.00
			1003 - Rich Total:	15.00	2,775.00
<u>0650</u>	Tobin, Pamela	Reg - Regular Hours	5	42.00	7,650.00
			0650 - Tobin Total:	42.00	7,650.00
<u>1039</u>	Zamorano, Manuel	Reg - Regular Hours	5	19.00	3,500.00
			1039 - Zamorano Total:	19.00	3,500.00
			Report Total:	135.00	24,675.00



Pay Code Report

Account Summary

7/1/2024 - 11/30/2024

Payroll Set: 01-San Juan Water District

Account	Account Description	Units	Pay Amount
<u>010-010-58110</u>	Director - Stipend	67.50	12,337.50
		010 - WHOLESALE Total:	67.50 12,337.50
<u>050-010-58110</u>	Director - Stipend	67.50	12,337.50
		050 - RETAIL Total:	67.50 12,337.50
		Report Total:	135.00 24,675.00

**Pay Code Report**

Pay Code Summary

7/1/2024 - 11/30/2024

Payroll Set: 01-San Juan Water District

Pay Code	Description	# of Payments	Units	Pay Amount
Reg - Regular Hours	Regular Hours	25	135.00	24,675.00
		Report Total:	135.00	24,675.00

2024/25 Actual Deliveries and Revenue - By Wholesale Customer Agency

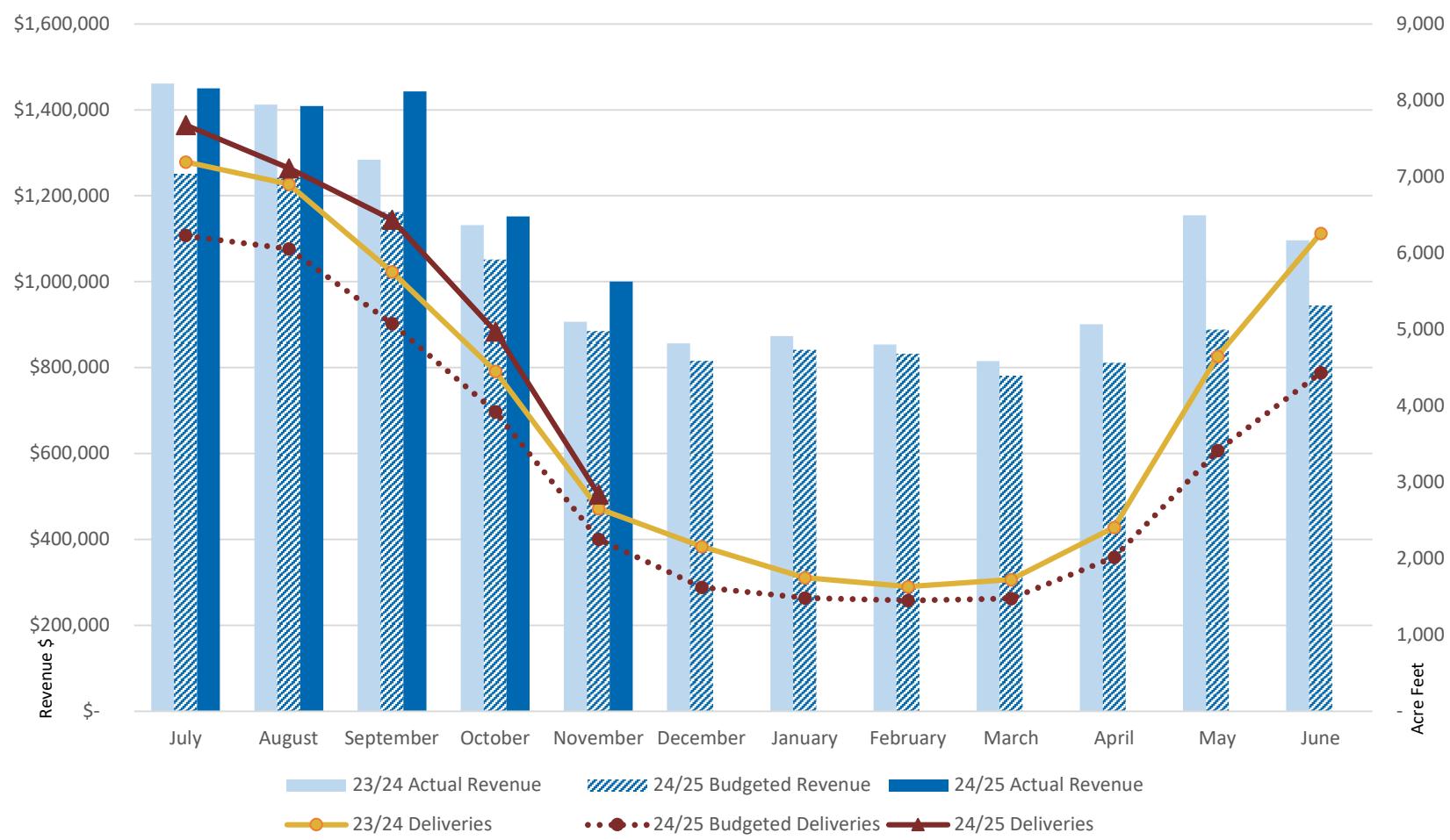
	July - November 2024							
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance		Revenue Variance	
San Juan Retail	6,790	\$ 1,474,407	7,200.69	\$ 1,496,182	411	6.1%	\$ 21,775	1.5%
Citrus Heights Water District	5,495	\$ 1,293,804	6,002.58	\$ 1,320,688	508	9.2%	\$ 26,885	2.1%
Fair Oaks Water District	3,502	\$ 915,483	5,127.39	\$ 1,001,547	1,625	46.4%	\$ 86,063	9.4%
Orange Vale Water Co.	2,112	\$ 483,083	2,335.20	\$ 494,881	223	10.5%	\$ 11,798	2.4%
City of Folsom	610	\$ 142,414	666.41	\$ 145,376	56	9.2%	\$ 2,962	2.1%
Granite Bay Golf Course	237	\$ 8,362	236.36	\$ 8,355	(0)	-0.1%	\$ (7)	-0.1%
Sac Suburban Water District	4,791	\$ 1,273,027	7,477.85	\$ 1,987,164	2,687	56.1%	\$ 714,136	56.1%
TOTAL	23,537	\$ 5,590,581	29,046	\$ 6,454,193	5,510	23.4%	\$ 863,612	15.4%
	\$ -							
					Budgeted Deliveries			23,536.77
					Actual Deliveries			<u>29,046.48</u>
					Difference			5,509.71
								23.4%
					Budgeted Water Sale Revenue			\$ 5,590,581
					Actual Water Sale Revenue			<u>\$ 6,454,193</u>
					Difference			\$ 863,612
								15.4%

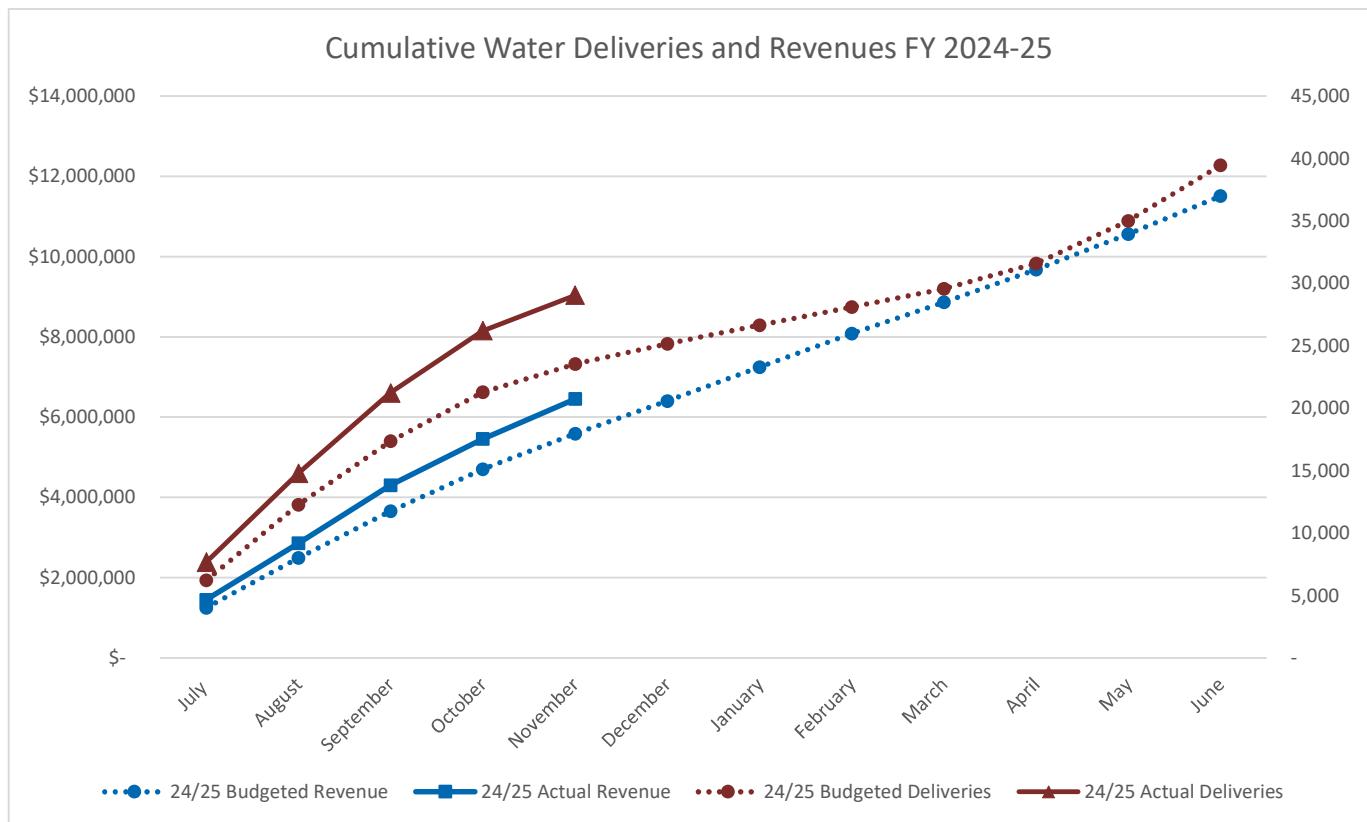
Conclusion:

Water deliveries for the year continue to be strong as compared to the budget. Deliveries through November were 23.4% greater than anticipated. As shown in the chart above, the main drivers of the positive variance are greater than anticipated deliveries to the Sacramento Suburban Water District and the Fair Oaks Water District.

The positive variance in deliveries results in revenues being 15.4% greater than expected for this time of year.

Comparison of Fiscal Year 2023/2024 Actuals to 2024/2025 Projections and Actuals of Deliveries and Revenue





AGENDA ITEM IX-1

DRAFT

**Finance Committee Meeting Minutes
San Juan Water District
December 10, 2024
4:00 p.m.**

Committee Members: Pam Tobin, Director (Chair)
Manuel Zamorano, Director (Alternate Member)

District Staff: Paul Helliker, General Manager
Donna Silva, Director of Finance & Human Resources
Andrew Pierson, Engineering Services Manager
Entela Fallstead, Senior Accountant
Teri Grant, Board Secretary/Administrative Assistant

Members of the Public: Jennifer Farr, DavisFarr, Certified Public Accountants
Anthony Wong

**1. Presentation of Independent Audit Results by DavisFarr, Certified Public Accountants -
Fiscal Year Ending June 30, 2024 (W & R)**

Ms. Silva introduced Jennifer Farr from DavisFarr, Certified Public Accountants, and explained that they conducted the independent audit of the District's financials for fiscal year ending June 30, 2024. Ms. Farr informed the Committee that they started the audit procedures in June 2024 and moved onto the final audit in October 2024 after the District's financial books were closed.

Ms. Farr reported that completed their work and issued an unmodified audit opinion on the financial statements on December 5, 2024. She explained that an unmodified audit opinion means that the financial statements are fairly stated in all material respect so that's the highest level of audit opinion that can be received.

Ms. Farr explained that their audit approach was to look at internal controls for purposes of planning the audit, but no opinion is expressed on internal controls, and they evaluated the key control areas and performed certain tests of the controls. For the financial statement numbers, they substantively tested the assets and liabilities to determine that they are materially correct. She explained that, for revenue and expenses, they use an analytical approach which means if an expense is significantly higher than the prior year then they would conduct additional testing to verify the accuracy of the expense.

Ms. Farr stated that the areas of focus for the audit included the SRF loan transactions for the Hinkle Reservoir and Eureka Pipeline projects since they are a higher risk of error due to the significance of the transactions. She informed the Committee that there will be a required single audit on the federal grant awards since the grant amounts exceeded \$750,000, which she expects to completed by March 31, 2025.

Ms. Farr informed the Committee that the unpredictability test this year was on purchasing compliance. She explained that they looked at the five larger vendor payments to verify purchasing policy compliance. She reported that due to the nature of inventory purchases typically not exceeding the \$50,000 threshold, District staff did not identify that one transaction required Board approval. District staff identified this issue prior to the auditors' testing and took action to obtain retroactive Board approval prior to the start of the audit. She informed the committee that there were no material weaknesses in internal controls.

Ms. Farr informed the Committee that they found the books to be in excellent condition and District staff were prepared for the audit and responsive to their inquiries. There were no audit adjustments that were material in order to correct any accounting errors and no material instances of noncompliance. She commended staff for their high level of competency. She informed the Committee that they are completing the State Controller's report as well.

In response to Director Tobin's question, Ms. Farr explained that Fair Value Hierarchy means that you need to let the reader know how good your estimates are for fair value estimates. She reported that the District only has the fair value of investments that qualify under this standard.

In response to Director Zamorano's question, Ms. Silva explained that the uncorrected misstatement detected during the audit process happened because there was interest earned in June, that wasn't paid until July. The District did not record \$46,000 of interest income and interest receivable as of June 30, rather it was recorded when received in July. Ms. Farr stated that the amount was immaterial to the financial statements taken as a whole.

The Committee commended the Finance Staff and the auditing firm for their good work.

2. Review General Manager Reimbursements (W & R)

The Committee reviewed the October credit card charges for the General Manager and found them to be in order and there was no reimbursement request from the General Manager.

3. Review Check Register from November 2024 (W & R)

The Committee reviewed the November 2024 check register and found it to be in order.

4. Review of Legal Bills (W & R)

The Committee reviewed the legal bills and found them to be in order.

5. Esri Small Utility Enterprise Agreement (SUEA) Renewal (W & R)

Mr. Pierson reviewed the staff report which was provided to the Committee members. He explained that using the GIS system with Esri has been a tremendous benefit to the District and is a great product. GM Helliker commented that Esri is the primary software used for GIS in the industry.

The Finance Committee recommends that the Board consider a motion to approve executing a three-year Small Utility Enterprise Agreement (SUEA) with Esri, the software firm that provides the licensed software for the District's Geographic Information System (GIS)

6. Other Finance Matters (W & R)

There were no other matters discussed.

7. Public Comment

There were no public comments.

The meeting was adjourned at 4:32 p.m.