

This meeting has been noticed according to the Brown Act rules. The Board of Directors meets regularly on the third Monday of each month, except in January and February. The meetings begin at 6:00 PM, *unless otherwise noted.*



AGENDA  
**Special and Regular Meeting**  
**Board of Directors**  
**Monterey Peninsula Water Management District**  
\*\*\*\*\*  
**Monday, December 16, 2024 at 5:30 p.m. [PST]**

Meeting Location: MPWMD – Main Conference Room  
5 Harris Court, Building G, Monterey, CA 93940

[This is an In-Person meeting. Remote participation may be offered via Zoom, but this is optional as connectivity cannot be assured and thus is not a necessary requisite for the meeting to proceed in-person.]

To Join via Zoom- Teleconferencing means, please click the link below:  
<https://mpwmd-net.zoom.us/j/88447198799?pwd=1BKmBUEfAtrl3akQid9yDrrEchMjCr.1>

Or join at: <https://zoom.us/>  
Webinar ID: 884 4719 8799  
Passcode: 121624  
To Participate by Phone: (669) 900-9128

**For detailed instructions on how to connect to the meeting, please see page 5 of this agenda.**

You may also view the live webcast on AMP <https://accessmediaproductions.org/>  
scroll down to the bottom of the page and select AMP 1.

This agenda was posted at the District website ([www.mpwmd.net](http://www.mpwmd.net))  
and 5 Harris Court, Bldg. G, Monterey, California on Thursday, December 12, 2024.  
Staff notes will be available on the District web site at  
<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>  
by 5:00 P.M. on Friday, December 13, 2024.

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**CLOSED SESSION AT 5:30 P.M.**

**CALL TO ORDER / ROLL CALL**

<p><b><u>Board of Directors</u></b> Amy Anderson, Chair – Division 5 George Riley, Vice-Chair – Division 2 Alvin Edwards – Division 1 Rebecca Lindor – Division 3 Karen Paull – Division 4 Mary L. Adams– Monterey County Board of Supervisors Representative Ian Oglesby– Mayoral Representative</p> <p><b><u>General Manager</u></b> David J. Stoldt</p>
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<p><b><u>Mission Statement</u></b> Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments.</p> <p><b><u>Vision Statement</u></b> Model ethical, responsible, and responsive governance in pursuit of our mission.</p> <p><b><u>Board's Goals and Objectives</u></b> Are available online at: <a href="https://www.mpwmd.net/who-we-are/mission-vision-goals/">https://www.mpwmd.net/who-we-are/mission-vision-goals/</a></p>
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**ADDITIONS AND CORRECTIONS TO THE CLOSED SESSION AGENDA** – *The General Manager will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.*

**PUBLIC COMMENT ON THE CLOSED SESSION AGENDA** - *Members of the public may address the Board on the item or items listed on the Closed Session agenda.*

**CLOSED SESSION** - *As permitted by Government code Section 54956.9 et seq., the Board may recess to closed session to consider specific matters dealing with pending or threatened litigation, certain personnel matters or certain property acquisition matters.*

- CS 1. Public Employee Performance Evaluation, (Pursuant to CA Gov Code Sec. 54957 of the Government Code)  
- Title: General Manager

**RECESS TO CLOSED SESSION**

*Any Closed Session Items not completed may be continued to after the end of all open session items.*

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**REGULAR SESSION AT 6:00 P.M.**

**CALL TO ORDER / ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**INTRODUCTION OF NEW DIVISION 3 DIRECTOR: REBECCA LINDOR**

**ADDITIONS AND CORRECTIONS TO THE AGENDA** – *The General Manager will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.*

**ORAL COMMUNICATIONS** – *Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.*

**CONSENT CALENDAR** - *The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes. Unless noted with double asterisks “\*\*”, Consent Calendar items do not constitute a project as defined by CEQA Guidelines section 15378.*

1. Consider Adoption of Minutes of the Special and Regular Board Meeting on November 18, 2024
2. Consider Adoption of Treasurer’s Report for October 2024
3. Review Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year 2023-2024
4. Consider Adoption of Resolution No. 2024-14 - Amending the Non-Residential Water Use Factor for Beauty Salons and Dorm Beds

**GENERAL MANAGER’S REPORT**

5. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision (*Verbal Report*)

6. Update on Water Allocation Process (*Verbal Report*)

**REPORT FROM DISTRICT COUNSEL**

7. Report From District Counsel

**DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)**

8. Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations

**PUBLIC HEARING** -- *Public Comment will be received. Please limit your comments to three (3) minutes per item.*

9. Consider Adoption of January through March 2025 Quarterly Water Supply Strategy and Budget

*Recommended Action: The Board will consider approval of a proposed production strategy for the California American Water Distribution Systems for the three-month period of January through March 2025. The strategy sets monthly goals for surface and groundwater production from various sources within the California American Water systems.*

*CEQA Compliance: Notice of Exemption, CEQA, Article 19, section 15301 (Class 1)}*

*ESA Compliance: Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002- 0002, and 2016-0016*

10. Consider First Reading of Ordinance No. 196 – Establishing Allocations of Water from the Pure Water Monterey Expansion Project

*Recommended Action: The Board will consider an ordinance to allocate water from Pure Water Monterey Expansion*

**ACTION ITEMS** – *Public Comment will be received. Please limit your comments to three (3) minutes per item.*

11. Receive Fiscal Year 2023-2024 Annual Comprehensive Financial Report

*Recommended Action: The Board will consider reviewing and receiving the Annual Comprehensive Financial Report for FY 2023-2024.*

12. Consider Approval of Additional Funds for Legal Services in Support of the Public's Acquisition of the Monterey Water System

*Recommended Action: The Board will consider additional funding for Legal Services in support of the Public's Acquisition of the Monterey Water System.*

13. Review and Consider Adopting the Board Meeting Schedule for Calendar Year 2025 Through February 2026

*Recommended Action: The Board will review and consider adopting the board meeting schedule for Calendar Year 2025.*

14. Conduct Election of Board Officers for 2025

*Recommended Action:* The Board will conduct an election for the positions of Board Chair, Vice- Chair, Secretary and Treasurer.

**INFORMATIONAL ITEMS/STAFF REPORTS** - The public may address the Board on Informational Items and Staff Reports during the Oral Communications portion of the meeting. Please limit your comments to three minutes.

15. Report on Activity/Progress on Contracts Over \$25,000
16. Status Report on Expenditures – Public’s Ownership of Monterey Water System
17. Letters Received and Sent Supplemental Letter Packet
18. Committee Reports
19. Monthly Allocation Report
20. Water Conservation Program Report for November 2024
21. Carmel River Fishery Report for November 2024
22. Monthly Water Supply and California American Water Production Report  
[Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources]

**ADJOURNMENT**

Board Meeting Schedule		
Monday, January 27, 2025	Regular	6:00 p.m.
Monday, February 24, 2025	Regular	6:00 p.m.

Board Meeting Television and On-Line Broadcast Schedule	
<b>Television Broadcast</b>	<b>Viewing Area</b>
Comcast Ch. 24   View live broadcast on meeting dates, and replays on Mondays, Tuesdays and Thursdays at 4:00 p.m.	All Peninsula Cities
Comcast Ch. 28 (Monterey County Government Channel) Replays only at 9:00 a.m. on Saturdays	Throughout the Monterey County Government Television viewing area.
<b>Internet Broadcast</b>	
AMP 1   View live broadcast on meeting dates, and replays on Mondays, Tuesdays, and Thursdays at 4:00 p.m. and at <a href="https://accessmediaproductions.org/">https://accessmediaproductions.org/</a> scroll to <b>AMP 1</b> .	
Monterey County Government Channel   Replays only at 9:00 a.m. on Saturdays at <a href="http://www.mgtvonline.com">www.mgtvonline.com</a>	
MPWMD YouTube Page – View live broadcast on meeting dates. Recording/Replays available five (5) days following meeting date - <a href="https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg">https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg</a>	

**Accessibility**

In accordance with Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests at least 48 hours prior to the scheduled meeting date/time to Sara Reyes, Board Clerk by e-mail at [sara@mpwmd.net](mailto:sara@mpwmd.net) or at (831) 658-5610.

### Provide Public Comment at the Meeting

#### Attend In-Person

The Board meeting will be held in the Main Conference Room at **5 Harris Court, Building G, Monterey, CA 93942** and has limited seating capacity. Face coverings are encouraged, but not required.

**Attend via Zoom:** See below “Instructions for Connecting to the **Zoom Meeting**”

#### Submission of Public Comment via E-mail

Send comments to [comments@mpwmd.net](mailto:comments@mpwmd.net) with one of the following subject lines "PUBLIC COMMENT ITEM #\" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS." Staff will forward correspondence received to the Board. Correspondence is not read during public comment portion of the meeting. However, all written public comment received becomes part of the official record of the meeting and placed on the District’s website as part of the agenda packet for the meeting.

#### Submission of Written Public Comment

All documents submitted by the public must have no less than fifteen (15) copies to be received and distributed by the **Clerk** prior to the Meeting.

#### Document Distribution

In accordance with Government Code §54957.5, any materials of public record relating to an agenda item for a meeting of the Board of Directors that are provided to a majority of the members less than 72 hours before the meeting will be made available at the **District Office, 5 Harris Court, Building G, Monterey, CA** during normal business hours. Materials of public record that are distributed during the meeting shall be made available for public inspection at the meeting if prepared by the Board or a member of its legislative/advisory body, or the next business day after the meeting if prepared by some other person.

### Instructions for Connecting to the **Zoom Meeting**

**The public may remotely view and participate in the meeting to make public comment by computer, by phone or smart device.**

Please log on or call in as early as possible to address any technical issues that may occur and ensure you do not miss the time to speak on the desired item. Follow these instructions to log into Zoom from your computer, smart device or telephone. (Your device must have audio capability to participate).

To Join via Zoom- Teleconferencing means, please click the link below:

<https://mpwmd-net.zoom.us/j/88447198799?pwd=1BKmBUEfAtrI3akQid9yDrrEchMjCr.1>

Or join at: <https://zoom.us/>

Webinar ID: 884 4719 8799

Passcode: 121624

To Participate by Phone: (669) 900-9128

1. Use the “raise hand” function to join the queue to speak on the current agenda item when the Chair calls the item for Public Comment.

**COMPUTER / SMART DEVICE USERS:** You can find the raise hand option under your participant's name.

**TELEPHONE USERS:** The following commands can be entered using your phone's dial pad:

- \*6 – Toggle Mute / Unmute
  - \*9 – Raise Hand
2. Staff will call your name or the last four digits of your phones number when it is your time to speak.
  3. You may state your name at the beginning of your remarks for the meeting minutes.
  4. Speakers will have up to three (3) minutes to make their remarks. *The Chair may announce and limit time on public comment.*
  5. You may log off or hang up after making your comments.

*Refer to the Meeting Rules to review the complete Rules of Procedure for MPWMD Board and Committee Meetings:*  
<https://www.mpwmd.net/who-we-are/board-of-directors/meeting-rules-of-the-mpwmd/>

**ITEM: CONSENT CALENDAR****1. CONSIDER ADOPTION OF MINUTES OF THE SPECIAL AND REGULAR BOARD MEETING ON NOVEMBER 18, 2024**

<b>Meeting Date:</b>	<b>December 16, 2024</b>	<b>Budgeted:</b>	<b>N/A</b>
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<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
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<b>Prepared By:</b>	<b>Sara Reyes</b>	<b>Cost Estimate:</b>	<b>N/A</b>
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**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** Attached for consideration are the draft minutes of the MPWMD Board of Directors' Special and Regular Meeting on November 18, 2024 (**Exhibit 1-A**).**RECOMMENDATION:** The Board will consider adopting the draft minutes of the Special and Regular Meeting on November 18, 2024.**EXHIBIT****1-A** MPWMD Board of Directors' Special and Regular Meeting on November 18, 2024

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**EXHIBIT 1-A**

**Draft Minutes  
Special and Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
November 18, 2024 at 5:00 p.m.**

Meeting Location: District Office, Main Conference Room  
5 Harris Court, Building G, Monterey, CA 93940 AND  
By Teleconferencing Means - *Zoom*

**CLOSED SESSION AT 5:00 p.m.**

**CALL TO ORDER:**

Chair Anderson called the meeting to order at 5:02 p.m.

**ROLL CALL**

**Board Members Present**

George Riley, Vice Chair  
Karen Paull  
Supervisor Mary Adams  
Alvin Edwards  
Marc Eisenhart  
Mayor Ian Oglesby

**Board Members Absent**

Amy Anderson, Chair

**District Staff Members Present**

David Stoldt, General Manager  
Nishil Bali, Chief Financial Officer / Administrative Services Manager  
Jonathan Lear, Water Resources Manager  
Stephanie Locke, Water Demand Manager  
Thomas Christensen, Environmental Resources Manager  
Sara Reyes, Executive Assistant/Board Clerk

**District Staff Members Absent**

None

**District Counsel Present**

Michael Laredo, De Lay & Laredo  
David Laredo, De Lay & Laredo

Fran Farina, De Lay & Laredo (*via Zoom*)

**ADDITIONS AND CORRECTIONS TO THE AGENDA**

None

**PUBLIC COMMENT ON THE CLOSED SESSION AGENDA**

Vice Chair Riley opened the Public Comment period; however, no comments were made to the Board.

**CLOSED SESSION**

District Counsel David Laredo led the Board into Closed Session.

CS 1. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)):

- a. Monterey Peninsula Taxpayers’ Association, Inc., et al. v. the Monterey Peninsula Water Management District, Case No. 21CV003066.
  - b. Monterey Peninsula Taxpayers’ Association, Inc., et al. v. the Monterey Peninsula Water Management District, et al., Case No. 22CV002113.
  - c. Monterey Peninsula Taxpayers’ Association, Inc., et al. v. the Monterey Peninsula Water Management District, et al., Case No. 23CV002453.
  - d. Richards J. Heuer III v. the Monterey Peninsula Water Management District, Case No. 24CV002642.
  - e. Monterey Peninsula Taxpayers’ Association, Inc., et al v. the Monterey Peninsula Water Management District, et al., Case No. 24CV003408.
- CS 2. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. Cal-Am – Case No. 23 CV 004102
- CS 3. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), City of Marina; MPWMD, et al, v. California Coastal Commission (CCC); Cal-Am; 22CV004063

### **RECESS TO CLOSED SESSION**

At 5:03 p.m. the Board went into Closed Session.

### **REGULAR SESSION AT 6:00 p.m.**

#### **CALL TO ORDER**

Vice Chair Riley called the meeting to order at 6:02 p.m.

#### **ROLL CALL**

##### **Board Members Present**

George Riley, Vice Chair  
 Karen Paull  
 Supervisor Mary Adams  
 Alvin Edwards  
 Marc Eisenhart  
 Mayor Ian Oglesby

##### **Board Members Absent**

Amy Anderson, Chair

##### **District Staff Members Present**

David Stoldt, General Manager  
 Nishil Bali, Administrative Services Manager/ Chief  
 Financial Officer  
 Jonathan Lear, Water Resources Manager  
 Stephanie Locke, Water Demand Manager  
 Thomas Christensen, Environmental Resources Manager  
 Sara Reyes, Executive Assistant/Board Clerk

##### **District Staff Members Absent**

None

##### **District Counsel Present**

Michael Laredo, De Lay & Laredo  
 David Laredo, De Lay & Laredo

Fran Farina, De Lay & Laredo (*via Zoom*)

#### **PLEDGE OF ALLEGIANCE**

The assembly recited the Pledge of Allegiance.

#### **PRESENTATIONS TO OUTGOING DIRECTORS MARY ADAMS, MONTEREY COUNTY BOARD OF SUPERVISORS REPRESENTATIVE, AND MARC EISENHART, DIVISION 3**

General Manager David Stoldt presented plaques to Directors Adams and Eisenhart in appreciation of their exceptional

service on the Board of Directors. Accolades were given by both the Board and the General Manager.

#### **ADDITIONS AND CORRECTIONS TO THE AGENDA**

General Manager David Stoldt reported there were no additions or corrections to the agenda.

#### **ORAL COMMUNICATIONS**

Vice Chair Riley opened Oral Communications period, and the following comments were made to the Board:

- (1) Margaret Anne Coppernoll notified the Board of an upcoming community outreach meeting on December 6 at Marina City Hall, sponsored by the California State Lands Commission. She mentioned that three panelists focusing on land management, environment, and environmental justice, will be participating. Ms. Coppernoll thanks the Board for their work to support water issues and the community.

#### **CONSENT CALENDAR**

Vice Chair Riley introduced the item.

Vice Chair Riley pulled Item 4 for comment.

Director Oglesby offered a motion, seconded by Director Adams, to approve Consent Calendar items 1, 2, 3, and 5. The motion passed by a voice vote of 5 Ayes (Oglesby, Adams, Paull, Edwards, and Riley), 0 Noes, 1 Abstention on Item 1 (Eisenhart), and 1 Absent (Anderson).

Vice Chair Riley offered a motion, seconded by Director Paull, to approve Consent Calendar item 4. The motion passed by a voice vote of 6 Ayes (Eisenhart, Riley, Adams, Paull, Edwards and, Oglesby), 0 Noes, and 1 Absent (Anderson).

**The following agenda items were accepted as part of the Consent Calendar:**

1. **Consider Adoption of Minutes of the Special Board Meeting on October 11, 2024, and the Regular Board Meeting on October 21, 2024**
2. **Consider Adoption of Treasurer’s Report for September 2024**
3. **Receive and File First Quarter Financial Activity Report for Fiscal Year 2024-2025**
4. **Consider Approval of First Quarter Fiscal Year 2024-2025 Investment Report**
5. **Receive Government Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Post-Employment Benefits Other Than Pension**

#### **GENERAL MANAGER’S REPORT**

Vice Chair Riley introduced the item.

6. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision**
  - General Manager Stoldt provided information on the status of this agenda item via slide-deck presentation titled “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of November 1, 2024”. The board engaged in discussions. *A copy of the presentation is available at the District office and can be found on the District website.*

#### **REPORT FROM DISTRICT COUNSEL:**

Vice Chair Riley introduced the matter.

#### **7. Report From District Counsel**

District Counsel Michael Laredo reported that the Board met in Closed Session and discussed three items, all regarding existing litigation. He referenced the litigation report on page 77 of the meeting packet and provided a brief overview.

**DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)**

Chair Anderson introduced the matter.

**8. Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**

- Director Paull reported that she attended a media fundraiser for the Waterkeeper Alliance, an organization focused on communities lacking safe drinking water.
- Vice Chair Riley noted his attendance at the Seaside Groundwater Basin Watermaster meeting on November 13, 2024.

**ACTION ITEM:**

Vice Chair Riley introduced the matter.

**9. Consider Approval of Funds for Rate Design Consultant for Replacement Water Supply Charge Subject to a Proposition 218 Approval Process**

General Manager Stoldt presented this item, reporting that staff is seeking consultant services to prepare an updated rate study. He stated that work would not begin until the Board decides to move forward with establishing a new replacement charge. The Board then engaged in discussions.

Vice Chair Riley opened the public comment period, and the following comment was made to the Board:

- (1) Tom Rowley, Vice President of the Monterey Peninsula Taxpayers Authority, commented that he found it interesting the Board is still considering a refund and emphasized that any actions should be done legally and correctly.

A motion was made by Director Paull, seconded by Director Edwards, to approve an amount not to exceed \$47,250 and direct staff to select the most qualified consultant. The motion passed by a voice vote of 6 Ayes (Oglesby, Adams, Paull, Eisenhart, Edwards, and Riley) 0 Noes, and 1 Absent (Anderson).

**10. Consider Approval of Funds for Engineering and Utility Operations Consultants in Support of the Public's Acquisition of the Monterey Water System**

General Manager Stoldt presented an overview of this item. He reported that: 1) the current utility consultant with Close & Associates was originally contracted through the District's General Counsel and should now be contracted directly through the District, and 2) the District is seeking a new civil engineering consultant.

Vice Chair Riley opened the public comment period, and the following comment was made to the Board:

- (1) Tom Rowley, Vice President of the Monterey Peninsula Taxpayers Authority, commented that it would have been helpful for the public to know about these costs in advance when the acquisition of the Monterey Water System was presented as a ballot measure. He emphasized that Cal-Am is not for sale, that the acquisition will cost the District more than anticipated, and encouraged the Board to stop the process.

A motion was made by Director Edwards, seconded by Director Eisenhart, to approve an amount not to exceed \$965,000 for a contract with Close & Associates and direct staff to select the most qualified civil engineering consultant and enter into a contract with an amount not to exceed \$1,200,000. The motion passed by a voice vote of 6 Ayes (Oglesby, Adams, Paull, Eisenhart, Edwards, and Riley) 0 Noes, and 1 Absent (Anderson).

**DISCUSSION ITEM****11. Update on Water Allocation Process**

General Manager Stoldt provided a brief update, reporting that he gave a presentation to the Monterey City

Council on November 5, 2024. On November 12, 2024, the District received a letter from the City of Monterey supporting the proposed water allocation. Mr. Stoldt noted that he will be meeting with other agencies in November and December and will provide an update at the December Board meeting.

**INFORMATIONAL ITEMS/STAFF REPORTS:**

- 12. Report on Activity/Progress on Contracts Over \$25,000**
- 13. Status Report on Spending – Public’s Ownership of Monterey Water System**
- 14. Letters Received and Sent**
- 15. Committee Reports**
- 16. Monthly Allocation Report**
- 17. Water Conservation Program Report for October 2024**
- 18. Carmel River Fishery Report for October 2024**
- 19. Monthly Water Supply and California American Water Production Report**

*These items were informational only and no action was taken. Copies of these reports are available at the District office and can be found on the District website.*

**ADJOURNMENT**

Vice Chair Riley adjourned the meeting at 7:42 p.m.

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Sara Reyes, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on \_\_\_\_\_, 2024

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**ITEM: CONSENT CALENDAR****2. CONSIDER ADOPTION OF TREASURER’S REPORT FOR OCTOBER 2024**

<b>Meeting Date:</b>	<b>December 16, 2024</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Nishil Bali</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A**Committee Recommendation:** The Finance and Administration Committee reviewed this item on December 9, 2024 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

**SUMMARY:** Exhibit 2-A comprises the Treasurer’s Report for October 2024. Exhibit 2-B includes listings of check disbursements for the period October 1-31, 2024. Checks, virtual checks (AP Automation), direct deposits of employee paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$4,023,039.24. This included conservation rebate payments of \$89,619.39 to District residents. Exhibit 2-C reflects the unaudited version of the Statement of Revenues and Expenditures for the month ending October 31, 2024.

**RECOMMENDATION:** The Finance and Administration Committee recommends the Board adopt the October 2024 Treasurer’s Report and Statement of Revenues and Expenditures, and ratify the disbursements made during the month.

**EXHIBITS**

- 2-A** Treasurer’s Report
- 2-B** Listing of Cash Disbursements-Regular
- 2-C** Statement of Revenues and Expenditures





**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
TREASURER'S REPORT FOR OCTOBER 2024**

<u>Description</u>	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>California CLASS</u>	<u>L.A.I.F.</u>	<u>Multi-Bank Securities*</u>	<u>MPWMD Total</u>	<u>PB Reclamation Money Market</u>
<b>Beginning Balance</b>	<b>\$1,678,432.55</b>	<b>\$4,066,473.34</b>	<b>\$250,709.14</b>	<b>\$12,607,169.67</b>	<b>9,148,172.30</b>	<b>\$27,750,957.00</b>	<b>\$1,172,581.29</b>
Fees/Deposits		6,193,873.74				6,193,873.74	499,304.11
MoCo Tax & WS Chg Installment Pymt						0.00	
Interest Received			1,198.61	149,507.62	27,462.49	178,168.72	
Transfer - Checking/LAIF						0.00	
Transfer - Money Market/LAIF						0.00	
Transfer - Money Market/Checking	4,000,000.00	(4,000,000.00)				0.00	
Transfer - Money Market/Multi-Bank						0.00	
Transfer to CAWD						0.00	(1,671,000.00)
Transfer to CLASS	(250,000.00)		250,000.00			0.00	
Voided Checks (Stale checks from prior years)	7,568.00					7,568.00	
Bank Corrections/Reversals/Errors						0.00	
Bank Charges/Other	(963.71)					(963.71)	
Credit Card Fees						0.00	
Returned Deposits	-					0.00	
Payroll Tax/Benefit Deposits**	(145,530.88)					(145,530.88)	
Payroll Checks/Direct Deposits	(167,226.29)					(167,226.29)	
General Checks	(3,315,769.17)					(3,315,769.17)	
Rebate Payments	(89,619.39)					(89,619.39)	
Bank Draft Payments	(12,308.78)					(12,308.78)	
AP Automation Payments	(291,621.02)					(291,621.02)	
<b>Ending Balance</b>	<b>\$1,412,961.31</b>	<b>\$6,260,347.08</b>	<b>\$501,907.75</b>	<b>\$12,756,677.29</b>	<b>\$9,175,634.79</b>	<b>\$30,107,528.22</b>	<b>\$885.40</b>

\*Fixed Income investments are reported at face value



**EXHIBIT 2-B**

**My Check Report**



Monterey Peninsula Water Management Di

By Check Number

Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK</b>	<b>-Bank of America Checking</b>					
00254	MoCo Recorder	10/02/2024	Regular	0.00	-29.00	40874
00254	MoCo Recorder	10/02/2024	Regular	0.00	-29.00	40875
06746	POSTMASTER	10/08/2024	Regular	0.00	-1,250.00	40908
06746	POSTMASTER	10/08/2024	Regular	0.00	1,250.00	40908
01020	Sandra Alonso - Petty Cash Custodian	10/08/2024	Regular	0.00	300.42	40909
01352	Dave Stoldt	10/18/2024	Regular	0.00	791.68	40911
00274	Monterey One Water	10/18/2024	Regular	0.00	1,045,127.17	40912
13396	Navia Benefit Solutions, Inc.	10/18/2024	Regular	0.00	2,129.14	40913
19105	Tricia Nguyen	10/18/2024	Regular	0.00	301.25	40914
00274	Monterey One Water	10/22/2024	Regular	0.00	2,258,659.51	40915
01002	Monterey County Clerk	10/25/2024	Regular	0.00	-50.00	40916
01002	Monterey County Clerk	10/25/2024	Regular	0.00	50.00	40916
06746	POSTMASTER	10/25/2024	Regular	0.00	-900.00	40917
06746	POSTMASTER	10/25/2024	Regular	0.00	900.00	40917
01002	Monterey County Clerk	10/25/2024	Regular	0.00	50.00	40918
06746	POSTMASTER	10/25/2024	Regular	0.00	900.00	40919
00010	Access Monterey Peninsula	10/08/2024	Virtual Payment	0.00	875.00	APA005527
01188	Alhambra	10/08/2024	Virtual Payment	0.00	188.06	APA005528
01015	American Lock & Key	10/08/2024	Virtual Payment	0.00	38.25	APA005529
14567	Applicant Information	10/08/2024	Virtual Payment	0.00	114.70	APA005530
00983	Beverly Chaney	10/08/2024	Virtual Payment	0.00	1,455.51	APA005531
27564	Brian Stearns	10/08/2024	Virtual Payment	0.00	1,049.59	APA005532
12601	Carmel Valley Ace Hardware	10/08/2024	Virtual Payment	0.00	110.95	APA005533
16670	Carmel Valley Pump	10/08/2024	Virtual Payment	0.00	6,922.94	APA005534
14036	City of Sand City	10/08/2024	Virtual Payment	0.00	37,417.20	APA005535
00083	Clifton Larson Allen LLP	10/08/2024	Virtual Payment	0.00	6,825.00	APA005536
07768	Coastal Fabrication Co.	10/08/2024	Virtual Payment	0.00	880.48	APA005537
00028	Colantuono, Highsmith, & Whatley, PC	10/08/2024	Virtual Payment	0.00	16,142.89	APA005538
00281	CoreLogic Information Solutions, Inc.	10/08/2024	Virtual Payment	0.00	1,528.50	APA005539
06001	Cypress Coast Ford	10/08/2024	Virtual Payment	0.00	231.55	APA005540
27961	Dennis Boehlje	10/08/2024	Virtual Payment	0.00	500.00	APA005541
18734	DeVeera Inc.	10/08/2024	Virtual Payment	0.00	17,171.96	APA005542
00192	Extra Space Storage	10/08/2024	Virtual Payment	0.00	491.00	APA005543
21199	G3, Green Gardens Group, LLC	10/08/2024	Virtual Payment	0.00	1,750.00	APA005544
00235	Green Rubber- Kennedy AG	10/08/2024	Virtual Payment	0.00	54.80	APA005545
09927	Hach Company	10/08/2024	Virtual Payment	0.00	43.54	APA005546
00993	Harris Court Business Park	10/08/2024	Virtual Payment	0.00	793.39	APA005547
04717	Inder Osahan	10/08/2024	Virtual Payment	0.00	1,417.20	APA005548
00094	John Arriaga	10/08/2024	Virtual Payment	0.00	4,500.00	APA005549
07622	KISTERS North America, Inc.	10/08/2024	Virtual Payment	0.00	5,832.98	APA005550
00222	M.J. Murphy	10/08/2024	Virtual Payment	0.00	42.52	APA005551
05829	Mark Bekker	10/08/2024	Virtual Payment	0.00	309.98	APA005552
00242	MBAS	10/08/2024	Virtual Payment	0.00	5,049.00	APA005553
07418	McMaster-Carr	10/08/2024	Virtual Payment	0.00	83.60	APA005554
00274	Monterey One Water	10/08/2024	Virtual Payment	0.00	192.90	APA005555
22201	Montgomery & Associates	10/08/2024	Virtual Payment	0.00	7,303.00	APA005556
13396	Navia Benefit Solutions, Inc.	10/08/2024	Virtual Payment	0.00	200.00	APA005557
00154	Peninsula Messenger Service	10/08/2024	Virtual Payment	0.00	792.00	APA005558
00262	Pure H2O	10/08/2024	Virtual Payment	0.00	65.54	APA005559
24163	Quality Print & Copy LLC	10/08/2024	Virtual Payment	0.00	1,604.59	APA005560
13394	Regional Government Services	10/08/2024	Virtual Payment	0.00	400.00	APA005561
00251	Rick Dickhaut	10/08/2024	Virtual Payment	0.00	556.00	APA005562
17968	Rutan & Tucker, LLP	10/08/2024	Virtual Payment	0.00	28,812.35	APA005563
00176	Sentry Alarm Systems	10/08/2024	Virtual Payment	0.00	185.50	APA005564

## My Check Report

Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
19700	Shute, Mihaly & Weinberger LLP	10/08/2024	Virtual Payment	0.00	6,666.24	APA005565
04359	The Carmel Pine Cone	10/08/2024	Virtual Payment	0.00	680.00	APA005566
09425	The Ferguson Group LLC	10/08/2024	Virtual Payment	0.00	6,300.00	APA005567
17965	The Maynard Group	10/08/2024	Virtual Payment	0.00	1,816.41	APA005568
04366	Tom Lindberg	10/08/2024	Virtual Payment	0.00	1,152.30	APA005569
27303	Vince Cardinale	10/08/2024	Virtual Payment	0.00	200.00	APA005570
20230	Zoom Video Communications Inc	10/08/2024	Virtual Payment	0.00	470.32	APA005571
00767	AFLAC	10/16/2024	Virtual Payment	0.00	612.90	APA005572
14036	City of Sand City	10/16/2024	Virtual Payment	0.00	4,818.75	APA005573
04041	Cynthia Schmidlin	10/16/2024	Virtual Payment	0.00	3,237.66	APA005574
18225	DUDEK	10/16/2024	Virtual Payment	0.00	2,945.00	APA005575
20710	FISHBIO	10/16/2024	Virtual Payment	0.00	2,600.00	APA005576
00235	Green Rubber- Kennedy AG	10/16/2024	Virtual Payment	0.00	169.49	APA005577
02833	Greg James	10/16/2024	Virtual Payment	0.00	1,455.51	APA005578
05830	Larry Hampson	10/16/2024	Virtual Payment	0.00	1,455.51	APA005579
00222	M.J. Murphy	10/16/2024	Virtual Payment	0.00	29.44	APA005580
00259	Marina Coast Water District	10/16/2024	Virtual Payment	0.00	2,119.45	APA005581
04715	Matthew Lyons	10/16/2024	Virtual Payment	0.00	347.71	APA005582
00755	Peninsula Welding Supply, Inc.	10/16/2024	Virtual Payment	0.00	64.50	APA005583
04709	Sherron Forsgren	10/16/2024	Virtual Payment	0.00	482.22	APA005584
07769	University Corporation at Ryan Ranch	10/16/2024	Virtual Payment	0.00	11,105.94	APA005585
00271	UPEC, Local 792	10/16/2024	Virtual Payment	0.00	1,161.50	APA005586
04360	WateReuse Association	10/16/2024	Virtual Payment	0.00	5,841.13	APA005587
03966	ACWA (Memberships)/Conferences/Publication:	10/25/2024	Virtual Payment	0.00	13,330.00	APA005936
00763	ACWA-JPIA	10/25/2024	Virtual Payment	0.00	333.52	APA005937
01188	Alhambra	10/25/2024	Virtual Payment	0.00	174.07	APA005938
00760	Andy Bell	10/25/2024	Virtual Payment	0.00	622.00	APA005939
00263	Arlene Tavani	10/25/2024	Virtual Payment	0.00	1,088.93	APA005940
03968	Central Coast Fly Fishing	10/25/2024	Virtual Payment	0.00	404.17	APA005941
00224	City of Monterey	10/25/2024	Virtual Payment	0.00	8,337.98	APA005942
00083	Clifton Larson Allen LLP	10/25/2024	Virtual Payment	0.00	17,640.00	APA005943
00281	CoreLogic Information Solutions, Inc.	10/25/2024	Virtual Payment	0.00	1,514.54	APA005944
11822	CSC	10/25/2024	Virtual Payment	0.00	10,000.00	APA005945
18225	DUDEK	10/25/2024	Virtual Payment	0.00	542.50	APA005946
03965	Irrigation Association	10/25/2024	Virtual Payment	0.00	75.00	APA005947
03857	Joe Oliver	10/25/2024	Virtual Payment	0.00	733.00	APA005948
27302	Kyocera Document Solutions America, Inc.	10/25/2024	Virtual Payment	0.00	535.75	APA005949
13431	Lynx Technologies, Inc	10/25/2024	Virtual Payment	0.00	5,025.00	APA005950
00117	Marina Backflow Company	10/25/2024	Virtual Payment	0.00	255.00	APA005951
05829	Mark Bekker	10/25/2024	Virtual Payment	0.00	309.98	APA005952
01012	Mark Dudley	10/25/2024	Virtual Payment	0.00	540.00	APA005953
00223	Martins Irrigation Supply	10/25/2024	Virtual Payment	0.00	54.78	APA005954
00118	MB Carpet & Janitorial Inc.	10/25/2024	Virtual Payment	0.00	1,260.00	APA005955
00242	MBAS	10/25/2024	Virtual Payment	0.00	2,118.00	APA005956
07418	McMaster-Carr	10/25/2024	Virtual Payment	0.00	81.33	APA005957
18325	Minuteman Press Monterey	10/25/2024	Virtual Payment	0.00	108.74	APA005958
25765	Monterey Fire Extinguisher Inc	10/25/2024	Virtual Payment	0.00	32.50	APA005959
22201	Montgomery & Associates	10/25/2024	Virtual Payment	0.00	1,526.00	APA005960
13396	Navia Benefit Solutions, Inc.	10/25/2024	Virtual Payment	0.00	1,064.57	APA005961
24869	Raftelis Financial Consultants, Inc.	10/25/2024	Virtual Payment	0.00	1,545.00	APA005962
00251	Rick Dickhaut	10/25/2024	Virtual Payment	0.00	556.00	APA005963
09989	Star Sanitation Services	10/25/2024	Virtual Payment	0.00	164.21	APA005964
23550	WellmanAD	10/25/2024	Virtual Payment	0.00	13,394.00	APA005965
08105	Yolanda Munoz	10/25/2024	Virtual Payment	0.00	540.00	APA005966
00266	I.R.S.	10/04/2024	Bank Draft	0.00	16,080.07	DFT0003454
00266	I.R.S.	10/04/2024	Bank Draft	0.00	3,625.88	DFT0003455
00267	Employment Development Dept.	10/04/2024	Bank Draft	0.00	6,776.67	DFT0003456
00266	I.R.S.	10/04/2024	Bank Draft	0.00	146.46	DFT0003457
00252	Cal-Am Water	10/08/2024	Bank Draft	0.00	496.25	DFT0003458
00758	FedEx	10/08/2024	Bank Draft	0.00	48.76	DFT0003459
00277	Home Depot Credit Services	10/08/2024	Bank Draft	0.00	41.78	DFT0003460

My Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00282	PG&E	10/08/2024	Bank Draft	0.00	4,596.96	DFT0003461
04736	Pitney Bowes Global Financial Svc, LLC	10/08/2024	Bank Draft	0.00	437.59	DFT0003462
07627	Purchase Power	10/08/2024	Bank Draft	0.00	545.50	DFT0003463
18163	Wex Bank	10/08/2024	Bank Draft	0.00	215.18	DFT0003464
00266	I.R.S.	10/09/2024	Bank Draft	0.00	3.92	DFT0003465
00266	I.R.S.	10/09/2024	Bank Draft	0.00	82.24	DFT0003466
00266	I.R.S.	10/09/2024	Bank Draft	0.00	351.54	DFT0003467
00282	PG&E	10/15/2024	Bank Draft	0.00	81.47	DFT0003468
06746	POSTMASTER	10/22/2024	Bank Draft	0.00	-1,250.00	DFT0003469
06746	POSTMASTER	10/15/2024	Bank Draft	0.00	1,250.00	DFT0003469
00266	I.R.S.	10/18/2024	Bank Draft	0.00	16,037.89	DFT0003470
00266	I.R.S.	10/18/2024	Bank Draft	0.00	3,625.89	DFT0003471
00267	Employment Development Dept.	10/18/2024	Bank Draft	0.00	6,780.80	DFT0003472
00266	I.R.S.	10/18/2024	Bank Draft	0.00	45.74	DFT0003473
00256	PERS Retirement	10/08/2024	Bank Draft	0.00	22,106.99	DFT0003481
06746	POSTMASTER	10/16/2024	Bank Draft	0.00	350.00	DFT0003487
00252	Cal-Am Water	10/25/2024	Bank Draft	0.00	199.29	DFT0003488
00758	FedEx	10/25/2024	Bank Draft	0.00	53.17	DFT0003489
00282	PG&E	10/25/2024	Bank Draft	0.00	2,830.95	DFT0003490
00221	Verizon Wireless	10/25/2024	Bank Draft	0.00	1,274.22	DFT0003491
18163	Wex Bank	10/25/2024	Bank Draft	0.00	1,137.66	DFT0003492
00766	Standard Insurance Company	10/25/2024	Bank Draft	0.00	1,503.38	DFT0003493
00768	MissionSquare Retirement- 302617	10/08/2024	Bank Draft	0.00	4,718.64	DFT0003494
00769	Laborers Trust Fund of Northern CA	10/15/2024	Bank Draft	0.00	36,984.00	DFT0003505
00768	MissionSquare Retirement- 302617	10/18/2024	Bank Draft	0.00	4,553.78	DFT0003506
00256	PERS Retirement	10/18/2024	Bank Draft	0.00	22,106.99	DFT0003507

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	16	11	0.00	3,310,459.17
Manual Checks	0	0	0.00	0.00
Voided Checks	0	5	0.00	-2,258.00
Bank Drafts	45	33	0.00	157,839.66
EFT's	0	0	0.00	0.00
	<b>184</b>	<b>141</b>	<b>0.00</b>	<b>3,757,611.85</b>

## My Check Report

Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: REBATES-02-Rebates: Use Only For Rebates</b>						
05362	Carmel Wayfarer Inn	10/01/2024	Regular	0.00	-2,580.00	16576
05360	DEL MONTE PINES LLC	10/02/2024	Regular	0.00	-2,580.00	16585
18303	Jenny Heckroth	10/30/2024	Regular	0.00	-150.00	35024
05362	Carmel Wayfarer Inn	10/02/2024	Regular	0.00	2,580.00	40906
05360	DEL MONTE PINES LLC	10/02/2024	Regular	0.00	2,580.00	40907
18303	Jenny Heckroth	10/30/2024	Regular	0.00	150.00	40920
27765	Ala Milani	10/22/2024	Virtual Payment	0.00	500.00	APA005588
27809	Albert Tao	10/22/2024	Virtual Payment	0.00	200.00	APA005589
21163	Alicia Simpson	10/22/2024	Virtual Payment	0.00	200.00	APA005590
27842	Amanda Salm	10/22/2024	Virtual Payment	0.00	200.00	APA005591
27946	Andree Schute	10/22/2024	Virtual Payment	0.00	200.00	APA005592
27851	Andrew Martin	10/22/2024	Virtual Payment	0.00	200.00	APA005593
27891	Andrew Staatz	10/22/2024	Virtual Payment	0.00	200.00	APA005594
27846	Anthony Martin	10/22/2024	Virtual Payment	0.00	169.00	APA005595
27942	Antony Tersol	10/22/2024	Virtual Payment	0.00	200.00	APA005596
27841	Ashleigh Anderson	10/22/2024	Virtual Payment	0.00	200.00	APA005597
27847	Aviana Bushnell	10/22/2024	Virtual Payment	0.00	200.00	APA005598
27950	Barbara Dondero	10/22/2024	Virtual Payment	0.00	200.00	APA005599
27959	Bella Cohen	10/22/2024	Virtual Payment	0.00	150.00	APA005600
27896	Benjie Duque	10/22/2024	Virtual Payment	0.00	200.00	APA005601
27561	Brenda Cranford	10/22/2024	Virtual Payment	0.00	200.00	APA005602
27937	Brent Thye	10/22/2024	Virtual Payment	0.00	200.00	APA005603
19053	Brett Sefick	10/22/2024	Virtual Payment	0.00	200.00	APA005604
27879	Brian Rasmussen	10/22/2024	Virtual Payment	0.00	200.00	APA005605
25697	Brian Wade	10/22/2024	Virtual Payment	0.00	200.00	APA005606
27796	Brian Wade	10/22/2024	Virtual Payment	0.00	500.00	APA005607
27786	Briana Vasquez	10/22/2024	Virtual Payment	0.00	500.00	APA005608
21834	Brooks McChesney	10/22/2024	Virtual Payment	0.00	200.00	APA005609
27833	Bruce Haase	10/22/2024	Virtual Payment	0.00	200.00	APA005610
27832	Carol Arredondo	10/22/2024	Virtual Payment	0.00	200.00	APA005611
27907	Caroline Cusenza	10/22/2024	Virtual Payment	0.00	200.00	APA005612
27843	Carolyn Thomas	10/22/2024	Virtual Payment	0.00	200.00	APA005613
27858	Charles Elliott	10/22/2024	Virtual Payment	0.00	200.00	APA005614
27789	Charles Lerable	10/22/2024	Virtual Payment	0.00	500.00	APA005615
27560	Charles Stone	10/22/2024	Virtual Payment	0.00	200.00	APA005616
27957	Chris Underhill	10/22/2024	Virtual Payment	0.00	200.00	APA005617
27793	Christian Stanley	10/22/2024	Virtual Payment	0.00	500.00	APA005618
27769	Christie McEney	10/22/2024	Virtual Payment	0.00	500.00	APA005619
27890	Curtis Berger	10/22/2024	Virtual Payment	0.00	200.00	APA005620
27954	Cynthia Vernon	10/22/2024	Virtual Payment	0.00	200.00	APA005621
26084	Dan Bowman	10/22/2024	Virtual Payment	0.00	355.01	APA005622
27947	Dan Neault	10/22/2024	Virtual Payment	0.00	200.00	APA005623
23875	Daniel Blakely	10/22/2024	Virtual Payment	0.00	200.00	APA005624
27884	Daniel Hightower	10/22/2024	Virtual Payment	0.00	400.00	APA005625
27945	Daniel Priano	10/22/2024	Virtual Payment	0.00	200.00	APA005626
27848	Daniel Spilfogel	10/22/2024	Virtual Payment	0.00	200.00	APA005627
27897	David Keneipp	10/22/2024	Virtual Payment	0.00	200.00	APA005628
27835	David Kustin	10/22/2024	Virtual Payment	0.00	200.00	APA005629
21983	David Miller	10/22/2024	Virtual Payment	0.00	406.99	APA005630
20678	Dean Roddick	10/22/2024	Virtual Payment	0.00	200.00	APA005631
19949	Denise Zimmerer	10/22/2024	Virtual Payment	0.00	180.00	APA005632
27908	Dennis Ciplickas	10/22/2024	Virtual Payment	0.00	200.00	APA005633
27289	Dominador DeVilla III	10/22/2024	Virtual Payment	0.00	125.00	APA005634
27880	Douglas Downs	10/22/2024	Virtual Payment	0.00	200.00	APA005635
26147	Dwight Johnson	10/22/2024	Virtual Payment	0.00	200.00	APA005636
27780	Edward Lindahl	10/22/2024	Virtual Payment	0.00	500.00	APA005637
27838	Eric Razavi	10/22/2024	Virtual Payment	0.00	200.00	APA005638
27885	Eugen Matei	10/22/2024	Virtual Payment	0.00	200.00	APA005639
27764	Fay Wu	10/22/2024	Virtual Payment	0.00	500.00	APA005640
27872	Francis Ferraro	10/22/2024	Virtual Payment	0.00	200.00	APA005641

## My Check Report

Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
27785	Frank Ferrante	10/22/2024	Virtual Payment	0.00	500.00	APA005642
27814	Frank Vaccarezza	10/22/2024	Virtual Payment	0.00	200.00	APA005643
27944	Fred Krupica	10/22/2024	Virtual Payment	0.00	200.00	APA005644
27871	Gary Barber	10/22/2024	Virtual Payment	0.00	200.00	APA005645
27914	Gary Hoffmann	10/22/2024	Virtual Payment	0.00	200.00	APA005646
25300	Gary Huber	10/22/2024	Virtual Payment	0.00	200.00	APA005647
27763	Gary Mello	10/22/2024	Virtual Payment	0.00	500.00	APA005648
27855	Gary Southon	10/22/2024	Virtual Payment	0.00	200.00	APA005649
27810	Gerard Berthet	10/22/2024	Virtual Payment	0.00	200.00	APA005650
27799	Gerick Bergsma	10/22/2024	Virtual Payment	0.00	125.00	APA005651
24919	Giuseppe Savona	10/22/2024	Virtual Payment	0.00	500.00	APA005652
27812	Glenn W Berry	10/22/2024	Virtual Payment	0.00	200.00	APA005653
27813	Gordon Campbell	10/22/2024	Virtual Payment	0.00	200.00	APA005654
27839	Graham Filion	10/22/2024	Virtual Payment	0.00	200.00	APA005655
27865	Grant Nixon	10/22/2024	Virtual Payment	0.00	200.00	APA005656
27862	Greg Looney	10/22/2024	Virtual Payment	0.00	200.00	APA005657
27870	Guy Tourigny	10/22/2024	Virtual Payment	0.00	200.00	APA005658
27881	Hans Jannasch	10/22/2024	Virtual Payment	0.00	200.00	APA005659
27895	Hope Rogers	10/22/2024	Virtual Payment	0.00	200.00	APA005660
27905	Hunter Leighton	10/22/2024	Virtual Payment	0.00	200.00	APA005661
27903	Irene Eagling	10/22/2024	Virtual Payment	0.00	200.00	APA005662
27883	James Allen	10/22/2024	Virtual Payment	0.00	200.00	APA005663
27850	James Cullem	10/22/2024	Virtual Payment	0.00	200.00	APA005664
27802	James Jepson	10/22/2024	Virtual Payment	0.00	125.00	APA005665
27781	James Randazzo	10/22/2024	Virtual Payment	0.00	500.00	APA005666
27836	James Tolan	10/22/2024	Virtual Payment	0.00	169.00	APA005667
19696	James Wagoner	10/22/2024	Virtual Payment	0.00	200.00	APA005668
27893	Jamey Dolowich	10/22/2024	Virtual Payment	0.00	200.00	APA005669
27829	Janet Brennan	10/22/2024	Virtual Payment	0.00	200.00	APA005670
27856	Jared Pechan	10/22/2024	Virtual Payment	0.00	200.00	APA005671
27912	Jason McFadden	10/22/2024	Virtual Payment	0.00	200.00	APA005672
15425	JEAN PREMUTATI	10/22/2024	Virtual Payment	0.00	125.00	APA005673
27934	Jeffrey Ray	10/22/2024	Virtual Payment	0.00	200.00	APA005674
27818	Jeffrey Roberts	10/22/2024	Virtual Payment	0.00	200.00	APA005675
22872	Jenifer Bovey	10/22/2024	Virtual Payment	0.00	500.00	APA005676
27783	Joakim Yngve	10/22/2024	Virtual Payment	0.00	500.00	APA005677
23314	Joanne Webb	10/22/2024	Virtual Payment	0.00	200.00	APA005678
27930	Joel Sass	10/22/2024	Virtual Payment	0.00	169.00	APA005679
27936	John Dillard	10/22/2024	Virtual Payment	0.00	200.00	APA005680
27853	John F McKenna	10/22/2024	Virtual Payment	0.00	200.00	APA005681
27929	John Harney	10/22/2024	Virtual Payment	0.00	274.00	APA005682
27889	John Ian Paton	10/22/2024	Virtual Payment	0.00	200.00	APA005683
27910	John Muttu	10/22/2024	Virtual Payment	0.00	200.00	APA005684
27852	John Poma	10/22/2024	Virtual Payment	0.00	200.00	APA005685
27933	Jonathan Dale	10/22/2024	Virtual Payment	0.00	200.00	APA005686
27782	Jonathan Kasprisin	10/22/2024	Virtual Payment	0.00	500.00	APA005687
27792	Jorge Salazar	10/22/2024	Virtual Payment	0.00	500.00	APA005688
27859	Judd Nicholas	10/22/2024	Virtual Payment	0.00	200.00	APA005689
27892	Julie Carson	10/22/2024	Virtual Payment	0.00	200.00	APA005690
27861	Kathleen Grzanowski	10/22/2024	Virtual Payment	0.00	200.00	APA005691
27960	Kathleen Incaviglia	10/22/2024	Virtual Payment	0.00	375.00	APA005692
27887	Kathleen Powers	10/22/2024	Virtual Payment	0.00	200.00	APA005693
27816	Kathleen Woo	10/22/2024	Virtual Payment	0.00	200.00	APA005694
27828	Kathryn McKenna	10/22/2024	Virtual Payment	0.00	200.00	APA005695
27800	Kelly Schutt	10/22/2024	Virtual Payment	0.00	125.00	APA005696
27924	Kelly Terry	10/22/2024	Virtual Payment	0.00	200.00	APA005697
27886	Kendall Layne	10/22/2024	Virtual Payment	0.00	200.00	APA005698
27784	Kenneth Chiang	10/22/2024	Virtual Payment	0.00	700.00	APA005699
27875	Kevin Fitzpatrick	10/22/2024	Virtual Payment	0.00	200.00	APA005700
27898	Kevin Kranen	10/22/2024	Virtual Payment	0.00	200.00	APA005701
27867	Kim Smith	10/22/2024	Virtual Payment	0.00	200.00	APA005702

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Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
27935	Kim Williams	10/22/2024	Virtual Payment	0.00	200.00	APA005703
27906	Kimberly Shirley	10/22/2024	Virtual Payment	0.00	200.00	APA005704
27820	Kyle Manabe	10/22/2024	Virtual Payment	0.00	209.98	APA005705
27562	Larry Mullinix	10/22/2024	Virtual Payment	0.00	200.00	APA005706
27824	Larry Wetterschneider	10/22/2024	Virtual Payment	0.00	200.00	APA005707
27817	Lawrence A Kern	10/22/2024	Virtual Payment	0.00	200.00	APA005708
27822	Lawrence Cucura	10/22/2024	Virtual Payment	0.00	200.00	APA005709
26065	Leslie Turrini-Smith	10/22/2024	Virtual Payment	0.00	200.00	APA005710
27804	Lillian Dean	10/22/2024	Virtual Payment	0.00	125.00	APA005711
27825	Lily Crawley	10/22/2024	Virtual Payment	0.00	200.00	APA005712
27801	Linda Killar	10/22/2024	Virtual Payment	0.00	125.00	APA005713
27869	Lindsay Peelman	10/22/2024	Virtual Payment	0.00	200.00	APA005714
27923	Lisa DeMarchi	10/22/2024	Virtual Payment	0.00	200.00	APA005715
27926	Lori S Nye	10/22/2024	Virtual Payment	0.00	200.00	APA005716
27787	Louise Cartier	10/22/2024	Virtual Payment	0.00	500.00	APA005717
27807	Lynn Berardo	10/22/2024	Virtual Payment	0.00	200.00	APA005718
27797	Maj-Britt Kimm	10/22/2024	Virtual Payment	0.00	125.00	APA005719
27949	Marc Cusenza	10/22/2024	Virtual Payment	0.00	200.00	APA005720
27794	Marcio Akira Nakano	10/22/2024	Virtual Payment	0.00	500.00	APA005721
27803	Mark McDonald	10/22/2024	Virtual Payment	0.00	125.00	APA005722
19263	Mark Wilby	10/22/2024	Virtual Payment	0.00	200.00	APA005723
21807	Marta Zulik	10/22/2024	Virtual Payment	0.00	200.00	APA005724
27932	Martha Haddad	10/22/2024	Virtual Payment	0.00	200.00	APA005725
27938	Mary Draper	10/22/2024	Virtual Payment	0.00	200.00	APA005726
27939	Mary Jane Perna	10/22/2024	Virtual Payment	0.00	200.00	APA005727
20481	Mary Wilson	10/22/2024	Virtual Payment	0.00	200.00	APA005728
27826	Mason Weidner-Holland	10/22/2024	Virtual Payment	0.00	200.00	APA005729
27773	Matthew Bacio	10/22/2024	Virtual Payment	0.00	500.00	APA005730
27864	Matthew T Gibbs II	10/22/2024	Virtual Payment	0.00	200.00	APA005731
27840	Matthew Tarran	10/22/2024	Virtual Payment	0.00	200.00	APA005732
27849	Max Troyer	10/22/2024	Virtual Payment	0.00	200.00	APA005733
27831	Melanie Moreno	10/22/2024	Virtual Payment	0.00	200.00	APA005734
26044	Melissa La Fountain	10/22/2024	Virtual Payment	0.00	200.00	APA005735
27770	Mia McKernan	10/22/2024	Virtual Payment	0.00	500.00	APA005736
27955	Michael Bascou	10/22/2024	Virtual Payment	0.00	200.00	APA005737
27830	Michael Gunby	10/22/2024	Virtual Payment	0.00	200.00	APA005738
27860	Michael Lurie	10/22/2024	Virtual Payment	0.00	200.00	APA005739
27808	Michael McMillan	10/22/2024	Virtual Payment	0.00	200.00	APA005740
27911	Michael Minkoff	10/22/2024	Virtual Payment	0.00	200.00	APA005741
27918	Michael Moultray	10/22/2024	Virtual Payment	0.00	200.00	APA005742
27953	Michael Seybold	10/22/2024	Virtual Payment	0.00	200.00	APA005743
27854	Michael Strong	10/22/2024	Virtual Payment	0.00	200.00	APA005744
27925	Mikhail Khain	10/22/2024	Virtual Payment	0.00	200.00	APA005745
27777	Mohammad Gorjian	10/22/2024	Virtual Payment	0.00	500.00	APA005746
27778	Monica Tavakoli	10/22/2024	Virtual Payment	0.00	500.00	APA005747
27779	Montage Health	10/22/2024	Virtual Payment	0.00	500.00	APA005748
27922	Neil Smith	10/22/2024	Virtual Payment	0.00	200.00	APA005749
27913	Oliver Fellguth	10/22/2024	Virtual Payment	0.00	200.00	APA005750
27775	Parvinder Hundal	10/22/2024	Virtual Payment	0.00	500.00	APA005751
27915	Patricia Owens	10/22/2024	Virtual Payment	0.00	200.00	APA005752
27827	Patricia S Werts	10/22/2024	Virtual Payment	0.00	200.00	APA005753
27928	Patricia Stone	10/22/2024	Virtual Payment	0.00	200.00	APA005754
27798	Paul Brockmeyer	10/22/2024	Virtual Payment	0.00	325.00	APA005755
22241	Paul Hein	10/22/2024	Virtual Payment	0.00	200.00	APA005756
08825	Paul Lord	10/22/2024	Virtual Payment	0.00	200.00	APA005757
27866	Peter Brickey	10/22/2024	Virtual Payment	0.00	200.00	APA005758
23807	Peter Butler	10/22/2024	Virtual Payment	0.00	200.00	APA005759
27931	Peter Fonken	10/22/2024	Virtual Payment	0.00	200.00	APA005760
27874	Peter Nodzanski	10/22/2024	Virtual Payment	0.00	200.00	APA005761
27863	Randy Smith	10/22/2024	Virtual Payment	0.00	169.00	APA005762
27791	Raul Cucional	10/22/2024	Virtual Payment	0.00	500.00	APA005763



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Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
23740	Rebecca Tenanes	10/22/2024	Virtual Payment	0.00	200.00	APA005764
27956	Richard L Chew	10/22/2024	Virtual Payment	0.00	200.00	APA005765
27844	Richard Schmidt	10/22/2024	Virtual Payment	0.00	200.00	APA005766
27920	Rick Riedl	10/22/2024	Virtual Payment	0.00	200.00	APA005767
27821	Rob Rice	10/22/2024	Virtual Payment	0.00	200.00	APA005768
27876	Robert Dubroff	10/22/2024	Virtual Payment	0.00	200.00	APA005769
27888	Robert W. Andonian	10/22/2024	Virtual Payment	0.00	200.00	APA005770
27819	Roderick E Mathews	10/22/2024	Virtual Payment	0.00	200.00	APA005771
27909	Roger Creamer	10/22/2024	Virtual Payment	0.00	200.00	APA005772
27927	Roger Wendelken	10/22/2024	Virtual Payment	0.00	200.00	APA005773
27834	Ronald Kondler	10/22/2024	Virtual Payment	0.00	200.00	APA005774
27845	Sandy Hoag	10/22/2024	Virtual Payment	0.00	200.00	APA005775
27919	Sara Liu	10/22/2024	Virtual Payment	0.00	200.00	APA005776
27811	Scott Gartner	10/22/2024	Virtual Payment	0.00	200.00	APA005777
27805	Shahin Kouchakali	10/22/2024	Virtual Payment	0.00	200.00	APA005778
27790	Sheila Anthony	10/22/2024	Virtual Payment	0.00	500.00	APA005779
27916	Sheila Hilton	10/22/2024	Virtual Payment	0.00	200.00	APA005780
27943	Stephen Seifert	10/22/2024	Virtual Payment	0.00	200.00	APA005781
27823	Steve Lippi	10/22/2024	Virtual Payment	0.00	200.00	APA005782
23820	Steve Martin	10/22/2024	Virtual Payment	0.00	200.00	APA005783
27948	Steven A Johnson - Treasure Oaks XV LLC	10/22/2024	Virtual Payment	0.00	200.00	APA005784
20520	Steven Kellogg	10/22/2024	Virtual Payment	0.00	200.00	APA005785
27921	Steven Lawrence	10/22/2024	Virtual Payment	0.00	200.00	APA005786
27815	Susan Ajeska	10/22/2024	Virtual Payment	0.00	200.00	APA005787
27788	Susan Mukaeda	10/22/2024	Virtual Payment	0.00	500.00	APA005788
27868	Susan Woo	10/22/2024	Virtual Payment	0.00	200.00	APA005789
27958	Takeko Petrovich	10/22/2024	Virtual Payment	0.00	75.00	APA005790
27902	Tasha Lockyer	10/22/2024	Virtual Payment	0.00	200.00	APA005791
27776	Taylor Honrath	10/22/2024	Virtual Payment	0.00	500.00	APA005792
24880	Taylor Moulton	10/22/2024	Virtual Payment	0.00	200.00	APA005793
27857	Tenley Baxter	10/22/2024	Virtual Payment	0.00	200.00	APA005794
27766	Terence Foley	10/22/2024	Virtual Payment	0.00	500.00	APA005795
27941	Teresa A Tersol-Wiseman	10/22/2024	Virtual Payment	0.00	200.00	APA005796
27940	Thomas Korman	10/22/2024	Virtual Payment	0.00	200.00	APA005797
23852	Thomas Ledford	10/22/2024	Virtual Payment	0.00	169.00	APA005798
27772	Tim Zabrycki	10/22/2024	Virtual Payment	0.00	500.00	APA005799
24356	Timothy Kelley	10/22/2024	Virtual Payment	0.00	75.00	APA005800
23757	Tom Rivelli	10/22/2024	Virtual Payment	0.00	200.00	APA005801
27877	Toni Gibbs	10/22/2024	Virtual Payment	0.00	200.00	APA005802
27882	Traci Davis	10/22/2024	Virtual Payment	0.00	200.00	APA005803
20995	Travis Wood	10/22/2024	Virtual Payment	0.00	200.00	APA005804
27951	Trent Chapman	10/22/2024	Virtual Payment	0.00	200.00	APA005805
27768	Tyler Baker	10/22/2024	Virtual Payment	0.00	500.00	APA005806
27806	Vahid Tehranipoor	10/22/2024	Virtual Payment	0.00	259.26	APA005807
27901	Vera Habashi	10/22/2024	Virtual Payment	0.00	200.00	APA005808
27795	Victoria Berry	10/22/2024	Virtual Payment	0.00	500.00	APA005809
27904	Virginia Smith	10/22/2024	Virtual Payment	0.00	200.00	APA005810
27878	Walter Kitagawa	10/22/2024	Virtual Payment	0.00	200.00	APA005811
27899	Wayne McIntyre	10/22/2024	Virtual Payment	0.00	200.00	APA005812
27952	Wenschel Lan	10/22/2024	Virtual Payment	0.00	200.00	APA005813
18168	Wesley Truscott	10/22/2024	Virtual Payment	0.00	200.00	APA005814
27837	William Ashby	10/22/2024	Virtual Payment	0.00	200.00	APA005815
27894	William E Gammons	10/22/2024	Virtual Payment	0.00	200.00	APA005816
27767	William Fernandez	10/22/2024	Virtual Payment	0.00	500.00	APA005817
27873	William Healy	10/22/2024	Virtual Payment	0.00	200.00	APA005818
27900	William McCrone	10/22/2024	Virtual Payment	0.00	200.00	APA005819
27121	Woodworth B Clum III	10/22/2024	Virtual Payment	0.00	200.00	APA005820
27774	Yanghee Moon	10/22/2024	Virtual Payment	0.00	500.00	APA005821
27917	Zheng George	10/22/2024	Virtual Payment	0.00	200.00	APA005822
21777	Adam Green	10/23/2024	Virtual Payment	0.00	150.00	APA005823
28256	Alexander Edelman	10/23/2024	Virtual Payment	0.00	200.00	APA005824

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Date Range: 10/01/2024 - 10/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
28206	Allen Cooksey	10/23/2024	Virtual Payment	0.00	400.00	APA005825
28252	Amy Anderson	10/23/2024	Virtual Payment	0.00	200.00	APA005826
28176	Anna M Davi	10/23/2024	Virtual Payment	0.00	500.00	APA005827
28163	Bonnie Bragg	10/23/2024	Virtual Payment	0.00	500.00	APA005828
28253	Brian Schlining	10/23/2024	Virtual Payment	0.00	200.00	APA005829
26752	Bruce Smith	10/23/2024	Virtual Payment	0.00	200.00	APA005830
28248	Carl Hertlein	10/23/2024	Virtual Payment	0.00	200.00	APA005831
23509	Carolyn Garrison	10/23/2024	Virtual Payment	0.00	75.00	APA005832
28239	Chris Wright	10/23/2024	Virtual Payment	0.00	200.00	APA005833
28258	Claire Erickson	10/23/2024	Virtual Payment	0.00	200.00	APA005834
28168	Cody Cardinal	10/23/2024	Virtual Payment	0.00	500.00	APA005835
28183	Cory Grasser	10/23/2024	Virtual Payment	0.00	500.00	APA005836
28207	Cristen Forrester	10/23/2024	Virtual Payment	0.00	200.00	APA005837
28212	David Bernard	10/23/2024	Virtual Payment	0.00	200.00	APA005838
28220	David Leonard	10/23/2024	Virtual Payment	0.00	200.00	APA005839
18145	Debbie Britz	10/23/2024	Virtual Payment	0.00	75.00	APA005840
27521	Dennis Deis	10/23/2024	Virtual Payment	0.00	55.00	APA005841
26475	Dolores Silveira	10/23/2024	Virtual Payment	0.00	500.00	APA005842
04240	DON TUCK	10/23/2024	Virtual Payment	0.00	200.00	APA005843
28213	Dorie Mellon	10/23/2024	Virtual Payment	0.00	200.00	APA005844
28204	Ed Bowers	10/23/2024	Virtual Payment	0.00	79.95	APA005845
28165	Ed Hunter	10/23/2024	Virtual Payment	0.00	500.00	APA005846
23341	Felix Colello	10/23/2024	Virtual Payment	0.00	125.00	APA005847
28261	Feliz Collello	10/23/2024	Virtual Payment	0.00	250.00	APA005848
28223	Frank Gregory	10/23/2024	Virtual Payment	0.00	200.00	APA005849
28244	Fred Weissberg	10/23/2024	Virtual Payment	0.00	200.00	APA005850
28177	Gary Hofsheier SR	10/23/2024	Virtual Payment	0.00	500.00	APA005851
28240	Gary Sprader	10/23/2024	Virtual Payment	0.00	200.00	APA005852
28188	Gerg Perkins	10/23/2024	Virtual Payment	0.00	500.00	APA005853
28172	Gregory Bernard	10/23/2024	Virtual Payment	0.00	700.00	APA005854
28185	Guido A Davi II	10/23/2024	Virtual Payment	0.00	500.00	APA005855
28250	Harvey Sullivan	10/23/2024	Virtual Payment	0.00	200.00	APA005856
28171	Heather Holt	10/23/2024	Virtual Payment	0.00	625.00	APA005857
27903	Irene Eagling	10/23/2024	Virtual Payment	0.00	140.00	APA005858
28255	Jason Lund	10/23/2024	Virtual Payment	0.00	200.00	APA005859
28205	Jeff Scroggin	10/23/2024	Virtual Payment	0.00	200.00	APA005860
28218	Jeff Shady	10/23/2024	Virtual Payment	0.00	200.00	APA005861
28209	Jeff Smith	10/23/2024	Virtual Payment	0.00	200.00	APA005862
28254	Jeff Smith	10/23/2024	Virtual Payment	0.00	200.00	APA005863
23731	Jeffrey Lea	10/23/2024	Virtual Payment	0.00	200.00	APA005864
28210	Jeremy DeWeese	10/23/2024	Virtual Payment	0.00	200.00	APA005865
28179	Jeremy Pratt	10/23/2024	Virtual Payment	0.00	500.00	APA005866
28236	Jim With	10/23/2024	Virtual Payment	0.00	200.00	APA005867
28222	John Foot	10/23/2024	Virtual Payment	0.00	200.00	APA005868
28194	John LaSala	10/23/2024	Virtual Payment	0.00	500.00	APA005869
28238	John Newcomb	10/23/2024	Virtual Payment	0.00	200.00	APA005870
28200	John Sherwin	10/23/2024	Virtual Payment	0.00	125.00	APA005871
28198	Joseph Gallagher	10/23/2024	Virtual Payment	0.00	125.00	APA005872
28169	Judy Saleen	10/23/2024	Virtual Payment	0.00	500.00	APA005873
28199	Karl F. Jensen	10/23/2024	Virtual Payment	0.00	250.00	APA005874
24613	Karol Andrews	10/23/2024	Virtual Payment	0.00	200.00	APA005875
28216	Kathleen Marcus	10/23/2024	Virtual Payment	0.00	200.00	APA005876
28241	Katy Moore-Kozachik	10/23/2024	Virtual Payment	0.00	200.00	APA005877
28246	Kevin Athey	10/23/2024	Virtual Payment	0.00	200.00	APA005878
21284	Kristina Poulter	10/23/2024	Virtual Payment	0.00	200.00	APA005879
28166	Lanning Brandel	10/23/2024	Virtual Payment	0.00	500.00	APA005880
28249	Laura Horton	10/23/2024	Virtual Payment	0.00	200.00	APA005881
28197	Laura Niebling	10/23/2024	Virtual Payment	0.00	325.00	APA005882
28259	Lee Jampolsky	10/23/2024	Virtual Payment	0.00	200.00	APA005883
24603	Linda Coyle	10/23/2024	Virtual Payment	0.00	325.00	APA005884
28208	Luis Alvarez	10/23/2024	Virtual Payment	0.00	200.00	APA005885

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
28232	Marc Crocetti	10/23/2024	Virtual Payment	0.00	200.00	APA005886
28224	Marc Silber	10/23/2024	Virtual Payment	0.00	200.00	APA005887
22321	Margaret Ruby	10/23/2024	Virtual Payment	0.00	200.00	APA005888
28182	Mari Demera	10/23/2024	Virtual Payment	0.00	500.00	APA005889
28247	Marilyn Maxner	10/23/2024	Virtual Payment	0.00	200.00	APA005890
28251	Mary Ichiuji	10/23/2024	Virtual Payment	0.00	200.00	APA005891
28233	Mary Smathers	10/23/2024	Virtual Payment	0.00	200.00	APA005892
28191	Mary Sutherland	10/23/2024	Virtual Payment	0.00	500.00	APA005893
28186	Matt Bell	10/23/2024	Virtual Payment	0.00	500.00	APA005894
28211	Melissa Silliman	10/23/2024	Virtual Payment	0.00	200.00	APA005895
28257	Michael Belsky	10/23/2024	Virtual Payment	0.00	200.00	APA005896
28215	Michael Cervi	10/23/2024	Virtual Payment	0.00	200.00	APA005897
28196	Michael Freeman	10/23/2024	Virtual Payment	0.00	500.00	APA005898
28227	Michael Janiga	10/23/2024	Virtual Payment	0.00	200.00	APA005899
28219	Michelle Angelo	10/23/2024	Virtual Payment	0.00	200.00	APA005900
28260	Mike Rausch	10/23/2024	Virtual Payment	0.00	200.00	APA005901
28231	Murali Tummala	10/23/2024	Virtual Payment	0.00	200.00	APA005902
28187	Nicholas Reddick	10/23/2024	Virtual Payment	0.00	500.00	APA005903
28201	Nicole Chupka	10/23/2024	Virtual Payment	0.00	125.00	APA005904
28243	Patricia Tipton	10/23/2024	Virtual Payment	0.00	200.00	APA005905
28202	Peter Dausen	10/23/2024	Virtual Payment	0.00	125.00	APA005906
28234	Ray Bennett	10/23/2024	Virtual Payment	0.00	200.00	APA005907
28178	Richard Morf	10/23/2024	Virtual Payment	0.00	500.00	APA005908
28164	Robert Boehme	10/23/2024	Virtual Payment	0.00	500.00	APA005909
28174	Robert Simone	10/23/2024	Virtual Payment	0.00	500.00	APA005910
28192	Robert Tarozzi	10/23/2024	Virtual Payment	0.00	500.00	APA005911
28189	Roberta T Jo	10/23/2024	Virtual Payment	0.00	500.00	APA005912
28245	Rodger Langland	10/23/2024	Virtual Payment	0.00	200.00	APA005913
27909	Roger Creamer	10/23/2024	Virtual Payment	0.00	15.00	APA005914
28242	Ronald Evans	10/23/2024	Virtual Payment	0.00	200.00	APA005915
28180	Sergio Henrique Athaydes Fadaneli	10/23/2024	Virtual Payment	0.00	625.00	APA005916
28193	Shabaz Khan	10/23/2024	Virtual Payment	0.00	625.00	APA005917
28228	Soraya Haglund	10/23/2024	Virtual Payment	0.00	200.00	APA005918
28235	Stacy McKelvy	10/23/2024	Virtual Payment	0.00	200.00	APA005919
28229	Stefanie Naumann	10/23/2024	Virtual Payment	0.00	200.00	APA005920
28203	Stephanie Kelsey	10/23/2024	Virtual Payment	0.00	125.00	APA005921
28226	Stephanotis Anastasia	10/23/2024	Virtual Payment	0.00	200.00	APA005922
28237	Stephen G Bradley	10/23/2024	Virtual Payment	0.00	199.20	APA005923
28230	Stephen Hipp	10/23/2024	Virtual Payment	0.00	200.00	APA005924
28175	Susan Greathouse	10/23/2024	Virtual Payment	0.00	200.00	APA005925
18835	Susan Schiavone	10/23/2024	Virtual Payment	0.00	200.00	APA005926
28195	Thomas Dempsey	10/23/2024	Virtual Payment	0.00	500.00	APA005927
28190	Thomas Miller	10/23/2024	Virtual Payment	0.00	500.00	APA005928
28173	Tom and Mary Dawes	10/23/2024	Virtual Payment	0.00	500.00	APA005929
28217	Tom ONeal	10/23/2024	Virtual Payment	0.00	200.00	APA005930
28214	Tomas Kroper	10/23/2024	Virtual Payment	0.00	200.00	APA005931
28225	Trevor Meeker	10/23/2024	Virtual Payment	0.00	200.00	APA005932
28167	Valerie Hermann	10/23/2024	Virtual Payment	0.00	500.00	APA005933
28221	William F Cleary	10/23/2024	Virtual Payment	0.00	200.00	APA005934

**My Check Report**

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
28184	William H Cunningham	10/23/2024	Virtual Payment	0.00	500.00	APA005935

**Bank Code REBATES-02 Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	3	3	0.00	5,310.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	3	0.00	-5,310.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
Virtual Payments	349	348	0.00	89,619.39
	<b>352</b>	<b>354</b>	<b>0.00</b>	<b>89,619.39</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	19	14	0.00	3,315,769.17
Manual Checks	0	0	0.00	0.00
Voided Checks	0	8	0.00	-7,568.00
Bank Drafts	45	33	0.00	157,839.66
EFT's	0	0	0.00	0.00
Virtual Payments	472	440	0.00	381,190.41
	<b>536</b>	<b>495</b>	<b>0.00</b>	<b>3,847,231.24</b>

### Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	10/2024	3,847,231.24
			<b>3,847,231.24</b>





**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
 STATEMENT OF REVENUES AND EXPENDITURES  
 FOR THE MONTH OCTOBER 31, 2024

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>Current FY Year-to-Date Actual</u>	<u>Current FY Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,700,000	\$ -
Water supply charge			-	-	-	3,400,000	-
User fees	487,273	187,522	113,650	788,444	2,292,769	6,600,000	1,858,355
Mitigation revenue	-			-	-	-	-
PWM Water Sales			1,125,910	1,125,910	4,165,806	14,619,500	4,275,780
Capacity fees			61,077	61,077	211,854	300,000	112,404
Permit fees	-	18,806		18,806	68,084	198,000	75,111
Investment income	58,796	58,796	60,577	178,168	226,357	390,000	150,919
Miscellaneous	-	-	-	-	4,174	5,000	6,564
<b>Sub-total district revenues</b>	<b>546,068</b>	<b>265,123</b>	<b>1,361,214</b>	<b>2,172,406</b>	<b>6,969,044</b>	<b>28,212,500</b>	<b>6,479,133</b>
Project reimbursements	-	26,689	-	26,689	139,517	1,357,550	437,441
Legal fee reimbursements		750		750	1,950	15,000	900
Grants	-	-	-	-	1,065,755	12,659,668	62,886
Recording fees		5,940		5,940	19,263	60,000	19,580
<b>Sub-total reimbursements</b>	<b>-</b>	<b>33,379</b>	<b>-</b>	<b>33,379</b>	<b>1,226,485</b>	<b>14,092,218</b>	<b>520,808</b>
From Reserves	-	-	-	-	-	555,000	-
<b>Total revenues</b>	<b>546,068</b>	<b>298,502</b>	<b>1,361,214</b>	<b>2,205,784</b>	<b>8,195,529</b>	<b>42,859,718</b>	<b>6,999,941</b>
<b>EXPENDITURES</b>							
Personnel:							
Salaries	87,009	53,029	107,197	247,235	943,628	3,301,000	826,276
Retirement	8,457	5,476	11,116	25,049	693,911	864,902	586,397
Unemployment Compensation	-	-	-	-	-	10,100	-
Auto Allowance	92	92	277	462	1,731	11,000	1,731
Deferred Compensation	165	165	495	825	3,094	18,812	3,290
Temporary Personnel	-	-	-	-	-	10,000	1,102
Workers Comp. Ins.	3,762	293	2,716	6,771	24,473	74,543	22,203
Employee Insurance	17,270	12,166	18,632	48,067	197,536	689,819	178,257
Medicare & FICA Taxes	1,332	842	1,675	3,848	14,594	72,785	12,495
Personnel Recruitment	-	-	-	-	265	13,000	306
Other benefits	66	64	70	200	800	2,000	500
Staff Development	104	1,450	270	1,824	6,630	29,500	3,589
<b>Sub-total personnel costs</b>	<b>118,257</b>	<b>73,577</b>	<b>142,448</b>	<b>334,281</b>	<b>1,886,662</b>	<b>5,097,461</b>	<b>1,636,145</b>
Services & Supplies:							
Board Member Comp	980	980	1,010	2,970	10,800	37,000	9,315
Board Expenses	127	124	135	386	1,264	10,000	1,184
Rent	587	157	597	1,341	4,514	29,200	8,404
Utilities	1,107	1,074	1,175	3,356	14,947	41,200	12,180
Telephone	1,252	965	845	3,061	12,052	51,000	16,428
Facility Maintenance	273	264	289	826	15,014	54,000	12,219
Bank Charges	318	308	337	964	5,717	25,100	4,655
Office Supplies	267	251	283	802	4,587	24,700	5,640
Courier Expense	128	124	135	387	2,114	7,600	2,768
Postage & Shipping	-	-	-	-	107	7,500	1,000
Equipment Lease	179	114	144	438	1,781	13,200	3,042
Equip. Repairs & Maintenance	-	-	-	-	-	5,100	1,221
Printing/Duplicating/Binding	-	-	-	-	-	2,100	-
IT Supplies/Services	15,746	15,996	16,672	48,414	149,154	310,600	114,388
Operating Supplies	514	1,598	-	2,112	11,662	6,600	8,615
Legal Services	5,400	5,167	16,985	27,552	139,051	400,000	153,929
Professional Fees	10,152	9,845	10,768	30,765	121,926	458,000	121,801



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
 STATEMENT OF REVENUES AND EXPENDITURES  
 FOR THE MONTH OCTOBER 31, 2024

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>Current FY Year-to-Date Actual</u>	<u>Current FY Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
Transportation	9,415	-	198	9,613	17,208	41,000	14,092
Travel	115	468	392	974	2,342	21,000	854
Meeting Expenses	1,006	679	742	2,427	8,390	21,200	2,228
Insurance	7,880	7,641	8,358	23,880	95,233	300,000	91,046
Legal Notices	-	-	-	-	2,145	2,600	-
Membership Dues	9,556	9,266	10,135	28,956	31,141	47,900	13,898
Public Outreach	8	8	9	25	3,565	3,500	1,600
Assessors Administration Fee	-	-	-	-	-	34,000	-
Miscellaneous	139	134	147	420	420	3,000	387
<b>Sub-total services &amp; supplies costs</b>	<b>65,149</b>	<b>55,163</b>	<b>69,355</b>	<b>189,667</b>	<b>655,133</b>	<b>1,957,100</b>	<b>600,895</b>
Project expenditures	7,745	40,523	13,469	61,737	4,153,662	34,270,646	4,870,287
Fixed assets	-	-	-	-	12,119	85,000	875
Contingencies	-	-	-	-	-	70,000	-
Election costs	-	-	-	-	-	250,000	-
Debt service: Principal	-	-	-	-	-	-	-
Debt service: Interest	-	-	-	-	-	-	-
Flood drought reserve	-	-	-	-	-	-	-
Capital equipment reserve	-	-	-	-	-	313,000	-
General fund balance	-	-	-	-	-	616,511	-
Debt Reserve	-	-	-	-	-	-	-
Pension reserve	-	-	-	-	-	100,000	-
OPEB reserve	-	-	-	-	-	100,000	-
<b>Sub-total other</b>	<b>7,745</b>	<b>40,523</b>	<b>13,469</b>	<b>61,737</b>	<b>4,165,781</b>	<b>35,805,157</b>	<b>4,871,162</b>
<b>Total expenditures</b>	<b>191,150</b>	<b>169,264</b>	<b>225,272</b>	<b>585,685</b>	<b>6,707,576</b>	<b>42,859,718</b>	<b>7,108,202</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>\$ 354,919</b>	<b>\$ 129,238</b>	<b>\$ 1,135,942</b>	<b>\$ 1,620,099</b>	<b>\$ 1,487,953</b>	<b>\$ -</b>	<b>\$ (108,261)</b>



**ITEM: CONSENT CALENDAR****3. REVIEW ANNUAL DISCLOSURE STATEMENT OF EMPLOYEE/BOARD REIMBURSEMENTS FOR FY 2023-2024**

<b>Meeting Date:</b>	<b>December 16, 2024</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Nishil Bali</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on December 9, 2024.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** California Government Code Section 53065.5 states: Each Special District, as defined by subdivision (a) of Section 56036, shall, at least annually, disclose any reimbursement paid by the district within the immediately preceding fiscal year of at least one hundred dollars for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the governing body of the District. The disclosure requirement shall be fulfilled by including the reimbursement information in a document published or printed at least annually by a date determined by that district and shall be made available for public inspection.

The Annual Disclosure Statement – Employee/Board Reimbursement for FY2023-2024 is attached for your review and consideration. This includes all disbursements made to employees, one of which was pre-approved by the Board. Including the 'Annual Disclosure Statement – Employee/Board Reimbursement' in the agenda packet and having the document available for the public to view on the District website meets the Government Code requirements.

**EXHIBIT****3-A Annual Disclosure Statement – Employee/Board Reimbursements**



**EXHIBIT 3-A**

MPWMD Annual Disclosure Statement - Employee/Board Reimbursement  
Fiscal Year 2023-2024

<b>Vendor Name</b>	<b>Payable Description</b>	<b>Payment Number</b>	<b>Payment Date</b>	<b>Amount</b>
Carrie S. Osborn	Reimbursement: Water Use Practitioner Exam	APA004189	02/22/2024	255.00
Dave Stoldt	Reimbursement: Cell Phone & Mileage for meetings (Water Managers Lunch, PWM Tour, Mtg w/ Glenn Church, Mtg w/ Alejo Lunch)	APA004081	01/29/2024	390.26
Dave Stoldt	Reimbursement: Transportation costs (Uber, Parking, checked bag fees)	APA004228	03/13/2024	217.46
Dave Stoldt	Reimbursement: Cell Phone, Accomodations, Transportation, Meals and Mileage for meetings (ACWA Conference, Mtg w/ Rem Scheizinger, Mtg w/ Chair and Vice Chair, Mtg w/ MOWD GM, Special District GM Luncheon)	APA004693	05/13/2024	1,545.17
Jon Lear	Expenses for Americal Geophysical Union Conference	APA004093	12/10/2023	288.90
Maureen Hamilton	M Hamilton Professional Engineer License Renewal	APA003719	11/01/2023	180.00
Nishil Bali	Reimbursement for Pre-Employment Physical	40824	11/24/2023	110.00
Nishil Bali	Reimbursement: Moving Expenses (Board approved on 12/11/2023)	40846	06/30/2024	5,000.00
Simona Mossbacher	Reimbursement: Staff Meeting Costs	APA002919	07/21/2023	35.09
Simona Mossbacher	Reimbursement - Staff Halloween Party	APA003622	10/31/2023	64.28
Simona Mossbacher	Reimbursement: SDRMA Conference Expense Report	APA004428	03/27/2024	186.55
Simona Mossbacher	Reimbursement: SDRMA Conference Mileage	APA004428	03/27/2024	258.62
Thomas Christensen	Reimbursement: Mileage and Gas for District Vehicle	APA003588	08/29/2023	57.02
Tom Lindberg	Reimbursement: Field Supplies	APA003267	09/13/2023	45.95
			<b>Total</b>	<b>8,634.30</b>



**ITEM: CONSENT CALENDAR****4. CONSIDER ADOPTION OF RESOLUTION NO. 2024-14 - AMENDING THE NON-RESIDENTIAL WATER USE FACTOR FOR BEAUTY SALONS AND DORM BEDS****Meeting Date: December 16, 2024**                      **Budgeted: N/A****From: David J. Stoldt,**  
**General Manager**                      **Program/ N/A**  
**Line Item No.:****Prepared By: Stephanie Locke**                      **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**SUMMARY:** Staff periodically reviews non-residential water use factors in Rule 24, Table 2, to ensure that the factor reflects the projected Water Use Capacity for each type of use. Recently, the factor for “beauty shop” (or hair salon) was reviewed for accuracy after analyzing eleven years of water records. The result is a finding that water demand for this use is better reflected in a use per square-foot factor than by using a factor based on the number of “cutting stations,” as technology has successfully made salons much more water efficient over the years and the square-footage factor better estimates water use. Staff recommends Table 2 be amended as shown in Resolution No. 2024-14 (**Exhibit 4-A**) with a factor of 0.00007 AF per square-foot of area.

The General Manager recently determined that clarification of the “dorm bed” factor was needed to prevent misuse of the factor. The factor used by the District originated from college dormitories and has not been updated due to issues related to availability of stand-alone consumption data. The factor was established for educational institutions that provide on-site student housing and that also provide food facilities and other services that did not house students year-round. Resolution No. 2024-14 clarifies this point and clarifies that the bed factor is in addition to square footage.

**RECOMMENDATION:** Adopt Resolution No. 2024-14 to amend District Rule 24, Table 2: Non-Residential Water Use Factors to modify the factor for beauty salons and to clarify the dorm bed factor.

**EXHIBIT****4-A** Draft Resolution No. 2024-14





**EXHIBIT 4-A**

**Draft  
RESOLUTION NO. 2024-14**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
AMENDING TABLE 2: NON-RESIDENTIAL WATER USE FACTOR FOR BEAUTY SHOPS  
AND CLARIFYING THE DORM BED FACTOR**

**WHEREAS**, District Rule 24-B (Non-Residential Calculation of Water Use Capacity) allows changes to Table 2: Non-Residential Water Use Factors through Resolution of the Board of Directors; and

**WHEREAS**, the Water Use Capacity for beauty shops is more appropriately estimated with the factor used for Group I uses and nail salons; and

**WHEREAS**, staff recently reviewed water records to update the factor based on use per square-foot, which is appropriate given water efficient equipment currently used in a salon setting; and

**WHEREAS**, the General Manager recently determined that clarification of the “dorm bed” factor was needed to prevent misuse of the factor. The factor used by the District originated from college dormitories and has not been updated due to issues related to availability of stand-alone consumption data. The factor was established for educational institutions that provide on-site student housing and that also provide food facilities and other services and that did not house students year-round; and

**WHEREAS**, the dorm factor needs clarification on Table 2 until a definition is added to Rule 11.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of the Monterey Peninsula Water Management District approves amendment to District Rule 24-B, Table 2: Non-Residential Water Use Factors as shown in **Attachment 1**.

**PASSED AND ADOPTED** on this \_\_\_\_\_ day of \_\_\_\_\_ 2024 on a motion of Director \_\_\_\_\_ with a second by Director \_\_\_\_\_ by the following vote, to wit:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing resolution was duly adopted on the \_\_\_ day of \_\_\_\_\_ 2024.

Dated:

\_\_\_\_\_  
David J. Stoldt,  
Secretary to the Board





**TABLE 2: NON-RESIDENTIAL WATER USE FACTORS**

**Group I**      0.00007 AF/SF

Users in this category are low water uses where water is primarily used for employee hygiene and minimal janitorial uses. Examples are offices, warehouses, and low water use retail businesses.

**Group II**      0.0002 AF/SF

Users in this category prepare and/or sell food/beverages that are primarily provided to customers in/on disposable tableware. Food with high moisture content and liquid food may be served on reusable tableware. Glassware may be used to serve beverages. Users in this category are not full-service restaurants.

**Group III**

Assisted Living (more than 6 beds) <sup>2</sup>	0.085 AF/Bed
Bar (limited food/not a full-service restaurant)	0.0002 AF/SF <sup>1</sup>
<del>Beauty Shop</del> /Dog Grooming	0.0567 AF/ <b>Grooming</b> Station
Child/Dependent Adult Day Care	0.0072 AF/Person
Dry Cleaner w/on-Site laundry	0.0002 AF/SF
Dormitory <b>Beds @ Educational Institution</b> <sup>3</sup>	0.02 AF/Bed
Laundromat	0.2 AF/Machine
Motel/Hotel/Bed & Breakfast	0.064 AF/Bedroom
Large Bathtub (Add to bedroom factor)	0.03 AF/Tub
Each additional Showerhead beyond one per stall (Add to bedroom factor)	0.02 AF/Showerhead
Nail <b>and/or Beauty</b> Salon	0.00007 AF/SF
Irrigated Areas/Landscaping	ETWU (See Rule 142.1)
Plant Nursery	0.00009 AF/SF Land Area
Public Toilet	0.058 AF/Toilet
Public Urinal	0.036 AF/Urinal
Zero Water Consumption Urinal	No Value
Recreational Vehicle Water Hookup	0.064 AF
Restaurant - Full Service (including associated Bar Seats)	0.02 AF/Interior Restaurant Seat
Exterior Restaurant Seats above the “Standard Exterior Seat Allowance” <sup>4</sup>	0.01 AF/Exterior Restaurant Seat
Exterior Restaurant Seats within the “Standard Exterior Seat Allowance”	No Value
Restaurant (24-Hour and Fast Food)	0.038 AF/Interior Restaurant Seat
School or Church	0.00007 AF/SF
Self-Storage	0.0002 AF/100 SF
Skilled Nursing/Alzheimer’s Care	0.12 AF/Bed
Spa	0.05 AF/Spa
Swimming Pool	0.02 AF/100 SF of Surface Area
Theater	0.0012 AF/Seat

**Group IV - MODIFIED NON-RESIDENTIAL USES**

Users in this category have **a** reduced water Capacity ~~from the types of uses compared to the~~ listed in Groups I-~~V~~**III** and have received a Water Use Credit for modifications (Rule 25.5-F-4-d) or **the** permanent installation of ~~known and~~ validated technology that results in a quantifiable reduction in Water Use Capacity. Please inquire for specific property information.

**Group V – INDUSTRIAL USES**

Users in this category use water during the production process for either creating their products or cooling equipment. Industrial water may also be used for fabricating, processing, washing, diluting, cooling, or transporting a product. ***This includes industries involved in the production of chemicals and food products, as well as certain hospital uses. The Water Use Capacity shall be determined after reviewing the project’s construction and business plans, along with estimated water use, and may be considered under Rule 24 Special Circumstances.*** ~~Water is also used by industries producing chemical products and food products. Industrial uses also include certain hospital uses. Water Use Capacity shall be determined following review of the project’s construction and business plans and estimated water use and may be considered for Rule 24 Special Circumstances.~~

Notes: Any Non-Residential water use which cannot be characterized by one of the use categories set forth in Table 2 shall be designated as “other” and assigned a factor which has a positive correlation to the anticipated Water Use Capacity for that Site. When a Non-Residential project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

<sup>1</sup> ABC Licensed Premises Diagram area shall be used for calculation of square-footage.

<sup>2</sup> Assisted living Dwelling Units shall be permitted as Residential uses per Table 1, Residential Fixture Unit Count Values.

<sup>3</sup> ***The dorm bed factor is used for one person beds and is in addition to the appropriate use factor(s) for the building square-footage (i.e., Group I and Group II uses).*** Dormitory water use at educational facilities is ***considered*** a Residential use ***during rationing***, although the factor is shown on Table 2.

<sup>4</sup> See Rule 24-B-1 and Rule 25.5 for information about the “Standard Exterior Seat Allowance”.

**De LAY & LAREDO**  
ATTORNEYS AT LAW

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**David C. Laredo**  
**Frances M. Farina**  
**Michael D. Laredo**

**Paul R. De Lay**  
(1919 – 2018)

**Pacific Grove Office:**  
606 Forest Avenue  
Pacific Grove, CA 93950  
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Facsimile: (831) 646-0377

December 16, 2024

TO: Chair Anderson, Members of the Board and General Manager Stoldt

FROM: David C. Laredo, Counsel

RE: General Report of Pending Litigation effective December 16, 2024

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This memo presents a public summary of litigation matters that are deemed to be open and active. This is a recurring memo; the newly updated data is shown in **highlighted text**.

**1 – Monterey Peninsula Taxpayers Association (MPTA) cases:**

Cases brought by MPTA are part of a series of six (6) separate lawsuits. These six cases collectively challenge various aspects of the District's collection of the Water Supply Charge.

**1.a MPTA I – MPTA v. MPWMD; M123512**

The initial challenge brought by MPTA regarding District collection of the Water Supply Charge was resolved by order of Superior Court Judge Thomas Wills in favor of the District, and against the challenge brought by MPTA.

**1.b MPTA II – MPTA v. MPWMD; Monterey County Superior Court 21CV003066  
6th Dist. Court of Appeal H0-51128**

**1.c MPTA III – MPTA v. MPWMD; Monterey County Superior Court 22CV002113**

**1.d MPTA IV - MPTA v. MPWMD; Monterey County Superior Court 23CV002453**

**1.e MPTA V - MPTA v. MPWMD; Monterey County Superior Court 24CV002642**

**1.f MPTA VI - MPTA v. MPWMD; Monterey County Superior Court 24CV003408**

Five separate challenges - noted above – are pending by MPTA against District collection of the Water Supply Charge. The second challenge, MPTA II, was resolved by Superior Court Judge Panetta against the District and in favor of MPTA. The Sixth District Court of Appeal affirmed the trial decision, and the matter has been remanded to the trial court for further action.

Judge Panetta approved an agreement of the parties to postpone active litigation in all five matters to allow negotiation of a comprehensive settlement; the order extended time for the District to file a responsive pleading in MPTA VI.

District Litigation counsel, Michael Colantuono and Matthew Slentz are leading the negotiation effort under direction of General Manager Stoldt and with support of Counsel Dave Laredo. MPTA is represented in these discussions by Eric Benik and Prescott Littlefield.

## **2 – MPWMD v. Cal-Am; 23CV004102**

This pending lawsuit embodies District efforts to fulfill the electoral mandate of Measure J to acquire ownership and operation of Cal-Am's Monterey Division water supply facilities.

Judge Vanessa Vallarta remains as the presiding judge for this case.

Judge Vallarta held a Case Management Conference (CMC) on November 19, 2024. She confirmed Cal-Am is required to either file an Answer or otherwise appeal the demurrer ruling by Dec, 16, 2024, (30 days from the date Notice of the Order Denying the Demurrer was served). The Judge encouraged the parties to meet & confer to move the matter along, commenting that this is a complex case and will take quite some time before it is ready for hearing. The next Case Management Case was set in her court (Dept. 13A) for March 4, 2025 at 9:30 a.m. This answers the inquiry as to whether or not Judge Vallarta would continue to preside over the case despite any other changes to her judicial assignments.

## **3 – MPWMD v. Local Agency Formation Commission (LAFCO); Cal-Am; 22CV000925 6th Dist. Court of Appeal H051849**

The District brought this lawsuit to challenge LAFCO's conduct and administrative decisions regarding exercise of District powers to acquire Cal-Am water system facilities in accord with the voter mandate in Measure J. On December 7, 2023 Judge Thomas Wills ruled in favor of the District, and against LAFCO. The matter is now on appeal before the Sixth District Court of Appeal.

The Court granted Cal-Am and LAFCO's joint request for a 45-day extension to file Appellant's opening briefs (now due on 01/20/2025).

## **4 – City of Marina; MPWMD, et al, v. California Coastal Commission (CCC); Cal-Am; 22CV004063**

This pending lawsuit incorporates multiple actions by Petitioners City of Marina, the Marina Coast Water District (MCWD), the MCWD Groundwater Sustainability Agency and MPWMD that collectively challenge CCC issuance of a Coastal Development Permit to Cal-Am to grant conditioned approval of Cal-Am's proposed Desalination Project. Cal-Am is a direct party as a real party in interest to this proceeding.

A trial on the merits is scheduled for Monday, December 9, 2024, before Judge Wills in Department 15 of the Superior Court.

## **5 – Matters Pending before the California Public Utilities Commission (CPUC) Actions pertaining to the Cal-Am Water System**

The following actions are separate pending proceedings in which MPWMD is involved due to their impact on the Monterey area or upon the Cal-Am water system.

### **5.a A.21-11-024 Cal-Am Amended Water Purchase Agreement**

This action deals with Cal-Am's request to purchase water from the Pure Water Replenishment Project and its expansion.

Earlier phases of this case dealt primarily with Cal-Am's request that the CPUC authorize the Company to enter into the Amended and Restated Water Purchase Agreement for Pure Water Expansion. The most recent phase has addressed the need to update water supply and water demand calculations related to the Cal-Am system.

Phase 2 briefs have been filed by all parties. It is not clear when a Proposed Decision will be issued by the assigned ALJ or when the matter may be submitted for action by the full Commission. An Order Extending Statutory Deadline to 12/31/2024 was published 7/16/2024.

### **5.b A.22-07-001 Cal-Am 2022 General Rate Case (GRC)**

This action deals with Cal-Am triennial request that the CPUC approve both rates and charges, and changes to the Cal-Am operating system for a three-year rate cycle. The Commission previously ordered an extension to the Statutory Deadline in this matter to March 30, 2025.

Cal-Am filed its General Rate Case (GRC) application on July 1, 2022, seeking statewide revenue recovery<sup>1</sup> for a three-year period (2024, 2025 and 2026). MPWMD participated in the proceeding with full party status. On August 27, 2024, the Administrative Law Judge (ALJ) Jacob Rambo issued a Proposed Decision (PD). Once the PD was released parties supporting Cal-Am began lobbying the Commissioners via many ex parte meetings and a vigorous letter-writing campaign. MPWMD set a single ex parte meeting with Commissioners Karen Douglas and Darcie Houck. Two revisions were made to the PD before the matter was voted on at the Commission's December 5, 2024 meeting.

#### **I. Background**

GRCs are massive filings. Cal-Am alone filed 40 exhibits and sponsored 25 witnesses; other parties included the Public Advocates Office (Cal Advocates), MPWMD, Public Water Now, City of Thousand Oaks, California Water Efficiency Partnership (Cal WEP), California Water Association (CWA), and the National Association of Water Companies (NAWC).

#### **A. Settlement between Cal-Am and Cal Advocates**

A Partial Settlement<sup>2</sup> was reached on November 17, 2023 between Cal-Am and Cal Advocates. MPWMD supported many of the revenue expenses but objected to several. These included a ten percent (10%) reduction in conservation funding, various statewide subsidies, and certain plant issues such as the delay with the New Carmel Valley Well and elimination of the Advanced Metering Infrastructure (AMI) leak detection project. The settlement did secure substantial reduction of \$25.5 million in Cal-Am's original statewide revenue increase request.

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<sup>1</sup> California-American Water Company (Cal-Am) has three divisions within California. They include Northern, Central and Southern Divisions and the Monterey Wastewater District. Monterey Main is part of the Central Division.

<sup>2</sup> A Partial Settlement does not resolve all issues although it can resolve many issues. In the current proceeding, the settlement resolved all revenue requirement issues and many of the special requests. The ALJ accepted the settlement as presented, without any modifications.

The Settlement estimates Central Division Operating Revenues for 2022 of \$94,653,007 will rise to \$100,720,049 for 2024, \$103,959,979 for 2025 and \$107,076,900 for 2026. Cal-Am will earn a 7.68% rate of return on a current Central Division rate base of \$290,946,200. This will rise to \$319,431,400 by 2026.<sup>3</sup>

## **II. The Decision**

### **A. Water Revenue Adjustment Mechanism Issue**

A significant portion of the proceeding was spent on whether a “decoupling mechanism” known as a Water Revenue Adjustment Mechanism (WRAM) should be continued or if an alternate should be authorized. Cal-Am’s sought WRAM to recover all authorized revenue it alleged to have “lost” due to conservation. Decision 24-12-025 denies Cal-Am’s request and authorizes a version that originated in Monterey in 1996<sup>4</sup>. Cal-Am asked to retain an Annual Consumption Adjustment Mechanism (ACAM) but to increase it twice each year. The PD allows the ACAM but restricts it to only once a year.

### **B. Statewide Subsidies**

MPWMD continued to argue against statewide subsidies in the form of customer assistance programs, spreading acquisition costs, and failure to recognize the disparity in the unit cost of water to meet basic human needs.

### **C. Conservation Budget**

Cal-Am proposed a 10.9% reduction in the conservation budget for the Central Division to \$1,566,318. While MPWMD was unsuccessful in its opposition to this reduction, the ALJ did require that all approved conservation funding must be spent in the Monterey Service Area.

### **D. Monterey Plant Issues**

The settlement agrees to capital projects and investments to provide safe, reliable, high-quality service to customers and continue to meet regulatory requirements for the Central Division of \$71,701,027 for the years 2023 – 2025. MPWMD supported several plant expenditures in the settlement, including \$3.8 million for the Monterey Well Rehabilitation Program, \$3 million for the Well Installation and Replacement Program for the Carmel Valley Well field and the Seaside Basin wells, and \$2.4 million for Los Padres Dam Projects. MPWMD also successfully argued against Cal-Am’s proposed “Water Loss Performance Standards” cost exceeding \$943,000 as a duplicative and unnecessary expenditure.

### **E. Transmission and Distribution Consolidation Denied**

Cal-Am proposed to consolidate all water transmission and distribution net plant assets across all tariff areas into one central pool to be allocated back to each tariff area based on the number of customers in that area. MPWMD and Cal Advocates successfully argued against this.

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<sup>3</sup> It should be noted that any GRC increases authorized by the Commission do not reflect the true rate increase. Surcharges as well as capital projects approved in separate filings add to the cost of water.

<sup>4</sup> To avoid confusion going forward, a new name for the Monterey WRAM or M-WRAM is the Conservation Adjustments for Rate Tier Designs (CART Designs).

## **F. Other Issues**

The Decision agrees with MPWMD's position on other issues such as Cal-Am's request for earthquake insurance (an unreasonable expense costing \$3.3 million annually that would pay up to \$10 million after a \$25 million deductible), and a chemical cost balancing account (a routine expense already forecast).

## **III. Conclusion**

The GRC affords MPWMD an opportunity to obtain information that Cal-Am does not voluntarily provide and to present independent arguments that reflect Monterey customer concerns. MPWMD is also able to work with Cal Advocates on many issues that often result in better outcomes for Cal-Am's Monterey customers.

Cal-Am will file its 2025 GRC application on July 1, 2025, when the process begins again.

### **5.c R.22-04-003 CPUC Acquisition Rulemaking**

This action deals with CPUC Rulemaking. It impacts statewide public utility systems and has particular impact on the Cal-Am system. The scope of the proceeding is to propose rules to provide a framework for Public Water System Investment and Consolidation. The effect of these rules may promote or discourage transfer of local costs which would impose subsidies of local costs to non-local systems. The scope of these regulations may affect purchase prices for distressed assets and impose subsidies on local ratepayers.

It is not clear when a Proposed Decision will be issued by the assigned ALJ or when the matter may be submitted for consideration by the full Commission. On Sept 12, 2024 an Order extended the Statutory Deadline to March 30, 2025.

In addition to pending matters of active litigation referenced above, two matters of threatened litigation exist. as referenced below.

#### **6 – *Cal-Am v. MPWMD and Monterey One Water (action threatened by not yet filed)***

By letter, Cal-Am threatened to file a breach of contract action relating to the Aquifer Storage & Recovery (ASR) Agreement among the parties. The dispute relates to the status of ASR Well.

The parties continue to cooperatively resolve their concerns and have entered into seven consecutive agreements to toll (extend) filing deadlines and facilitate their ability to reach a mutually acceptable settlement.

Cal-Am's most recent comment states it "has been working diligently to address both extraction and injection concerns relating to ASR-04. Due to a variety of technical and several DDW-related procedural issues we now believe that this will not be fully resolved for several months and perhaps up to a year."

#### **7 – *MPWMD v. SWRCB. Case No. 1-10-CV-163328* (Santa Clara County Superior Court) 10/27/2009.**

On July 24, 2024, Sierra Club attorney, Larry Silver, advised by email they will reactivate a claim for attorney's fees in this lawsuit. This Report revises and amends prior characterizations of the attorney's claim submitted by Mr. Silver, based clarifications he sent on an October email.

This case (1-10-CV-163328) asserted four causes of action against the SWRCB related to the Cease & Desist Order. The case was originally filed in Monterey County but was transferred from Monterey to Santa Clara County. A stay of the SWRCB CDO was issued on November 6, 2009 and remained in effect only until November 4, 2010. The matter was appealed to the Sixth District Court of Appeal and in 2014 was remanded to the Superior Court. Sierra Club filed a Motion for Attorneys' Fees in 2012, and the Appellate Court held in 2014 that the Sierra Club was not precluded from filing a Motion for Fees once there was a final judgement in the case.

The case, although dormant, remains pending in the Santa Clara County Superior Court and has not been dismissed. The Sierra Club is an intervenor in this case.

The 2012 Sierra Club Attorney's Fees demand sought \$256,934 for time spent during the 2008 administrative hearing 2008 (efforts related to the 2009 CDO), for time opposing stay of the CDO, and other efforts associated with this matter. The Sierra Club alleged time to be paid by Cal-Am total 209.35 hours; time to be paid by MPWMD total 45.40 hours; and additional time to be shared by both Cal-Am and MPWMD total 167.5 hours. The District timely filed Opposition to the Sierra Club Motion for Attorneys' Fees.

The extent the Sierra Club may change or increase to its 2012 demand is not known.

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**ITEM: PUBLIC HEARING****9. CONSIDER ADOPTION OF JANUARY THROUGH MARCH 2025 QUARTERLY WATER SUPPLY STRATEGY AND BUDGET**

**Meeting Date:** December 16, 2024      **Budgeted:** N/A

**From:** David J. Stoldt,      **Program/**  
General Manager      **Line Item No.:** N/A

**Prepared By:** Jonathan Lear      **Cost Estimate:** N/A

**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)**ESA Compliance:** Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.

**SUMMARY:** The Board will accept public comment and take action on the **January through March 2025** Quarterly Water Supply Strategy and Budget for California American Water’s (Cal-Am’s) Main and Satellite Water Distribution Systems (WDS), which are within the Monterey Peninsula Water Resources System (MPWRS). The proposed budget, which is included as **Exhibit 9-A**, outline monthly production by source of supply that will be required to meet projected customer demand in Cal-Am’s Main and Laguna Seca Subarea systems, i.e., Ryan Ranch, Bishop, and Hidden Hills, during the **January through March 2025** period. The proposed strategy and budget is designed to maximize the long-term production potential and protect the environmental quality of the Seaside Groundwater and Carmel River Basins.

**Exhibit 9-A** shows the anticipated production by Cal-Am’s Main system for each production source and the actual production values for the water year to date through the end of **November 2024**. Cal-Am’s annual Main system production from the Monterey Peninsula Water Resource System (MPWRS) for Water Year (WY) 2025 will not exceed 3,376 acre-feet (AF). Sources available to meet customer demand are 1,474 AF from the Coastal Subareas of the Seaside Groundwater Basin as set by the Seaside Basin Adjudication Decision and 3,376 AF from the Carmel River as set by WRO 2016-16. Additional water projects and water rights available are an estimated 1,050 AF of Pure Water Monterey Injection over this quarter, an estimated 3,677 AF from ASR Phase 1 and 2 storage remaining from WY 2022, 2023, and 2024 injection are available but is being banked for drought reserve, an estimated 75 AF from the Sand City Desalination Plant, and an estimated 138 AF from Cal-Am’s Table 13 water rights. Under Table 13 water rights, Cal-Am is allowed to produce water for in-basin uses when bypass flows are in excess of permit conditions. This water budget proposes to inject an estimated 1,050 AF of Pure Water Monterey and recover about 1,050 AF. The schedule of production from the Carmel Valley Alluvial Aquifer is consistent with State Water Resources Control Board (SWRCB) Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.

According to the Seaside Basin Adjudication Decision, CalAm's production has been reduced to 0 AF. The Quarterly Water Budget Group recognizes that CalAm will need to produce water to serve its customers in the Hidden Hills Distribution System and not all of the demand can be served by the intertie with the main system. Therefore, production in Laguna Seca will be tracked as a ministerial component of tracking production against the Adjudication Decision.

**RECOMMENDATION:** The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff recommends adoption of the proposed budget. The budget is described in detail in **Exhibit 9-B**, Quarterly Water Supply Strategy Report: **January to March 2025**.

**BACKGROUND:** The Water Supply Strategy and Budget prescribes production within CalAm's Main and Laguna Seca Subarea systems and is developed on a quarterly schedule. Staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) cooperatively develop this strategy to comply with regulatory requirements and maximize the environmental health of the resource system while meeting customer demand. To the greatest extent pumping in the Carmel Valley is minimized in the summer months and the Seaside wells are used to meet demand by recovering native water and banked Carmel River water. Also, it was agreed that CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream order and the Upper Valley wells will be used to support ASR injection.

If flows exceed 20 cfs at the District's Don Juan Gage, CalAm is allowed to produce from its Upper Carmel Valley Wells, which are used to supply water for injection into the Seaside Groundwater Basin. The permitted diversion season for ASR is between December 1 and May 31. Diversions to storage for ASR will be initiated whenever flows in the river are above permit threshold values. For planning purposes, the QWB group schedules diversions to ASR storage based on operational days that would occur in an average streamflow year. CalAm may also divert under Table 13 Water Rights for in-basin use within Carmel Valley when flows are adequate. This schedule is estimated with average year streamflow conditions and daily demand for Carmel Valley. CalAm will schedule the recovery of Pure Water Monterey water stored in the Seaside Basin with the goal of removing all water injected over the operational reserve for WY 2024. There is also a projected goal of producing 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

Rule 101, Section B of the District Rules and Regulations requires that a Public Hearing be held at the time of determination of the District water supply management strategy. Adoption of the quarterly water supply strategy and budget is categorically exempt from the California Environmental Quality Act (CEQA) requirements as per Article 19, Section 15301 (Class 1). A Notice of Exemption will be filed with the Monterey County Clerk's office, pending Board action on this item.

## **EXHIBITS**

**9-A** Quarterly Water Supply Strategy and Budget for Cal-Am Main System: January to March 2025

**9-B** Quarterly Water Supply Strategy and Budget Report: January to March 2024

EXHIBIT 9-A

**California American Water Main Distribution System  
Quarterly Water Supply Strategy and Budget: January - March 2025**

**Proposed Production Targets by Source in Acre-Feet**

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Jan-25	Feb-25	Mar-25	Oct-24 - Nov-24	% of YTD	% of Annual Budget
<b>Source</b>						
<u>Carmel Valley Aquifer</u>						
Upper Subunits (Service)	100	100	100	0		
Lower Subunits (Service)	125	125	125	678	141%	40%
ASR Diversion	230	320	345	0		
Table 13 Diversion (Service)	38	52	48	0		
<b>Total</b>	493	597	618			
<u>Seaside Groundwater Basin</u>						
Coastal Subareas	50	75	100	293	108%	44%
Phase 1 and 2 ASR Recovery	0	0	0	0	0%	0%
Sand City Desalination	25	25	25	42	84%	14%
Pure Water Monterey	350	350	350			
<b>Total</b>	425	450	475			
<b>Total for All Sources</b>	<b>918</b>	<b>1,047</b>	<b>1,093</b>			
<b>Use</b>						
Customer Service	650	675	700			
Phase 1 and 2 ASR Storage	230	320	345			
Table 13 In Basin use	38	52	48			
<b>Total</b>	<b>918</b>	<b>1,047</b>	<b>1,093</b>			

## Notes:

- The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
- Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (4,850 AF) times the average percentage of annual production for January, February and March (7.9%, 6.8%, and 8.3%, respectively). According to District Rule 160, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 1,474 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 3,376 AF in WY 2023. The average production percentages were based on monthly data for customer service from WY 2012 to 2015.
- Anticipated production for ASR injection is based on an average diversion rate of approximately 2,700 gallons per minute (gpm) or 12 AF per day from CAW's sources in the Carmel River Basin. "Total" monthly CAW "Use" includes water for customer service and water for injection into the Seaside Basin.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the assumption that sufficient flow will occur in the Carmel River at the targeted levels, to support ASR injection. It is planned that Coastal Subarea pumping will not occur, or will be proportionally reduced, if ASR injection does not occur at targeted levels.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation during WY 2023 to be in compliance with SWRCB WRO No. 95-10.
- It should be noted that monthly totals for Carmel Valley Aquifer sources may be different than those shown in MPWMD Rule 160, Table XV-3. These differences result from monthly target adjustments needed to be consistent with SWRCB WRO 98-04, which describes how Cal-Am Seaside Wellfield is to be used to offset production in Carmel Valley during low-flow periods. Adjustments are also made to the Quarterly Budgets to ensure that compliance is achieved on an annual basis with MPWMD Rule 160 totals.
- Table 13 values reflect source/use estimates based on SWRCB Permit 21330, which allows diversions from the CVA for "In Basin use" (3.25 AFD) when flows in the River exceed threshold values. In accordance with Water Rights Permits 21330 and CDO2009-0060, water produced and consumed under this right is subtracted from the CVA annual base amount. Actual values will be dependant on the number of days flows exceed minimum daily instream flow requirements.



## EXHIBIT 9-B

### **Quarterly Water Supply Strategy and Budget Report California American Water Main Water Distribution System: January to March 2025**

#### 1. Management Objectives

The Monterey Peninsula Water Management District (District) desires to maximize the long-term production potential and protect the environmental quality of the Carmel River and Seaside Groundwater Basins. In addition, the District desires to maximize the amount of water that can be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin while complying with the instream flow requirements recommended by the National Marine Fisheries Service (NMFS) to protect the Carmel River steelhead population. Additionally the QWB seeks to shift a large component of pumping from the Carmel River to the Seaside Groundwater Basin to recover injected PWM water. To accomplish these goals, a water supply strategy and budget for production within California American Water's (Cal-Am's) Main and Laguna Seca Subarea water distribution systems is reviewed quarterly to determine the optimal strategy for operations, given the current hydrologic and system conditions, and legal constraints on the sources and amounts of water to be produced.

#### 2. Quarterly Water Supply Strategy: January to March 2025

On December 9, 2024 the Quarterly Water Budget Group which includes staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) met and discussed the proposed water supply strategy and related topics for upcoming quarter.

**Carmel River Basin** Cal-Am will operate its wells in the Lower Carmel Valley in a downstream to upstream sequence, as needed to meet customer demand. The group planned that WY 2025 would be a normal water year and storms will bring up in stream flows to support ASR injections and Table 13 diversions. ASR injections are limited to 14 Acre Feet per day because ASR 3 and ASR 4 are scheduled to be used to recover PWM water and therefore will not be available to support injection of excess Carmel River water. It was agreed that CalAm would plan to produce water from the wells in the Lower Carmel Valley to support system demand. PWM Recovery will be the primary source to meet system demand. December is the first month permits allow for ASR and Table 13 Diversions. If storms in December bring River conditions within permit conditions, Cal-Am will use the increase the production from the Carmel Valley wells to provide water for injection into the Seaside Basin.

**Seaside Groundwater Basin** Cal-Am has shut off the Upper Carmel Valley wells and turned on the Seaside wellfield. The Seaside wells are currently being used to recover PWM injected water and Native Seaside Groundwater. PWM water will be recovered at the same rate injected this quarter with the goal maximizing PWM as a source to meet system demand and shift

pumping away from the Carmel River Basin. There is also a goal to produce 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

It is recognized that, based on recent historical use, Cal-Am's production from the Laguna Seca Subarea during this period may not be reduced to zero, as is set by Cal-Am's allocation specified in the Seaside Basin Adjudication Decision. In this context, the production targets represent the maximum monthly production that should occur so that Cal-Am remains within its adjudicated allocation for the Laguna Seca Subarea. Under the amended Seaside Basin Decision, Cal-Am is allowed to use production savings in the Coastal Subareas to offset over-production in the Laguna Seca Subarea. However, the quarterly budget was developed so that Cal-Am would produce all native groundwater in the Coastal Subareas and Laguna Seca production would be over the Adjudication allotment. On February 5, 2020 the Seaside Groundwater Basin Watermaster Board voted to allow Cal-Am to claim carryover credits to cover the pumping over the Laguna Seca allotment in the interim prior to establishing a physical solution. Because of this decision, the Quarterly Water Budget Group decided that the table presenting the Laguna Seca allotment of zero would no longer be necessary as the Watermaster is now planning to handle the pumping over allotment with a different mechanism.

**ITEM: PUBLIC HEARING****10. CONSIDER FIRST READING OF ORDINANCE NO. 196 - ESTABLISHING ALLOCATIONS OF WATER FROM THE PURE WATER MONTEREY EXPANSION PROJECT**

**Meeting Date:** December 16, 2024      **Budgeted:** N/A

**From:** David Stoldt      **Program/** N/A  
**General Manager**      **Line Item No.:**

**Prepared By:** Stephanie Locke      **Cost Estimate:** N/A

**General Counsel Review:** Yes.**Committee Recommendation:** The draft ordinance was reviewed by the Water Demand Committee on December 5, 2024.**CEQA Compliance:** See CEQA section of staff report.

**SUMMARY:** Construction of the Pure Water Monterey (PWM) Expansion project is expected to be completed in fourth quarter 2025. The PWM Expansion will bring the permanent replacement water supply that will enable the lifting of State Water Resources Control Board Cease-and-Desist Order (CDO) and the California Public Utilities Commission's moratorium on the setting of new Cal-Am meters. Ordinance No. 196 (**Exhibit 10-A**) sets forth the process and the Jurisdictional Allocations from this new water supply.

Ordinance No. 196 allocates a portion of the new PWM supply and retains flexibility to be able to allocate additional supply when needed to meet future water demands of the Jurisdictions. The ordinance allocates 371 Acre-Feet (AF) (the first allocation) of water from the PWM Expansion to the District's Jurisdictions as follows:

Jurisdiction	Proposed PWM Expansion Allocation	Existing Allocation 11/ 30/2024*	Total Allocation*
Carmel	14 AF	2.479 AF	16.479 AF
Del Rey Oaks	6 AF	0 AF	6.000 AF
Monterey	141 AF	0.469 AF	141.469 AF
Pacific Grove	32 AF	0.024 AF	32.024 AF
Sand City	14 AF	0 AF	14.00 AF
Seaside	21 AF	29.292 AF	50.292 AF

Unincorporated County	72 AF	12.940 AF	84.940 AF
Monterey Peninsula Airport District	44 AF	5.197 AF	49.197 AF
Department of Defense Sites	27 AF	0 AF	27.000 AF
District Reserve	2,097 AF	8.607	2,105.607 AF

\*These columns will be updated upon the effective date of the ordinance to reflect Paralta and pre-Paralta Allocations remaining in each Jurisdiction.

### **Jurisdiction and Water Demand Committee Review**

The District's General Manager met with representatives of each of the Jurisdictions in September 2024 to describe the Allocation process and the proposed Allocations and to address any concerns or questions. In addition, there have been ongoing presentations to each governing body over the past two months.

The draft ordinance was reviewed by the Water Demand Committee on December 5, 2024. The committee provided feedback to staff and unanimously recommended the ordinance move to the Board for consideration. Following the meeting, staff amended the draft ordinance to add findings, clarify reporting requirements, and to add periodic review of the Allocations following the AMBAG Regional Growth Forecast.

**CEQA:** In August 2023, the Board received a technical memorandum from Rincon Consultants on the appropriate environmental action for the Allocation Process. The Technical Memorandum concluded (a) that the proposed water allocation qualifies as a project under CEQA because it is being undertaken by a public agency and has the potential for reasonably foreseeable indirect physical changes in the environment, such as facilitating land development through the provision of increased water supplies. In other words, the additional water that would be available to Jurisdictions in the District's service area could facilitate development that would have otherwise been impossible due to lack of water availability; and (b) the document review determined that the Pure Water Monterey Supplemental Environmental Impact Report (EIR), SCH No. 2013051094 (2021 SEIR) certified April 2021, had already analyzed the growth-inducing and secondary environmental effects associated with the proposed water allocation, which is, in practice, a continuation of the District's existing water allocation program. Based on those findings, Rincon recommended preparation of Addendum No. 2 to the 2021 SEIR.

The District prepared the EIR Addendum pursuant to CEQA Guidelines Sections 15162 and 15164 to evaluate whether the project's environmental impacts are covered by and within the scope of the 2021 SEIR for the Expanded PWM/GWR Project. This Addendum details any changes in the project, changes in circumstances under which the project is undertaken, and/or "new information of substantial importance" that may cause one or more effects to environmental resources.

The responses therein substantiate and support the District Board's March 2024 determination that the additional water allocation is within the scope of the 2021 SEIR, does not require subsequent action under CEQA Guidelines Section 15162 and, in conjunction with the 2021 SEIR, adequately



analyzes potential environmental impacts. The District Board of Directors considered and approved the Addendum in conjunction with the 2021 SEIR and found that there is substantial evidence that there will be no new significant impacts and none of the conditions described in Section 15162 of the CEQA Guidelines calling for preparation of a subsequent EIR have occurred.

**RECOMMENDATION:** Following a public hearing, the Board should approve the first reading of Ordinance No. 196.

**EXHIBIT**

**10-A** Draft Ordinance No. 196

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**EXHIBIT 10-A****FIRST READING DRAFT  
ORDINANCE NO. 196  
AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
ALLOCATING WATER FROM  
PURE WATER MONTEREY EXPANSION****FINDINGS**

1. The Monterey Peninsula Water Management District (“District”) is organized and exists under the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, and published at Water Code Appendix, Section 118-1, et seq.) (“District Law”).
2. The District is charged under the Monterey Peninsula Water Management District Law with the integrated management of all ground and surface water resources in the Monterey Peninsula area.
3. State Water Resources Control Board (“SWRCB”) Order No. WR 95-10 dated July 6, 1995, determined that California American Water (“Cal-Am”) did not have the right to divert as much water from the Carmel River system as it historically did. The SWRCB, through Order WR 2009-0060, authorized Cal-Am to continue these diversion levels until 2017, and then again through Order WR 2016-0016 to 2021, at which point alternative water supplies were required to avoid significant threats to the health, safety and welfare of residents, businesses, visitors and property owners on the Monterey Peninsula.
4. The Pure Water Monterey (“PWM”)/Groundwater Replenishment Project (“PWM/GWR”) is an advanced water recycling project, jointly developed by MPWMD and Monterey One Water (“M1W”). The PWM Groundwater Replenishment Final Environmental Impact Report (“2015 EIR”) was certified by M1W in October 2015, with Addenda approved in June 2016, March 2017, and October 2017 to address project changes (SCH #2013051094; MPWMD/M1W 2015, 2016, 2017a, 2017b). Initially, the approved PWM/GWR Project had an operational capacity of 4.0 million gallons per day (mgd). In 2017, M1W approved a modification to the PWM/GWR Project that expanded operational capacity from 4.0 mgd

to 5.0 mgd (MPWMD/M1W 2019). The PWM/GWR Project is owned and operated by M1W. Currently, MPWMD sells 3,500 AFY of water from PWM/GWR to Cal-Am.

5. In 2019, M1W prepared a Draft Supplemental EIR for modifications to expand the water supply yield of the approved PWM/GWR Project. These modifications would expand facility peak capacity from 5 mgd to 7.6 mgd and would ultimately result in an additional 2,250 AFY of purified recycled water for injection into the Seaside Groundwater Basin. MPWMD would subsequently extract and sell a total average yield of 5,750 AFY to Cal-Am (MPWMD/M1W 2019). The PWM/GWR Project would also deliver 600 AFY to the Marina Coast Water District. The 5,750 AFY of water would replace a portion of the water supply for Cal-Am, which has been required by the SWRCB to reduce drafting water from the Carmel River to legally permitted levels. The Final Supplemental EIR (“2021 SEIR”) was certified in April 2021, and an Addendum was approved in November 2021 (SCH #2013051094, MPWMD/M1W 2020, 2021).
6. The District Law grants MPWMD general and specific powers to cause sufficient water to be available for present and future beneficial use or uses of lands or inhabitants within the District. MPWMD Rule 30 requires the District to establish a specific Allocation for each Jurisdiction to manage water supplies throughout the District.
7. The PWM Expansion provides a permanent replacement water supply that will enable the lifting of the SWRCB Cease and Desist Order (CDO) and the California Public Utilities Commission (“CPUC”) moratorium on the setting of new meters.
8. Ordinance No. 196 allocates a portion of the additional new water supply made available by the expansion of the PWM/GWR Project amongst the Monterey Peninsula Jurisdictions within the District’s service area. The District anticipates that the additional water supply will be on-line by the fourth quarter of 2025. The Amended and Restated Water Purchase Agreement for the Pure Water Monterey (PWM) Expansion project was signed in March 2023.
9. The District considered several factors when determining the allocation, including but not limited to historical average water consumption data, water production data, water availability, and estimates of job and population growth for each Jurisdiction based on the Association of Monterey Bay Area Governments (AMBAG) 2022 Regional Growth Forecast.

10. The District is allocating a portion of the new supply and retains flexibility to be able to allocate additional supply when needed to meet future water demands of the Jurisdictions.
11. In May 2023, the District authorized an environmental consultant to perform a literature review of Environmental Impact Reports (EIRs), Supplemental EIRs, general plans, etc. for water projects and future growth and then advise the District through a technical memorandum on the appropriate environmental action for the Allocation Process. The Technical Memorandum concluded (a) that the proposed water allocation qualifies as a project under CEQA because it is being undertaken by a public agency (the District) and has the potential for reasonably foreseeable indirect physical changes in the environment, such as facilitating land development through the provision of increased water supplies. In other words, the additional water that would be available to Jurisdictions in the Cal-Am Service Area within the District could facilitate development that would have otherwise been impossible due to lack of water availability; and (b) The document review determined that the Pure Water Monterey 2021 Supplemental EIR (SEIR) had already analyzed the growth-inducing and secondary environmental effects associated with the proposed water allocation, which is, in practice, a continuation of the District's existing water allocation program. Based on those findings, the District undertook preparation of an Addendum to the SEIR.
12. The District prepared the EIR Addendum which supported the District's determination that the additional water allocation is within the scope of the 2021 SEIR, did not require subsequent action under CEQA Guidelines Section 15162 and, in conjunction with the 2021 SEIR, adequately analyzes potential environmental impacts. The Addendum was adopted by the District Board in February 2024.

NOW THEREFORE, be it ordained as follows:

## **ORDINANCE**

**Section One:**     **Short Title**

This ordinance shall be known as the Pure Water Monterey Expansion Allocation Ordinance of the Monterey Peninsula Water Management District.

**Section Two:**     **Purpose**

This ordinance establishes initial Allocations of water from Pure Water Monterey Expansion for delivery by California-American Water Company to the Jurisdictions in the Monterey Peninsula Water Management District.

**Section Three: Amendment to Rule 31, Report on Status of Water Allocations**

Rule 31 shall be amended as shown in bold italics for new text (*bold italics*) and strikeout (~~strikeout~~) for deletions.

The District shall *prepare a Monthly Allocation Report for the Board of Directors with information about debits and credits to Allocations, Entitlements, and other water tracking processes related to Water Permits. This report shall be available to the public.* ~~prepare and distribute an annual record to each Jurisdiction showing the current water balance for each Allocation.~~

**Section Four: Amendment to Rule 33, Jurisdictional and Reserve Water Allocations**

Rule 33 shall be amended as shown in bold italics for new text (*bold italics*) and strikeout (~~strikeout~~) for deletions. Table 5 shall be added (not shown in bold italics):

**RULE 33 - JURISDICTIONAL AND RESERVE WATER ALLOCATIONS**

**A. JURISDICTIONAL ALLOCATIONS**

Permits to authorize new or Intensified Water Use from the California-American Water Company shall be issued by the District for use in any Jurisdiction pursuant to the application and approval process set forth in District ~~Rule 23~~*Regulation II. Future allocation of water may occur by resolution of the Board of Directors.* The total quantity of new or Intensified Water Use in each respective Jurisdiction, shall not exceed the amounts set forth in ~~this section~~*Table 5, MPWMD Cal-Am Water Allocations by Jurisdiction:*

Carmel by the Sea	19.41 Acre Feet
Del Rey Oaks	8.10 Acre Feet
Monterey (City)	76.32 Acre Feet
Pacific Grove	25.77 Acre Feet
Sand City	51.86 Acre Feet

Seaside	65.45 Acre Feet
Monterey County	87.71 Acre Feet
Monterey Peninsula Airport District	8.10 Acre Feet
District Reserve (Allocated)	15.28 Acre Feet

*Table 5*

*MPWMD Cal-Am Water Allocations by Jurisdiction*

<i>Jurisdiction</i>	<i>Proposed PWM Expansion Allocation</i>	<i>Existing Allocation as of 11/ 30/24*</i>	<i>Total Jurisdictional Allocation*</i>
<i>Carmel</i>	<i>14 AF</i>	<i>2.479 AF</i>	<i>16.479 AF</i>
<i>Del Rey Oaks</i>	<i>6 AF</i>	<i>0 AF</i>	<i>6.000 AF</i>
<i>Monterey</i>	<i>141 AF</i>	<i>0.469 AF</i>	<i>141.469AF</i>
<i>Pacific Grove</i>	<i>32 AF</i>	<i>0.024 AF</i>	<i>32.024 AF</i>
<i>Sand City</i>	<i>14 AF</i>	<i>0 AF</i>	<i>14.000 AF</i>
<i>Seaside</i>	<i>21 AF</i>	<i>29.292 AF</i>	<i>50.292 AF</i>
<i>Unincorporated Monterey County</i>	<i>72 AF</i>	<i>12.940 AF</i>	<i>84.940 AF</i>
<i>Monterey Peninsula Airport District</i>	<i>44 AF</i>	<i>5.197 AF</i>	<i>49.197 AF</i>
<i>Department of Defense Sites</i>	<i>27 AF</i>	<i>0 AF</i>	<i>27.000 AF</i>
<i>District Reserve</i>	<i>2,097 AF</i>	<i>8.607</i>	<i>2,105.607 AF</i>

\*Allocation will be updated to reflect Paralta and Pre-Paralta Allocations remaining in each Jurisdiction upon the effective date of the ordinance. (This asterisked information shall not be published in Rule 33.)

**B. DISTRICT RESERVE**

The District Reserve Allocation shall refer to a quantity of water available for use at the District's discretion, including future allocation. The District Reserve Allocation can be augmented by dedications of water from a Water Entitlement, Water Use Credit, Water Credit, or a new Source of Supply.

**C. WATER WEST ADJUSTMENT RESERVE**

A special reserve shall be *has been* established to replenish *separate from* the Monterey County Allocation for new *and intensified* water use *approved by Monterey County* which occurs within the boundaries of the former Water West Water Distribution System *in Carmel Valley*. Replenishment of Monterey County's Allocation from this special reserve shall occur only upon the approval of water use for real property within the Water West boundary. The total quantity of water use to replenish Monterey County's Allocation *available* pursuant to this paragraph shall not exceed 12.76 Acre-Feet (sales).

**D. LIMIT ON FUTURE WATER ALLOCATIONS COST OF ALLOCATION**

There will be no further allocation of water until an adequate water supply is established. *There shall be no sale of water from an Allocation by a Jurisdiction. Water permitted from an Allocation shall, however, be subject to the Capacity Fee collected by the District.*

**E. RELEASE OF ALLOCATION**

*A Jurisdiction shall release water from an Allocation by use of the Water Release Form approved by the District. A Water Release Form shall expire after five years or more frequently as determined by the Jurisdiction. Jurisdictions are encouraged to maintain records of the release of water and expiration therein.*

**F. DETERMINATION OF ALLOCATIONS**

1. *The District began the process of determining Jurisdictional Allocations in 2023, culminating in a meeting on September 12, 2024, to provide a detailed overview of the District's methodology and process for distribution of the new supplies. The process was summarized for Jurisdictions' boards and councils at subsequent public meetings.*

*The methodology used by the District to determine the Allocations of water to be available in 2025 included, but was not limited to:*

a. *The recent 5-year average water demand by Jurisdiction.*



- b. *Total water supplies, inclusive of the Pure Water Monterey Expansion, were calculated and the existing recent 5-year average total demand was subtracted. Of the difference, 1,000 AF was identified to be held in the District Reserve as a “factor of safety.” The remainder was considered “available” for allocation.*
  - c. *The 25-year growth rate in water demand by Jurisdiction was forecasted based upon the Association of Monterey Bay Area Governments (AMBAG) Regional Growth Forecast, utilizing population growth for future Residential water use and job growth for future Non-Residential water use.*
  - d. *The alternate methodology of a survey was used for determining future demands for the Monterey Peninsula Airport District and the Army, Navy, and Coast Guard (Department of Defense Sites).*
  - e. *Adjustments, if any, were made for the 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA).*
  - f. *It was determined that the 25-year total increase in demand was less than the new supplies available for allocation. Based on each Jurisdiction’s forecasted 25-year demand, a portion of its future demand has been Allocated from the new available supply (Pure Water Monterey Expansion) and the remainder retained in the District Reserve, available for future allocation.*
  - g. *Existing unused Jurisdictional Allocations as of the effective date of this Ordinance were left intact.*
2. *The Board of Directors shall examine the Allocations at least every four years following the AMBAG Regional Growth Forecast. Allocations may be reviewed more frequently at the discretion of the Board.*

**G. BISHOP AND RYAN RANCH SUB-UNITS**

*Henceforth, water Connections in the Bishop and Ryan Ranch subsystems of Cal-Am shall be tracked and accounted for using the same methodology as the*

*Main California American Water System described in Regulation II, including the requirement for authorization of water from the Jurisdiction's Allocation as described in Rule 23 and calculated in Rule 24.*

**Section Four:      Availability of Allocations**

Each Jurisdiction should limit the release of water from its Allocation to projects that will not be completed before December 31, 2025, until Pure Water Monterey Expansion has received its final approval from the City of Marina. All projects using an Allocation, with the exceptions of the Bishop, Ryan Ranch, and Hidden Hills units of Cal-Am, are subject to the moratorium on new Connections imposed by SWRCB Orders WR 2009-0060 and WR 2016-0016.

**Section Five:      Residential Retrofit Credit (Ordinances 74 and 90)**

Ordinances No. 74 and No. 90 enacted a program allowing toilet retrofit water savings to be used to offset added water fixtures in Residential uses. The ordinances specified that the reinvested savings must be debited from a future allocation. From 1995 through 1998, 12.7 Acre-Feet (AF) of savings were used through the program. As required by the program, 12.7 AF shall be accounted for from the District Reserve Allocation.

**Section Six:      Effective Date**

This ordinance shall take effect at 12:01 a.m. on March 1, 2025.

**Section Seven:      Severability**

If any subdivision, paragraph, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or enforcement of the remaining portions of this ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion by Director \_\_\_\_\_, and second by Director \_\_\_\_\_, the foregoing ordinance is adopted upon this \_\_\_ day of \_\_\_\_\_, 2025 by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true and correct copy of an ordinance duly adopted on the \_\_\_ day of \_\_\_\_\_ 2025.

Witness my hand and seal of the Board of Directors this \_\_\_ day of \_\_\_ 2025.

\_\_\_\_\_  
David J. Stoldt, Secretary to the Board

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DRAFT



**ITEM: ACTION ITEM****11. RECEIVE FISCAL YEAR 2023-2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT****Meeting Date: December 16, 2024**                      **Budgeted: N/A****From: David J. Stoldt,**  
**General Manager**                      **Program/**                      **N/A**  
**Line Item No.:****Prepared By: Nishil Bali**                      **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on December 9, 2024.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** A draft copy of the District’s Annual Comprehensive Financial Report (ACFR) for Fiscal Year (FY) 2023-24 is provided for review. Draft copies of the Independent Auditors’ Report and Board Communication Letter (required communication letter from the Auditors to the Board) for the fiscal year ending June 30, 2024, have been received from the District’s auditors, CliftonLarsonAllen (previously Hayashi & Wayland). The final audit will be posted on the District’s website after it has been accepted by the Board. CliftonLarsonAllen has been the District’s auditor since 1989.

This is the tenth year that the District has prepared an ACFR. An ACFR is a set of government financial statements comprising the financial report of a governmental agency that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). GASB provides standards for the content of an ACFR in its annually updated publication. The District’s ACFR is audited by an external certified accounting firm utilizing GASB requirements. An ACFR is composed of three sections:

**Introductory section** – Includes the transmittal letter.

**Financial section** – Includes the independent auditor’s report and contains management’s discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplementary information, combining financial statements, and schedules.

**Statistical section** – Includes additional financial, economic, and demographic information.

The auditors have issued an “unmodified opinion” on the District’s ACFR for Fiscal Year 2023-24. An unmodified opinion is the opinion where the auditor expresses that the financial statements are fairly presented, in all material respects, in accordance with the generally accepted accounting principles in the United States. The audit did not identify any deficiencies in the internal control

that the auditors consider to be material weaknesses. Representatives from CliftonLarsonAllen will be available at the meeting to review the Board Disclosure Letter.

A Management Letter may be issued in conjunction with the Report to offer suggestions for improvements on matters that came to the auditors' attention in connection with the audit, however, such a letter was not deemed necessary by CliftonLarsonAllen in connection with the audit for this fiscal year.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ended June 30, 2023. This was the ninth year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we will be submitting it to the GFOA to determine its eligibility for another certificate.

**RECOMMENDATION:** District staff recommends that the Board review and receive the Annual Comprehensive Financial Report for the year ending June 30, 2024.

## **EXHIBITS**

**11-A** Draft Annual Comprehensive Financial Report for FY 2023-2024

**11-B** Draft Board Disclosure Letter

# Annual Comprehensive Financial Report

For The Fiscal Year Ended June 30, 2024



(Photo: <https://www.mpwmd.net/who-we-are/>)

MONTEREY PENINSULA  
**WATER**  
MANAGEMENT DISTRICT

5 Harris Court, Bldg G, Monterey CA 93940  
(831) 658-5600 • [www.mpwmd.net](http://www.mpwmd.net)

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MONTEREY, CALIFORNIA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**DRAFT**

Prepared by:

Financial/Administrative Services Division



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**INTRODUCTORY SECTION**



(Photo: CAWD/PBCSD Reclamation Project)



December 16, 2024

To the Honorable Chair and Board of Directors of Monterey Peninsula Water Management District,

We are pleased to present the Monterey Peninsula Water Management District’s (MPWMD or District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. The ACFR provides an assessment of the District’s financial condition, informs readers about District services, gives details of infrastructure replacement projects, discusses current issues, and provides financial and demographic trend information.

The California Government Code requires an annual independent audit of MPWMD’s financial statements by a Certified Public Accountant. The District’s financial statements have been audited by CliftonLarsonAllen LLP (Auditor). The Auditor’s opinion is included in the financial section of this ACFR.

This report was prepared by the Financial/Administrative Services Division in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). To the best of our knowledge and belief, the data as presented, is accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and changes in the financial position of the District as measured by the financial activity including disclosures necessary to enable the reader to gain the maximum understanding of the District’s financial affairs. While the independent Auditors have expressed an unmodified (“clean”) opinion that MPWMD’s financial statements are presented in conformity with generally accepted accounting principles (GAAP), responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the District.

### ***Profile of the District***

The District is a special district created in 1977 by the California Legislature and ratified by local voters in 1978. The District has four primary responsibilities. The first is to augment and manage the development of potable water supplies and the delivery of this water to users in the Monterey Peninsula area. The second is to promote water conservation. The third is to promote water reuse and reclamation of storm and wastewater. The fourth is to protect the environmental quality of the Monterey Peninsula area’s water resources.

The District serves approximately 114,000 people within the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Seaside, Sand City, Monterey Peninsula Airport District, and portions of unincorporated Monterey County including Pebble Beach, Carmel Highlands, and Carmel Valley.

The District has an authorized staff of 25 full-time employees providing services within its jurisdiction. The District is made up of the following divisions consisting of: General Manager’s Office, Financial/Administrative Services, Water Resources, Environmental Resources, and Water Demand.

### ***Governance***

MPWMD is a public agency (special district) governed by a seven-member Board of Directors (Board), five elected from the District’s voter divisions, one member of the Monterey County Board of Supervisors, and one elected official or chief executive officer appointed by a committee comprised of mayors from jurisdictions within the District boundaries. The elected board members serve staggered four-year terms. Annually, a Chair and Vice Chair are chosen among the Board members. MPWMD operates under a Board-Manager form of government. The Board of Directors appoints the General Manager who is responsible for the administration of the District. The General Manager organizes and directs District activities in

accordance with the Board's policies.

The Board meets in a regular session on the third Monday of each month. Regular meetings are held at 6:00 p.m. at the Monterey Peninsula Water Management District, Conference Room, 5 Harris Court, Building G, Monterey, California. Board meetings are open to the public.

### ***Budget Process***

Annually, the District prepares and adopts an operating budget and updates its three-year Capital Improvement Program (CIP). Both serve as the District's financial planning and fiscal control functions. Budgets are adopted on a basis consistent with Governmental GAAP. Budgetary controls are set at the fund level and are maintained to ensure compliance with the budget approved by the Board of Directors. The District's budget is a detailed operating plan that identifies estimated costs in relation to estimated revenues. The budget includes the projects, services, and activities to be carried out during the fiscal year and the estimated revenue available to finance these operating and capital costs. The budget represents a process wherein policy decisions made by the Board of Directors are adopted, implemented, and controlled. Budget control is maintained through the use of project codes and account appropriations. Actual expenditures are then compared to these appropriations on a monthly basis. The General Manager or the Chief Financial Officer has the discretion to transfer appropriations between activities. Board approval is required for any overall increase in appropriations or changes to the Capital Improvement Program. Additionally, a mid-year budget adjustment is prepared and presented to the District's Board for adoption.

### ***Economic Condition and Outlook***

In water year<sup>1</sup> (WY) 2024, approximate production for customer service was 8,972 acre-feet (AF) of water, including 3,355 AF from Pure Water Monterey (PWM), 3,829 AF from the Carmel River, 1,682 from Seaside Groundwater sources, and 105 AF from the Sand City Desalination Facility. In the third-best year ever, the District injected 1,519 AF (acre-feet) via the Aquifer Storage and Recovery Project (ASR), enough to meet 17% of annual demand. To begin WY 2025, the District had 2,189 AF stored in the Pure Water Monterey Operating Reserve and 3,677 AF in the Aquifer Storage and Recovery banked storage. Customer demand for 2024 decreased by 151 AF over the year prior.

As a result of legal and regulatory constraints on the Carmel River and Seaside Aquifer over the last twenty-five years, long-term water supplies available to Monterey Peninsula customers from those sources have been reduced. New, permanent replacement water supplies are now being expanded. The Pure Water Monterey project, funded and built by Monterey One Water, MPWMD (District), and Marina Coast Water, now provides 38% of the Peninsula's water. The District believes that the expansion of Pure Water Monterey will supply all the drinking water needed for housing, jobs, growth, and drought for at least the next 30 years and is more affordable and better for the environment than desalination. The California Public Utilities Commission approved a Water Purchase Agreement in support of the 2,250 acre-feet per year (AFY) expansion, signed on March 31, 2023. Construction began in August 2023 and is expected to be completed in late 2025.

Construction of the Pure Water Monterey Expansion project is expected to be completed in late 2025. If California American Water (Cal-Am), the District, and the State Water Board all cooperate, the PWM Expansion is expected to bring the permanent replacement water supply that will lift the State's cease and desist order (CDO) against Cal-Am and the moratorium on service connections for new housing. A portion of the new supply (over and above existing demand) will be allocated to local cities and other jurisdictions through a process led by the District and will involve the staff and policy councils/boards of the local jurisdictions.

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<sup>1</sup> A water year runs from October 1 through September 30

### *Major Initiatives*

During the current fiscal year, the District continued, completed, or initiated a number of significant projects, which include the following:

Pure Water Monterey Project (PWM) – The District provided funding and planning assistance to the Project, working in partnership with Monterey One Water, which owns and operates the system. Since the inception of the PWM project in 2020 through the end of WY 2024, a total of 15,163 feet (AF) of advanced purified water was injected into the Seaside Groundwater Basin. Of the injected water, Cal-Am recovered 12,974 AF for customer service and 2,189 AF was allocated to the Operational Reserve.

In WY 2024 alone, 3,819 AF of PWM water was injected with Cal-Am recovering 3,500AF for customer service and the remainder allocated to the Operational Reserve. At over 3,500 AF per year of water delivered for customer service, PWM is the largest water project to come online to help offset the Cease-and-Desist Order.

Aquifer Storage and Recovery (ASR) – Since the inception of the ASR program in 1998 through the end of WY 2024, a total of 14,124 AF of Carmel River water was diverted for storage in the Seaside Groundwater Basin. Water has been recovered as allowed by State Water Board Orders and the Quarterly Water Budget process. In WY 2024 alone, 1,519 AF of Carmel River water was diverted to storage with Cal-Am recovering none for customer service. At the end of WY 2024, a total of 3,677 AF of stored ASR water remains available for customer service. Cal-Am continued to use District facilities to treat produced waters recovered from the ASR and Pure Water Monterey projects.

Integrated Regional Water Management (IRWM) Program – MPWMD continues to manage grants for the Monterey Peninsula. Duties include: (a) Application coordination and submission; (b) Agreement execution and coordination with the California Department of Water Resources; (c) Invoicing, with documentation, on behalf of the Local Project Sponsors; and (d) Reporting. In 2024, the District began to expend two grants awarded to the District for the benefit of the Pure Water Monterey Expansion project: 1) Urban Community Drought Relief Grant from the Department of Water Resources for \$11,935,206, and 2) Directed Assistance Grant coordinated by the State Water Resources Control Board for \$4,800,000.

In FY 23-24, the District was awarded an Integrated Regional Water Management (IRWM) Implementation Round 2 Grant for the Monterey Peninsula region for \$1,488,961. The two project recipients are: 1) Carmel River Floodplain Restoration and Environmental Enhancement (Carmel River FREE), sponsored by Monterey County, and 2) the Olivier Street Stormwater Diversion Project, sponsored by the City of Monterey. The District received the IRWM Implementation Round 1 Grant in 2020. The grant award was \$2,238,904 for three non-District projects: 1) The Coe Avenue Recycled Water Pipeline in Seaside sponsored by Marina Coast Water District; 2) The Del Monte Manor Low Impact Development Project located in a severely disadvantaged community and sponsored by the City of Seaside; and 3) The West End Stormwater Improvement Project located in a disadvantaged community and sponsored by the City of Sand City. The Coe Avenue and Del Monte Manor projects were completed in 2023, and the West End Project will be under construction in 2024.

Legally-Mandated Carmel River Mitigation and Stewardship – The District has continued to implement the mitigation program associated with its 1990 Water Allocation Environmental Impact Report. It includes rescue and rearing of threatened steelhead from drying portions of the Carmel River, streambank restoration and maintenance, and lagoon habitat monitoring. This work is required under the California Environmental Quality Act. It is designed to offset the impacts associated with water extraction in the Carmel River Alluvial Aquifer and, ultimately, the flows in the Carmel River.

The District successfully rescued 6,352 juvenile steelhead from four Carmel River Basin tributaries in 2023 which were released into the Carmel River at the creek confluences. 304 rescued fish were implanted with radio tags before release.

The District also monitors the status of the juvenile population, which has continued to be healthy since the end of the 2015 drought. District crews carried out a Vegetation Management Program in the active channel of the Carmel River to prevent debris dams and erosion. This included trimming back encroaching vegetation and reducing the hazard of downed trees in preparation for winter flows. In addition, the District took emergency action and cut several large trees that had fallen into the river during winter storms into smaller sections. The smaller debris will be naturally scattered by the flowing river when winter storms return. The District also assisted property owners along the Carmel River by evaluating streambanks for stability after high erosive stream flows and recommending protective measures.

Salinas and Carmel Rivers Basin Study – The District continued to work with the Basin Study Team (USGS and U.S. Bureau of Reclamation) to evaluate future water demands, supplies, and the effects of climate change. The study includes the Salinas River Valley through Monterey and San Luis Obispo Counties, the Monterey Peninsula, and the Carmel River Basin. The U.S. Bureau of Reclamation is providing \$1.8 million in grant funds. The U.S. Bureau of Reclamation recently submitted a project extension request through May 2026.

Permitting – As the regional entity responsible for compliance with State landscaping regulations, the District issued 55 Water Permits for new and refurbished landscapes. A total of 140,766 square feet of new landscape area was permitted. The rehabilitated area totaled 181,103 square feet. The District also approved two Water Distribution System Permit amendments. The September Ranch system was amended to allow the water pumped from the permitted system to be conveyed to Cal-Am’s plant and returned to the property to serve 45 Parcels. The second amendment was to set System Limits and add a Residential Use to the Scarlett WDS Permit. Thirteen Confirmation of Exemptions from the Water Distribution System permit requirements were issued for private properties that met the criteria.

Conservation – The District approved 781 rebate applications for \$272,142 for quantifiable annual savings of 7.87 AF of water. Properties transferring ownership continued to self-certify compliance with the water efficiency requirements, and the District provided Certifications of Compliance as verification. The District issued 743 Water Permits and 74 Water Use Permits to Benefited Properties (i.e., properties eligible to receive a portion of a Water Entitlement). Staff completed 1,020 property inspections to verify compliance with water efficiency standards for changes of ownership and use, and 794 inspections were done to verify compliance with Water Permits. Staff mailed notices to property owners and businesses and conducted 77 Non-Residential property inspections to verify compliance with water efficiency standards.

The District provided twenty online courses on conservation topics including rainwater capture, composting to improve soil water holding capacity, landscape design, greywater, protecting trees, irrigation basics, and removing lawns. Staff distributed water conservation devices at various community events, including the Carmel Valley Fiesta, Monterey County Fair, and the West End Celebration. The District posted regular updates to its Facebook page and Instagram account. As a partner with the Water Awareness Committee for Monterey County, the District participated in presentations and assemblies at local schools.

Community Outreach – To help the public better understand the role of the District in conservation and water supply on the Monterey Peninsula, the District ran monthly ads in the local newspapers, posted on social media, and produced a regular email newsletter. The District also actively engaged with local media on water supply projects, the Cal-Am acquisition (Measure J), and other relevant topics.

Summer Splash – Entries were about the same as the previous year for the 2024 Summer Splash Challenge, a fun family-oriented conservation game sponsored by the District in partnership with Cal-Am. Prizes included a High-Efficiency Clothes Washer, an iPad, and Amazon Gift Cards. The game was designed for families and launched in the summer when children were out of school. The Challenge was to complete an educational gameboard where participants visited the event website and watched water efficiency videos to find the answers to gameboard questions.

Measure J – In November 2018, voters passed an initiative requiring the District to acquire the local water supply and distribution facilities of California American Water, if feasible. In 2021, the District prepared an application to the Monterey County Local Agency Formation Commission (LAFCO) to annex 58 parcels (Yankee Point and Hidden Hills), update its Municipal Services Review (MSR), and to “activate” the District’s authority to provide water service directly to end-use customers. LAFCO approved the annexation and MSR but denied the activation of powers. The District challenged that denial in a petition for writ of review filed in April 2022. The District prevailed and LAFCO was directed by the Court to vacate the denial. While the LAFCO lawsuit was pending, MPWMD’s appraisers completed their appraisal of the California-American Monterey Water System (the Subject Property Interests) sought to be acquired in this action and, on or about April 3, 2023, MPWMD made an offer to Cal-Am to acquire the Subject Property Interests in an amount equal to the full amount of its appraisal. Cal-Am rejected the offer on or about April 28, 2023, indicating it was not interested in selling the system. In October 2023, the District Board approved a Resolution of Necessity authorizing the taking of the Monterey Water System via eminent domain. The eminent domain complaint was filed by the District on December 18, 2023, and remains active in Monterey County Superior Court.

The CAWD/PBCSD Reclamation Project – The District is a participant in the Carmel Area Wastewater District (CAWD)/Pebble Beach Community Services District (PBCSD) Reclamation Project (the Project), which is a cooperative effort that involves the CAWD, the PBCSD, and the Pebble Beach Company. The project did not create a new or separate legal entity; therefore the Project is included as a Proprietary (Enterprise) Fund of the District, the issuer of the Certificates of Participation which financed the project. The Project’s 2023-24 financial statements were audited by The Pun Group, LLP.

More financial information is available under Management Discussion and Analysis included in the Financial Section.

### ***Internal Control***

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

### ***Investment Policy***

The Board of Directors annually adopts an Investment Policy that conforms to California State Law, District ordinances and resolutions, prudent money management, and the “prudent investor” standards. The objectives of the Investment Policy are safety, liquidity, and yield. District funds are normally invested in the State Treasurer’s Local Agency Investment Fund (LAIF), Certificates of Deposits, and Money Market accounts.

### ***District Revenues***

District’s major funding sources have been: Property Taxes, Water Supply Charge, User Fee, PWM Water Sales, Permit Processing Fees, Project Reimbursements, Grants, and others. Property tax allocations are collected and remitted by the County of Monterey. Water Supply Charge is levied by the District on property tax bills and is collected and remitted by the County of Monterey. In March, the Monterey County Superior Court ruled that the continued collection of the surcharge violated the sunset clause in an ordinance MPWMD approved in 2012 to create that charge. Although the District appealed this ruling, it has been setting aside the revenues from this surcharge in a reserve since. In FY 2024, the sixth Circuit Court of Appeal ruled in favor of the Plaintiff and the District is negotiating a settlement of the case which is likely to involve



refunding monies that had been collected, but set aside. The User Fee is paid by the ratepayers of the California American Water Company as a surcharge on consumer bills. Project reimbursements are mostly collected from the California American Water Company ratepayers.

### ***District Expenses***

District's expenditures are classified into the following major categories: Salaries, Employee Benefits and Other Personnel, Project Expenditures, Operating Expenditures, Professional Fees, Capital Outlay, and Debt Service.

### ***Independent Audit***

State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of CliftonLarsonAllen, LLP has conducted the audit of the District's financial statements. The audit was conducted in accordance with auditing standards generally accepted in the United States of America. The firm's report has been included in the financial section of this report.

### ***Other References***

More information is contained in the District's management discussion and analysis and the notes to the basic financial statements found in the financial section of this report.

### ***Awards***

#### ***GFOA Award***

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Monterey Peninsula Water Management District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an 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 the GFOA to determine its eligibility for another certificate.

### ***Acknowledgements***

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the District. We appreciate the dedicated efforts and professionalism that these staff members contribute to the service of the District's customers. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Monterey Peninsula Water Management District's fiscal policies.

Respectfully submitted,

David J. Stoldt  
General Manager

Nishil Bali  
Chief Financial Officer / Administrative  
Services Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Monterey Peninsula Water Management District  
California**

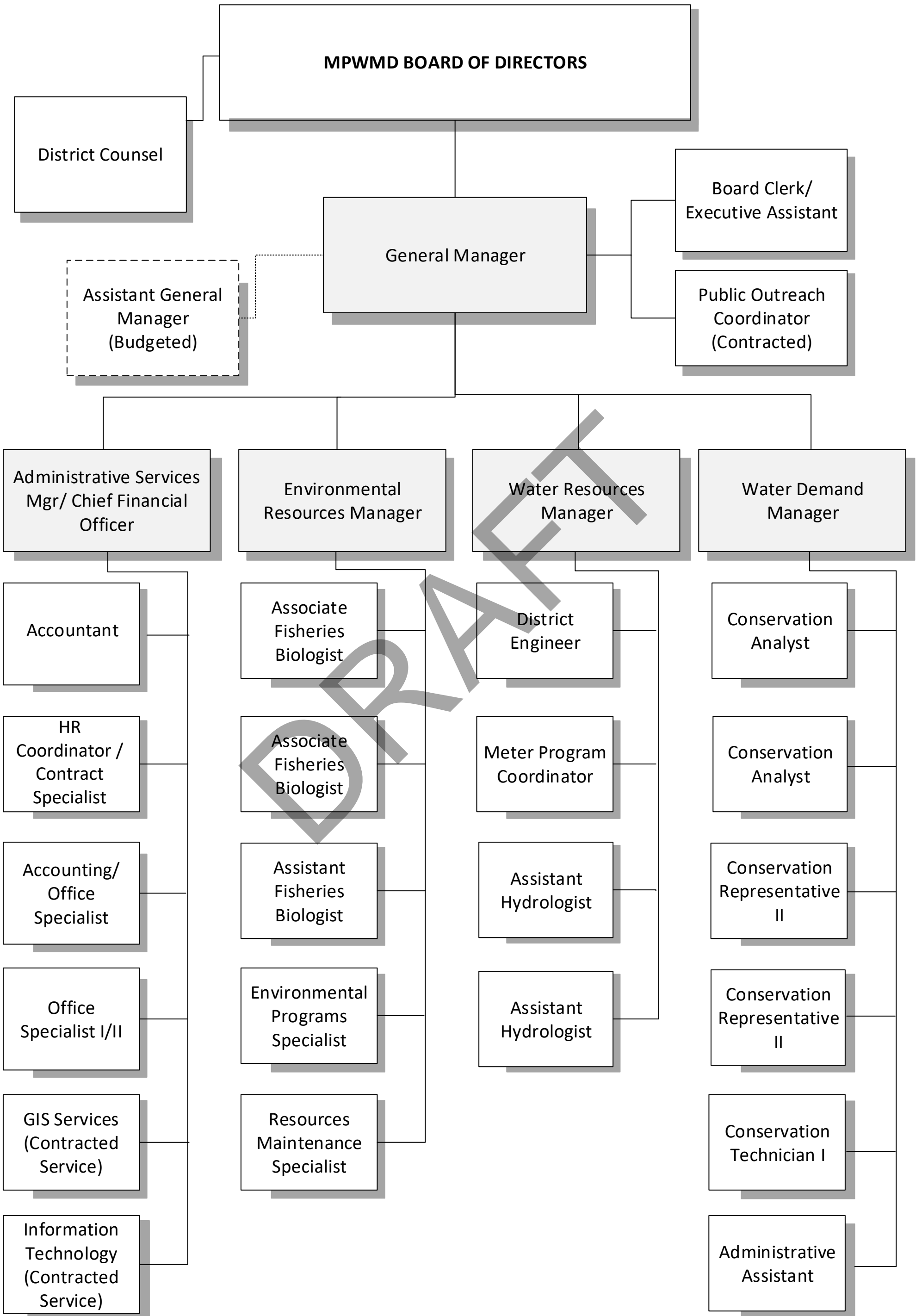
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

### District Organization Chart



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
JUNE 30, 2024**

Board of Directors

Chair – Division 5	Amy Anderson
Vice Chair – Division 2	George Riley
Director – Division 1	Alvin Edwards
Director – Division 3	Marc Eisenhart
Director – Division 4	Karen Paull
Director – Mayoral Representative	Ian Oglesby
Director – Monterey County Board of Supervisors Representative	Mary Adams

Executive Staff

General Manager	David J. Stoldt
Administrative Services Manager/CFO	Nishil Bali
Environmental Resources Manager	Thomas Christensen
Water Resources Manager	Jonathan Lear
Water Demand Manager	Stephanie Locke
Executive Assistant/Clerk of the Board	Sara Reyes

DRAFT

**FINANCIAL SECTION**



(Photo: Fish Rescue)

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Monterey Peninsula Water Management District  
Monterey, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Monterey Peninsula Water Management District (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 as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Monterey Peninsula Water Management District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the CAWD/PBCSD Reclamation Project (the proprietary fund) which statements reflect 100% of the assets, net position, and revenues of the business-type activities as of June 30, 2024 (See Note 2). Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the proprietary fund, is based solely on the report of the other auditors.

#### *Basis for Opinions*

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Monterey Peninsula Water Management 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 opinions.

#### *Responsibilities of Management for the Financial Statements*

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 Monterey Peninsula Water Management District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' 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 auditors' report that includes our opinions. 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 Monterey Peninsula Water Management 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 Monterey Peninsula Water Management 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 on pages 4 through 13, the budgetary comparison schedules on pages 56 through 58, the schedule of changes in the total OPEB liability and related ratios on page 60, the schedule of proportionate share of the net pension liability on page 61 and the schedule of contributions – pension on page 62 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 and other auditors 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.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Section but does not include the basic financial statements and our auditors' opinion thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

### ***Report on Summarized Comparative Information***

We have previously audited the Monterey Peninsula Water Management District financial statements and based on our audit and the report of the other auditors, we expressed unmodified audit opinions on the respective financial statements of the governmental activities, business-type activities, and each major fund, in our report dated February 26, 2024. The financial statements of the business-type activities, the CAWD/PBCSD Reclamation Project (the proprietary fund), for the year ended June 30, 2023 were audited by other auditors, whose report dated October 31, 2023 expressed an unmodified opinion on those statements. In our opinion based on our audit and the report of the other auditors, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**CliftonLarsonAllen LLP**

Salinas, California  
REPORT DATE



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

This section of the Monterey Peninsula Water Management District's (the District) annual comprehensive financial report presents a discussion and analysis of the District's performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages i – vi of this report and the District's financial statements, which follow this section.

The District was created by the California Legislature in 1977 and ratified by local voters in 1978. The District has four primary responsibilities. The first is to augment and manage the development of potable water supplies and the delivery of this water to users in the Monterey Peninsula area. The second is to promote water conservation. The third is to promote water reuse and reclamation of storm and wastewater. The fourth is to protect the environmental quality of the Monterey Peninsula area's water resources, including the protection of instream fish and wildlife resources.

The District is also a participant in the Carmel Area Wastewater District/Pebble Beach Community Services District Reclamation Project (the Project), which is a cooperative effort that also involves the Carmel Area Wastewater District, the Pebble Beach Community Services District, and the Pebble Beach Company. The cooperative effort did not create a new or separate legal entity. Therefore, the Project is included as a Proprietary (Enterprise) Fund of the District, the issuer of the Certificates of Participation which financed the project.

## **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the governmental activities of the District exceeded its liabilities and deferred inflows of resources at the close of the year ending June 30, 2024 by \$36.98 million (net position). However, \$19.07 million is net investment in capital assets.
- The assets and deferred outflows of resources of the business-type activities of the District exceeded its liabilities and deferred inflows of resources at the close of the year ending June 30, 2024 by \$38.37 million (net position). However, \$35.35 million is net investment in capital assets.
- The District's total governmental activities net position increased by approximately \$7.36 million for the year ended June 30, 2024. The increase in net position can mostly be attributed to increases in net revenues related to user and permit fees and tax revenue, capitalized project and water assets, and grant revenues from the Pure Water Monterey (PWM) Expansion project. Depreciation expenses for the year were \$700 thousand.
- The District's total business-type activities net position decreased by approximately \$388 thousand for the year ended June 30, 2024. Revenues were lower than expenses for the current year due to a decrease in revenues from fixed cost charges. Amortization expenses for the year were \$1.78 million.
- Capital outlay and capitalized project expenditures of \$1.62 million consisted mostly of funds expended for Reclamation storage facilities improvements, Sleepy Hollow facility upgrade, various transportation, office, and purchase of Pure Water Monterey reserve water.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the basic financial statements, and required supplementary information.

The financial statements provide both long-term and short-term information about the District's financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by required supplementary information that further explains and supports the information in the financial statements.

The District's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statement of Activities. All assets and liabilities associated with the operation of the District are included in the Statement of Net Position.

**Government-Wide Financial Statements** – The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements include all the governmental activities of the District. The governmental activities of the District include conservation, mitigation, and water supply. The business-type activity includes the water reclamation project.

The government-wide financial statements can be found on pages 14 and 15 of this report.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

### **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Fund Financial Statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detail information about the most significant funds, not the District as a whole. The District, like other special districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are segregated into two categories: governmental funds and proprietary funds. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

**Governmental Funds** – The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's projects. Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and government-wide statements.

The District maintains three individual governmental funds. Information is presented separately in the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Water Supply Fund, Conservation Fund, and the Mitigation Fund, all of which are considered to be major funds.

**Proprietary Fund** – The District maintains one type of proprietary fund, the enterprise fund. Proprietary funds are reported using the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activity in the government-wide financial statements but provide more detail and additional information. The District uses an enterprise fund to account for the CAWD/PBCSD Reclamation Project.

The fund financial statements can be found on pages 16 through 22 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 55 of this report.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

## OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension and other postemployment benefits (OPEB) to its employees. This section also includes budgetary comparison schedules which compare the budgeted amounts for the fiscal year with the activity for the District's major governmental funds – the Water Supply Fund, Conservation Fund, and Mitigation Fund. Required supplementary information can be found on pages 56 to 62 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position

This Statement of Net Position, the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the District's financial health or position. Net position is reported in three categories: Net Investment in capital assets, Restricted and Unrestricted. Unrestricted assets are funds available for future operational and capital expenditures.

	Summary of Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
Current and Other Assets	\$ 36,303,493	\$ 25,270,472	\$ 3,402,443	\$ 2,759,790	\$ 39,705,936	\$ 28,030,262
Capital Assets, Net	19,069,081	18,378,993	35,352,530	36,900,334	54,421,611	55,279,327
Total Assets	<u>55,372,574</u>	<u>43,649,465</u>	<u>38,754,973</u>	<u>39,660,124</u>	<u>94,127,547</u>	<u>83,309,589</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	3,420,942	3,541,139	-	-	3,420,942	3,541,139
<b>LIABILITIES</b>						
Current Liabilities	8,101,621	3,828,342	377,992	894,655	8,479,613	4,722,997
Long-Term Liabilities	12,860,171	12,556,424	-	-	12,860,171	12,556,424
Total Liabilities	<u>20,961,792</u>	<u>16,384,766</u>	<u>377,992</u>	<u>894,655</u>	<u>21,339,784</u>	<u>17,279,421</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	850,041	1,184,080	-	-	850,041	1,184,080
<b>NET POSITION</b>						
Net Investment in Capital Assets	19,069,081	18,378,993	35,352,530	36,900,334	54,421,611	55,279,327
Unrestricted	17,912,602	11,242,765	3,024,451	1,865,135	20,937,053	13,107,900
Total Net Position	<u>\$ 36,981,683</u>	<u>\$ 29,621,758</u>	<u>\$ 38,376,981</u>	<u>\$ 38,765,469</u>	<u>\$ 75,358,664</u>	<u>\$ 68,387,227</u>

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by approximately \$75.36 million at the end of the current year, which is an increase of approximately 10% since June 30, 2023.

Capital assets decreased due to capital additions of \$1.62 million offset by depreciation/amortization of \$2.48 million.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Net Position (Continued)**

The decrease in deferred inflows of resources is due to a change in the deferred pension and OPEB adjustments.

Liabilities increased due to increases in the OPEB liability and net pension liability.

Unrestricted net position increased due to the changes in net position described in the next section.

**Change in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>REVENUES</b>						
Program Revenue:						
Charges for Services	\$ 26,229,265	\$ 24,775,060	\$ 4,337,330	\$ 6,829,372	\$ 30,566,595	\$ 31,604,432
Operating Grants	4,046,848	458,949	-	-	4,046,848	458,949
General Revenues:						
Property Taxes	2,835,328	2,584,391	-	-	2,835,328	2,584,391
Investment Income	928,033	162,465	35,301	216	963,334	162,681
Miscellaneous	82,514	46,898	-	-	82,514	46,898
Total Revenues	<u>34,121,988</u>	<u>28,027,763</u>	<u>4,372,631</u>	<u>6,829,588</u>	<u>38,494,619</u>	<u>34,857,351</u>
<b>EXPENSES</b>						
Conservation	2,333,306	1,938,053	-	-	2,333,306	1,938,053
Mitigation	3,005,536	2,916,434	-	-	3,005,536	2,916,434
Water Supply	21,423,221	16,574,115	-	-	21,423,221	16,574,115
Interest	-	134,558	-	-	-	134,558
Reclamation Project	-	-	4,761,119	4,916,246	4,761,119	4,916,246
Total Expenses	<u>26,762,063</u>	<u>21,563,160</u>	<u>4,761,119</u>	<u>4,916,246</u>	<u>31,523,182</u>	<u>26,479,406</u>
<b>CHANGE IN NET POSITION</b>	7,359,925	6,464,603	(388,488)	1,913,342	6,971,437	8,377,945
Net Position - Beginning of Year	<u>29,621,758</u>	<u>23,157,155</u>	<u>38,765,469</u>	<u>36,852,127</u>	<u>68,387,227</u>	<u>60,009,282</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 36,981,683</u>	<u>\$ 29,621,758</u>	<u>\$ 38,376,981</u>	<u>\$ 38,765,469</u>	<u>\$ 75,358,664</u>	<u>\$ 68,387,227</u>

Governmental activities increased the District's net position by approximately \$7.36 million. Key elements resulting in the net increase are as follows:

- Higher than anticipated collection of permit fees, user fees through Cal-Am, property tax collections, and investment income contributed to an increase in net position.
- Increase of \$1.30 million in capitalized project expenditures, most of which included water purchases for the District's operating reserve.
- Increase of \$3.74 million in grants revenue from reimbursements related to Pure Water Monterey Expansion project.
- Depreciation expense and pension cost offset the increase in net position by approximately \$700 thousand and \$344 thousand, respectively.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Change in Net Position (Continued)**

Business-type activities, related to the CAWD/PBCSD Reclamation Project, decreased the District's net position by approximately \$388 thousand. Key elements resulting in the net decrease are as follows:

- Water sales revenue increased 5.2% over the prior year.
- Total amount of water sold was 9.2% less than the prior year. Last year total water sales included 812-acre feet (AF) of reclaimed water. That figure contrasts with 882 AF of reclaimed water for the current year.
- Net nonoperating expenses decreased 98.3% from prior year due primarily to a decrease in interest expense to Pebble Beach Company.
- Total plant operating expenses (exclusive of amortization) were 62.8% less than the prior year as follows:
  - Plant operating expenses were 1.6% higher than in fiscal year 2023 and 7.5% under budget. Briefly the reasons for the variances:
    - Plant labor expenses were 4.4% higher than in 2023, reflected most significantly in the Lab supervisor up 51.4%, plant operators up 14.1%, and maintenance mechanic up 10.3%.
    - Electricity costs increased 8.3% over prior year and were 15.0% under budget.
    - Chemical costs were down 0.9% from 2023 and were 9.7% under budget. Timing continues to make it difficult to compare one year to the next as chemicals are expenses when purchased. Sodium hypochlorite was up 80.0% over 2023, polymer was up 42% over 2023, clean-in-place chemicals were down 54.0% from 2023, and citric acid was 29.9% down from 2023.
    - Operating supplies were 27.8% over budget and 16.6% under prior year. Primary overages in repairs and maintenance (54.8%), electrical supplies (835.9%), and RO membrane elements (111.8%).
    - Contractual services were under budget by 15.6% and over prior year actual by 26.0%. Contract lab analysis was 246.4% over prior year and 251.4% over budget.
  - Distribution costs were 29.8% below budget and 17.1% lower than the prior year. Pebble Beach Community Services District (PBCSD) administrative and engineering salaries were under budget 11.6% while staff salaries were over budget 0.49%. Utilities were 22.3% higher than the prior year and 6.7% over budget. Other O&M expenses were 44.8% less than the prior year and 62.6% under budget.
  - Pebble Beach Company and Independent Golf Club Users liaison expenses were 0.2% under budget and 3.5% less than prior year.
  - Carmel Area Wastewater District (CAWD) administrative salaries and other expenses were 19.3% over budget and 6.1% greater than the prior year. Primary overages were in salaries, specifically Admin Service Coordinator over budget by 103.1%.
  - Monterey Peninsula Water Management District (MPWMD) general and administrative costs were 5.0% over budget and 2.6% lower than the prior year.
  - Potable water was 94.5% less than the prior year and 47.6% less than budget.
- With the implementation of the amended and restated Construction & Operation Agreement the intent was to budget annually for a break-even position. The budgeted costs of operations, capital, and debt service are all incorporated into the water sales rate structure.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

The Water Supply Fund is the chief operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund accounts for financial resources to be used for the acquisition of or construction of major capital facilities (other than those financed by Proprietary Funds and Special Assessments).

The Special Revenue Funds are used to account for specific revenue sources for which expenditures are restricted by law or regulation to finance particular activities of the District. The Conservation Fund accounts for financial resources used to fund water conservation activities mandated by District legislation including permit issuance and enforcement, jurisdictional water allocations, and public water conservation education. This includes the Toilet Replacement Refund Program and other rebates, which decrease water demand on the Carmel River. The Mitigation Fund accounts for financial resources used to finance work along the Carmel River carried out pursuant to the Mitigation Program designed to ameliorate impacts identified in the District's Allocation Program Environmental Impact Report.

At the end of the current fiscal year, the District's governmental funds reported a total fund balance of \$26.10 million. The Water Supply Fund has a fund balance of \$7.66 million, the Conservation Fund has a fund balance of \$7.81 million, and the Mitigation Fund has a fund balance of \$10.64 million.

During the current fiscal year, the fund balance of the District's Water Supply Fund increased by \$735 thousand, the Conservation Fund increased by \$1.44 million, and the Mitigation Fund increased by \$2.25 million. The increase in the Water Supply Fund is due to an increase in water sales and user fees. The increase in the Conservation and Mitigation Funds is due to the transfer from the Water Supply Fund and the increase in user fees.

The District's uses an enterprise fund to account for the CAWD/PBCSD Wastewater Reclamation Project. At the end of the current fiscal year, the District's enterprise fund reported a net position of \$38.37 million.

During the current fiscal year, the net position of the District's enterprise fund decreased by \$388 thousand.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

## **BUDGET HIGHLIGHTS/VARIANCES**

This section provides information on budgetary adjustments and results for the District's main operating fund – the water supply fund.

**Original Budget Compared to Final Budget** – During the year, the District made modifications to its original budget for the water supply fund. There was a need for amendments to the original estimated revenues or budgeted appropriations. After a review of six months of revenues and appropriations, modifications were made to the revenue line items based on more realistic projections for the remainder of the year. Appropriations were modified in the same manner based on the latest projections for the following six months. Most of the changes resulted in reductions to expected grant reimbursement and project expenditures. Generally, the movement of the appropriations between departments was not significant. Final budgeted revenues for the water supply fund were lower than the original budget by \$6.40 million and total appropriations were decreased from the original budget by approximately \$4.37 million.

**Final Budget Compared to Actual Results** – The District's budget projected expenditures for the water supply fund of \$30.61 million. The District finished the budget year with expenditures of \$22.09 million, which was approximately \$8.52 million or 27.8% less than budgeted. The difference was mostly attributable to reimbursable project expenditures being \$8.85 million under budget due to expenditure delays in the construction of the PWM Expansion project offset by an increase in legal fees related to collection of the Water Supply Charge.

The District's budget projected operating revenues for the water supply fund of \$31.66 million. The District finished the budget year with operating revenues of \$23.88 million, which was \$7.78 million or 24.6% less than budgeted. The difference was mostly attributable to grants and project reimbursements being approximately \$9.26 million under budget, being offset by capacity charges being approximately \$873 thousand over budget and investment income being approximately \$275 thousand over budget.

For the District's enterprise fund, an annual budget is adopted by the Reclamation Management Committee (RMC) for management purposes. Budget information is reported to the RMC and adjustments to the budget may only be made by resolution of the committee.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The District's capital assets, net of accumulated depreciation/amortization, at June 30, 2024 totaled \$54.4 million, as shown below. This amount represents a net decrease, including additions and disposals, net of depreciation/amortization, of approximately \$857 thousand or 1.6% from June 30, 2023.

Significant capital asset events during the fiscal year included the following:

- Sleepy Hollow facility upgrades at a cost of \$93,551.
- Pure Water Monterey reserves at a cost of \$1,210,230.
- Various transportation and office upgrades at a cost of \$86,374.
- Various lab equipment at a cost of \$106,813.
- Refurbishment of pumps at a cost of \$21,859.



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)**

**Capital Assets (Continued)**

Additional information on the District's capital assets is provided in Note 5 on pages 41-42 of this report.

	<b>Capital Assets (Net of Depreciation/Amortization)</b>	
	2024	2023
Governmental Activities:		
Office Equipment	\$ 36,020	\$ 350
Computer Equipment	596,788	747,256
Operating Equipment	6,766	-
Transportation Equipment	91,626	72,608
Project Equipment	1,105	1,269
Telephone Equipment	-	5,940
Building and Improvements	734,374	792,299
ASR Facilities	8,334,037	8,698,961
Fish Rearing Facility	2,891,975	2,894,150
Water Reserves	6,376,390	5,166,160
Subtotal	19,069,081	18,378,993
Business-Type Activities:		
Water Resale Rights	34,856,905	36,499,218
Construction in Progress	495,625	401,116
Subtotal	35,352,530	36,900,334
Total	\$ 54,421,611	\$ 55,279,327

**Debt Administration**

The District does not currently carry debt from external entities, but reports liabilities for compensated absences, other postemployment benefits and pension expenses.

Additional information on the District's long-term liabilities is provided in Note 7 on page 43 of this report.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

In developing the fiscal year 2024–2025 budget, the staff and management considered several factors that would impact the District's finances, including expected increases in fees and tax revenues, which could be offset by some uncertainty in the collection of water supply charge. The original budget was developed and balanced using expected revenue to cover continuing operating expenditure levels and using fees and reimbursements to fully recover service costs. The original budget assumed continued collection of Water Supply Charge revenue and property tax revenue derived from individual property owners. However, this may change depending on the outcome of pending litigation. The budget includes a full year of PWM water sales and the User Fees collected from Cal-Am ratepayers.

On November 6, 2018, the public voted on Measure J to instruct the District to undertake a feasibility study on the public takeover of California American Water's Monterey Water System. The measure passed with the electorate voting 55.81% to 44.19% in favor of the measure. The District has spent about \$2.37 million for the first three phases of acquisition that included the feasibility study, the Local Agency Formation Commission office's approval, and appraisal through resolution of necessity. The District has budgeted an additional \$1.95 million for phase four of the eminent domain proceedings through bench trial. Additional budget is expected to be approved for utility and other consultants related to the acquisition of the Monterey Water System.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Administrative Services Manager/Chief Financial Officer, Monterey Peninsula Water Management District, 5 Harris Ct., Bldg G, Monterey, California 93940.

**BASIC FINANCIAL STATEMENTS**

DRAFT

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2023)

	Governmental Activities	Business-Type Activities	2024 Total	2023 Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 9,250,822	\$ 1,105,269	\$ 10,356,091	\$ 7,145,985
Investments	21,311,626	1,347,915	22,659,541	18,039,083
Receivables, Net	5,628,649	1,060,458	6,689,107	2,617,515
Prepaid Expenses and Deposits	-	1,197	1,197	4,847
Reserve Funds	-	-	-	222,832
Internal Balances	112,396	(112,396)	-	-
Capital Assets, Net:				
Water Rights	-	34,856,905	34,856,905	36,499,218
Nondepreciable	6,376,390	495,625	6,872,015	5,567,276
Depreciable	12,692,691	-	12,692,691	13,212,833
Total Assets	<u>55,372,574</u>	<u>38,754,973</u>	<u>94,127,547</u>	<u>83,309,589</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PERS Contributions	750,603	-	750,603	738,908
Deferred Pension Adjustments	2,075,327	-	2,075,327	2,196,547
Deferred OPEB Adjustments	595,012	-	595,012	605,684
Total Deferred Outflows of Resources	<u>3,420,942</u>	<u>-</u>	<u>3,420,942</u>	<u>3,541,139</u>
<b>LIABILITIES</b>				
Accounts Payable	7,022,524	377,992	7,400,516	4,263,303
Accrued Liabilities	412,855	-	412,855	70,099
Long-Term Liabilities:				
Due Within One Year	666,242	-	666,242	389,595
Due in More Than One Year	12,860,171	-	12,860,171	12,556,424
Total Liabilities	<u>20,961,792</u>	<u>377,992</u>	<u>21,339,784</u>	<u>17,279,421</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Pension Adjustments	417,464	-	417,464	686,415
Deferred OPEB Adjustments	432,577	-	432,577	497,665
Total Deferred Inflows of Resources	<u>850,041</u>	<u>-</u>	<u>850,041</u>	<u>1,184,080</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	19,069,081	35,352,530	54,421,611	55,279,327
Unrestricted	17,912,602	3,024,451	20,937,053	13,107,900
Total Net Position	<u>\$ 36,981,683</u>	<u>\$ 38,376,981</u>	<u>\$ 75,358,664</u>	<u>\$ 68,387,227</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF NET ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets		2024 Total	2023 Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities		
<b>GOVERNMENTAL ACTIVITIES</b>							
Conservation	\$ 2,333,306	\$ 2,338,357	\$ -	\$ 5,051	\$ -	\$ 5,051	\$ 80,219
Mitigation	3,005,536	4,423,800	304,600	1,722,864	-	1,722,864	1,375,780
Water Supply	21,423,221	19,467,108	3,742,248	1,786,135	-	1,786,135	2,349,408
Interest	-	-	-	-	-	-	(134,558)
Total Governmental Activities	<u>26,762,063</u>	<u>26,229,265</u>	<u>4,046,848</u>	<u>3,514,050</u>	<u>-</u>	<u>3,514,050</u>	<u>3,670,849</u>
<b>BUSINESS-TYPE ACTIVITIES</b>							
Reclamation Project	4,761,119	4,337,330	-	-	(423,789)	(423,789)	1,913,126
Total Business-Type Activities	<u>4,761,119</u>	<u>4,337,330</u>	<u>-</u>	<u>-</u>	<u>(423,789)</u>	<u>(423,789)</u>	<u>1,913,126</u>
Total	<u>\$ 31,523,182</u>	<u>\$ 30,566,595</u>	<u>\$ 4,046,848</u>	<u>3,514,050</u>	<u>(423,789)</u>	<u>3,090,261</u>	<u>5,583,975</u>
<b>GENERAL REVENUES</b>							
Taxes				2,835,328	-	2,835,328	2,584,391
Investment Earnings				928,033	35,301	963,334	162,681
Miscellaneous				82,514	-	82,514	46,898
Total General Revenues				<u>3,845,875</u>	<u>35,301</u>	<u>3,881,176</u>	<u>2,793,970</u>
<b>CHANGE IN NET POSITION</b>							
				7,359,925	(388,488)	6,971,437	8,377,945
Net Position - Beginning of Year				<u>29,621,758</u>	<u>38,765,469</u>	<u>68,387,227</u>	<u>60,009,282</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ 36,981,683</u>	<u>\$ 38,376,981</u>	<u>\$ 75,358,664</u>	<u>\$ 68,387,227</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR JUNE 30, 2023)**

	Water Supply	Conservation	Mitigation	2024 Total	2023 Total
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 4,867,941	\$ 1,986,693	\$ 2,396,188	\$ 9,250,822	\$ 6,124,329
Investments	7,817,586	5,671,301	7,822,739	21,311,626	17,679,275
Receivables, Net	4,655,754	422,419	550,476	5,628,649	1,121,755
Due from Reclamation Project	51,652	16,880	43,864	112,396	122,281
Reserve Funds	-	-	-	-	222,832
Total Assets	<u>\$ 17,392,933</u>	<u>\$ 8,097,293</u>	<u>\$ 10,813,267</u>	<u>\$ 36,303,493</u>	<u>\$ 25,270,472</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 6,729,406	\$ 124,738	\$ 168,380	\$ 7,022,524	\$ 3,368,648
Accrued Liabilities	399,964	5,028	7,863	412,855	70,099
Total Liabilities	<u>7,129,370</u>	<u>129,766</u>	<u>176,243</u>	<u>7,435,379</u>	<u>3,438,747</u>
<b>DEFERRED INFLOWS</b>					
Unavailable Revenue	2,606,309	159,726	1,506	2,767,541	147,775
Total Deferred Inflows	<u>2,606,309</u>	<u>159,726</u>	<u>1,506</u>	<u>2,767,541</u>	<u>147,775</u>
<b>FUND BALANCES</b>					
Committed	617,648	17,670	17,670	652,988	1,219,811
Assigned:					
Insurance/Litigation	171,354	11,906	66,740	250,000	250,000
Capital Equipment	527,016	182,633	915,451	1,625,100	1,294,800
Flood/Drought Emergencies	-	-	500,000	500,000	328,944
Pension/Opeb	408,000	332,000	460,000	1,200,000	1,000,000
Water Supply Reserve	3,213,888	-	-	3,213,888	-
Project Expenditures	2,719,348	7,263,592	8,675,657	18,658,597	17,590,395
Total Fund Balances	<u>7,657,254</u>	<u>7,807,801</u>	<u>10,635,518</u>	<u>26,100,573</u>	<u>21,683,950</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 17,392,933</u>	<u>\$ 8,097,293</u>	<u>\$ 10,813,267</u>		
Amounts reported in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.				19,069,081	18,378,993
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.				2,767,541	147,775
Deferred outflows and inflows of resources related to net pension and OPEB are applicable to future periods, and therefore, are not reported in the funds.					
Deferred outflows of resources				3,420,942	3,541,139
Deferred inflows of resources				(850,041)	(1,184,080)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds				<u>(13,526,413)</u>	<u>(12,946,019)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>				<u>\$ 36,981,683</u>	<u>\$ 29,621,758</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	Water Supply	Conservation	Mitigation	2024 Total	2023 Total
<b>REVENUES</b>					
Property Taxes	\$ 2,818,416	\$ -	\$ -	\$ 2,818,416	\$ 2,578,806
Water Supply Charge	3,363,928	-	-	3,363,928	3,394,345
Water Sales	13,275,500	-	-	13,275,500	12,201,000
User Fees	992,214	1,826,109	4,144,036	6,962,359	6,361,569
Connection Charges, Net of Refunds	1,372,615	-	-	1,372,615	409,101
Permit Fees	-	234,408	-	234,408	211,649
Project Reimbursements	464,272	149,864	279,764	893,900	2,198,123
Investment Income	325,678	283,092	319,263	928,033	162,465
Legal Fee Reimbursements	-	14,520	-	14,520	4,800
Recording Fees	-	58,520	-	58,520	27,291
Grants	1,265,949	-	304,600	1,570,549	458,949
Miscellaneous	3,863	2,773	2,838	9,474	14,807
Total Revenues	<u>23,882,435</u>	<u>2,569,286</u>	<u>5,050,501</u>	<u>31,502,222</u>	<u>28,022,905</u>
<b>EXPENDITURES</b>					
Personnel:					
Salaries	1,335,271	661,781	1,036,354	3,033,406	2,818,717
Employee Benefits and Other Personnel	587,262	345,850	544,657	1,477,769	1,475,828
Services and Supplies:					
Project Expenditures	5,800,209	593,112	676,578	7,069,899	6,436,794
Water Purchases	13,275,411	-	-	13,275,411	12,200,995
Operating Expenditures	344,770	337,917	350,712	1,033,399	922,623
Professional Fees	734,348	188,500	186,493	1,109,341	665,577
Capital Outlay	15,319	12,933	58,122	86,374	348,311
Debt Service:					
Principal	-	-	-	-	2,719,926
Interest and Other Charges	-	-	-	-	134,558
Total Expenditures	<u>22,092,590</u>	<u>2,140,093</u>	<u>2,852,916</u>	<u>27,085,599</u>	<u>27,723,329</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>1,789,845</u>	<u>429,193</u>	<u>2,197,585</u>	<u>4,416,623</u>	<u>299,576</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	1,006,646	47,894	1,054,540	2,057,484
Transfers Out	(1,054,540)	-	-	(1,054,540)	(2,057,484)
Total Other Financing Sources (Uses)	<u>(1,054,540)</u>	<u>1,006,646</u>	<u>47,894</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	735,305	1,435,839	2,245,479	4,416,623	299,576
Fund Balances - Beginning of Year	6,921,949	6,371,962	8,390,039	21,683,950	21,384,374
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 7,657,254</u>	<u>\$ 7,807,801</u>	<u>\$ 10,635,518</u>	<u>\$ 26,100,573</u>	<u>\$ 21,683,950</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

**NET CHANGE IN FUND BALANCES** \$ 4,416,623

Amounts reported in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period these amounts are:

Capitalized Project Expenditures	1,303,781
Capital Outlay	86,374
Depreciation Expense	<u>(700,067)</u>
	<u>690,088</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	2,619,766
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences	153,123
OPEB Costs	(176,037)
Current Year Pension Cost Difference	<u>(343,638)</u>
	<u>(366,552)</u>

**CHANGE IN NET POSITION** \$ 7,359,925

*See accompanying Notes to Basic Financial Statements.*



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF NET POSITION – PROPRIETARY FUND**  
**(CAWD/PBCSD WASTEWATER RECLAMATION PROJECT)**  
**JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR JUNE 30, 2023)**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 1,105,269	\$ 1,021,656
Investments	1,347,915	359,808
Accounts Receivable - Water Sales	1,029,840	1,484,209
Accounts Receivable - Other	30,618	11,551
Total Current Assets	<u>3,513,642</u>	<u>2,877,224</u>
Noncurrent Assets:		
Capital Assets, Net:		
Water Resale Rights	34,856,905	36,499,218
Construction-in-Progress	495,625	401,116
Deposits	1,197	4,847
Total Noncurrent Assets	<u>35,353,727</u>	<u>36,905,181</u>
Total Assets	<u>38,867,369</u>	<u>39,782,405</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable - Trade	107,086	259,935
Accounts Payable - Affiliates	270,906	634,720
Due to Governmental Funds	112,396	122,281
Total Current Liabilities	<u>490,388</u>	<u>1,016,936</u>
Total Liabilities	<u>490,388</u>	<u>1,016,936</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	35,352,530	36,900,334
Unrestricted (Deficit)	<u>3,024,451</u>	<u>1,865,135</u>
Total Net Position	<u>\$ 38,376,981</u>	<u>\$ 38,765,469</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION – PROPRIETARY FUND  
(CAWD/PBCSD WASTEWATER RECLAMATION PROJECT)  
YEAR ENDED JUNE 30, 2024  
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>	<u>2023</u>
<b>OPERATING REVENUES</b>		
Water Sales	\$ 2,917,115	\$ 2,771,615
Fixed Cost Charge	<u>1,420,215</u>	<u>4,057,757</u>
Total Operating Revenues	<u>4,337,330</u>	<u>6,829,372</u>
<b>OPERATING EXPENSES</b>		
Plant Costs	2,208,891	2,173,588
Distribution Costs	421,262	477,614
General and Administration	264,931	245,973
Potable Water	3,535	64,209
MPWMD Fee	81,657	85,385
Amortization	<u>1,779,207</u>	<u>1,775,783</u>
Total Operating Expenses	<u>4,759,483</u>	<u>4,822,552</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(422,153)</u>	<u>2,006,820</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Bond and LC Carrying Costs	-	(3,000)
Interest Expense - PBCo	(1,518)	(90,694)
Investment Earnings (Loss)	35,301	216
Other Nonoperating Expenses	<u>(118)</u>	<u>-</u>
Total Nonoperating Revenue (Expenses)	<u>33,665</u>	<u>(93,478)</u>
<b>CHANGE IN NET POSITION</b>	<u>(388,488)</u>	<u>1,913,342</u>
Net Position - Beginning of Year	<u>38,765,469</u>	<u>36,852,127</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 38,376,981</u>	<u>\$ 38,765,469</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUND**  
**(CAWD/PBCSD WASTEWATER RECLAMATION PROJECT)**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ 4,772,632	\$ 6,885,945
Cash Payments for Operating Expenses	<u>(3,503,174)</u>	<u>(2,942,770)</u>
Net Cash Provided by Operating Activities	<u>1,269,458</u>	<u>3,943,175</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Other Non-operating Income/(Expense)	<u>(118)</u>	<u>-</u>
Net Cash Used by Noncapital Financing Activities	<u>(118)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal Payments on Certificates of Participation	-	(2,600,000)
Principal Paid on PBCo Debt	-	(552,000)
Interest Expense	(1,518)	(90,694)
Bond Carrying and Interest Expenses	-	(3,000)
Construction in Progress - Capital Additions	<u>(231,403)</u>	<u>(971,539)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(232,921)</u>	<u>(4,217,233)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Earnings	35,301	216
Proceeds from Sale and Maturities of Investments	50,000	100,000
Purchase of Investments	<u>(1,038,107)</u>	<u>(193,251)</u>
Net Cash Used by Investing Activities	<u>(952,806)</u>	<u>(93,035)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	83,613	(367,093)
Cash and Cash Equivalents - Beginning of Year	<u>1,021,656</u>	<u>1,388,749</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,105,269</u>	<u>\$ 1,021,656</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
STATEMENT OF CASH FLOWS – PROPRIETARY FUND (CONTINUED)  
(CAWD/PBCSD WASTEWATER RECLAMATION PROJECT)  
YEAR ENDED JUNE 30, 2024  
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>	<u>2023</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (422,153)	\$ 2,006,820
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Amortization	1,779,207	1,775,783
(Increase) Decrease in:		
Receivables	435,302	56,573
Deposits	3,650	(872)
Increase (Decrease) in:		
Accounts Payable	(516,663)	93,672
Due to Governmental Funds	(9,885)	11,199
Net Cash Provided by Operating Activities	<u>\$ 1,269,458</u>	<u>\$ 3,943,175</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Unrealized Gains (Losses) on Investments	<u>\$ 11,622</u>	<u>\$ (6,749)</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Abbreviations Used**

ASR	Aquifer Storage & Recovery
CAW	California–American Water Company
CAWD	Carmel Area Wastewater District
COP	Certificates of participation
O&M	Operations and maintenance
PBCo.	Pebble Beach Company
PBCSD	Pebble Beach Community Services District
Project	CAWD/PBCSD Reclamation Project
PWM	Pure Water Monterey

**B. Description of the Reporting Entity**

The Monterey Peninsula Water Management District was created by Chapter 527, Statutes of 1977 (Assembly Bill No. 1329) of the California Legislature, on September 2, 1977. The District was created to provide integrated management of ground and surface water supplies, and to exercise regulatory control over the collection, storage, distribution, and delivery of water and wastewater within its jurisdiction including, but not limited to, such functions as management and regulation of the use, reuse, reclamation and conservation of water, and bond financing of public works projects. Water service is principally supplied by other entities, but the District has the power to acquire public or private water systems. The District also has the power to levy and collect real estate taxes. Operations were commenced during the fiscal year beginning July 1, 1978.

The District has a seven-member board of directors. Five directors are elected every four years on a staggered basis. Of the other two directors, one must be a member of the Monterey County Board of Supervisors and the other must be a chief executive officer, mayor, or member of the governing body of a city member unit. The Board of Directors has continuing oversight responsibility for the District.

The geographic jurisdiction of the District approximates the Monterey Peninsula and the Carmel River watershed including all of the cities (except Marina) and the unincorporated communities therein.

The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies used by the District:

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Conservation, Mitigation or Water Supply) or identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. The District allocates indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or identifiable activity, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function) is normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.).

Separate fund based financial statements are provided for governmental funds. The District has one proprietary fund. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the water supply, conservation, and mitigation fund. The District has no non-major funds.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if they are collected within sixty days of the end of the current fiscal year.

Property taxes that have been levied and are due on or before year-end are recognized as revenue if they have been collected within sixty days after year-end. Water supply charges, connection charges and permit fees are considered to be measurable when they have been collected and are recognized as revenue at that time. Investment earnings are recorded as earned since they are measurable and available.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, and claims and judgments are recognized only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Proprietary fund level financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from producing and delivering reclaimed water. Operating expenses include the cost of sales, general and administrative expenses, and amortization of capital assets and water resale rights. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Operating revenue comes from sales of reclaimed water. Other revenue comes primarily from the subsidy by PBCo. and from sales of water entitlements.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

The following major funds are used by the District:

Governmental Funds

The following is a description of the Governmental Funds of the District:

**Conservation Fund** – accounts for financial resources used to fund water conservation activities mandated by District legislation. The Water Demand Division provides information and programs to achieve efficient water use and maximize available supplies. This is achieved through community education and outreach, development of incentives and training programs, and by implementing and enforcing permitting and conservation regulations, thereby reducing the community's need for potable water.

**Mitigation Fund** – accounts for financial resources used to finance work along the Carmel River carried out pursuant to the Mitigation Program designed to ameliorate impacts identified in the District's Allocation Program Environmental Impact Report.

**Water Supply Fund** – accounts for financial resources used to fund for acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, and Special Assessments), support for staff relative to water supply, and other water supply related activities.

Proprietary Fund

The following is a description of the Proprietary Fund of the District:

**Enterprise Fund** – accounts for the activity of the CAWD/PBCSD Reclamation Project.



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting**

**1. Cash Equivalents**

The District considers all highly liquid assets which have an original term of less than ninety days to maturity when purchased as cash equivalents.

**2. Pooled Cash**

Cash accounts (Reclamation) which essentially operate as demand deposit accounts are maintained by the Monterey County Treasurer's Office. Available cash balances are controlled and invested by the County Treasurer in pooled investment funds in order to provide safety, liquidity, and high investment returns for all funds. Interest earnings from these funds are generally credited to the District's account on a quarterly basis.

The Monterey County Treasurer's Investment policy is in compliance with Section 53635 of the Government Code of the State of California which permits investments in certain securities and participation in certain investment trading techniques or strategies.

**3. Investments**

Resolution 83-17 adopted September 12, 1983, authorized investment of the District's monies with the State Treasurer for deposit in the Local Agency Investment Fund (LAIF). Money in the fund is invested by the State Treasurer to realize the maximum return consistent with prudent treasury management. All earnings of the fund, less a reimbursement of management costs incurred not to exceed one quarter of one percent of earnings, are distributed to the contributing agencies in their relative shares each quarter. The balances of funds in LAIF are stated at fair value.

The types of investments the District may purchase are not limited by legal or contractual provisions, but the Board has established policies on investments and has so directed their investment managers.

The Project does not have a specific investment policy but generally follows the guidelines of the County of Monterey's Investment Policy. All funds invested are managed to meet the guidelines stated in both California Code Section 53600, et. seq. and the County's investment policy.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**4. Receivables and Deferred Inflows of Resources**

Receivables are amounts due representing revenues earned or accrued in the current period. Receivables which have not been remitted within sixty days subsequent to year end are offset by deferred inflows of resources, and accordingly have not been recorded as revenue in the governmental fund. When the revenue becomes available, the revenue is recognized in the governmental fund. Deferred inflows are detailed on the balance sheet.

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. The allowance is based on an assessment of the current status of individual accounts. At June 30, 2024, the allowance was estimated to be zero.

**5. Prepaid Expenses**

Prepaid expenses are capitalized and amortized ratably over the period of benefit.

**6. Capital Assets**

Property, facilities, and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at acquisition value at the time received. Capital assets are defined by the District as assets with an estimated useful life in excess of one year and an initial, individual cost of more than \$1,000 for equipment and \$5,000 for land, facilities, and improvements.

Property, facilities, and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

Equipment	3 to 20 Years
Building and improvements	5 to 39 Years
Monitoring stations	5 to 10 Years
ASR facilities	30 to 40 Years
Fish rearing facility	5 to 40 Years
Leasehold improvements	10 to 40 Years

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**7. Water Reserves**

The water reserves account has two sub-accounts: the operating reserve and the drought reserve. The District allocates all excess water into either the operating reserve or the drought reserve as it shall determine in its sole discretion. The District owns any water in the reserve account, until such time as operating reserve water or drought reserve water is used to satisfy the water availability guarantee at which point it shall become Company water and be owned by California American Water. The water reserves are capitalized as an intangible asset with an indefinite life and therefore are not subject to amortization.

**8. Water Resale Rights**

Proceeds from the issuance of the Certificates of Participation were used to construct facilities for wastewater reclamation and distribution. The District does not own these facilities, but instead owns the rights to the reclaimed water for resale. The Project capitalizes the costs incurred in order to obtain these water rights in accordance with generally accepted accounting principles for intangible assets. As a result, capital outlay and construction period interest incurred have been capitalized into this account. These rights are presented net of accumulated amortization.

**9. Amortization**

The water resale rights are amortized using the straight-line method over the expected useful life of the reclamation plant which is forty years.

**10. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**11. Compensated Absences**

The District accrues vested liabilities for vacation and sick pay. Permanent employees are vested after one year of full-time employment.

Tier 1 – Employees Hired before July 2013

Vacation accrues at the rate of 10 days per year for the first year of employment, 15 days per year for two to five years of employment, 20 days per year for six to fifteen years of employment, and 22 days per year after fifteen years. Total accruals are limited to 60 days vacation per employee. Sick leave accrues at the rate of 12 days each year. After an employee leaves District employment, they are paid up to 75 days of accrued sick leave.

Tier 2 – Employees Hired after July 2013

Vacation accrues at the rate of 10 days per year for the first to three years of employment, 15 days per year for four to eight years of employment, and 20 days per year after eight years of employment. Total accruals are limited to 45 days vacation per employee. Sick leave accrues at the rate of 12 days each year. After an employee leaves District employment, they are paid up to 30 days of accrued sick leave.

Paid time off is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**12. Interfund Activity**

During the course of operations, transactions occur between individual funds that result in amounts owed between funds, which are classified as “due to/from other funds.” Eliminations have been made on the government-wide statements for amounts due to/from within the governmental funds. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for services to business-type activities of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**13. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Debt payables are reported net of the applicable debt premium or discount. Debt issuance costs are recognized in the current period.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Long-term liabilities of all Proprietary Funds, including any general obligation bonds to be repaid by those funds, are accounted for in the respective funds.

**14. Leases**

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

On June 30, 2024, the District does not have any lease agreements within the scope of GASB Statement 87.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**15. Subscription-Based Information Technology Arrangements (SBITA)**

At the commencement of the subscription term, the District recognized a subscription liability and an intangible right-to-use assets.

The District initially measures the subscription-based IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT liability is reduced by the principal portion of subscription payments made. The subscription-based IT asset is initially measured as the initial amount of the subscription-based IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. The subscription-based IT arrangement asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

On June 30, 2024, the District does not have any Subscription-Based Information Technology Arrangements within the scope of GASB Statement 96.

**16. 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) plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**17. Other Postemployment Benefits (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefits plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when currently due and payable in accordance with the benefit terms.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**17. Other Postemployment Benefits (OPEB) (Continued)**

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

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

**18. Net Position**

The statement of net position presents the Districts assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference reported as net position. Net position is reported in three categories.

- *Net Investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* results when constraints placed on net positions use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted* consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified. 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.

**19. Fund Balances**

Fund balance classifications are based primarily on the extent to which the District is bound to honor constraints on the use of resources reported in each governmental fund.

The District reports the following classifications:

- *Nonspendable* – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid expenses and long-term receivables or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**19. Fund Balances (Continued)**

- *Restricted* – Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Board. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking some type of action (passage of a resolution). Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions or enabling legislation.
- *Assigned* – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purpose but are neither restricted nor committed. Intent is expressed by (a) the General Manager or (b) the Board. The Board has the authority to remove or change the assignment of the funds with a simple majority vote.
- *Unassigned* – This fund balance is the residual classification. It is also used to report negative fund balances in other governmental funds.

When restricted and other fund balance resources are available for use, it is the District's policy to use restricted resources first, followed by committed, assigned and unassigned amounts, respectively.

**20. Property Taxes**

The County of Monterey is responsible for the assessment, collection, and apportionment of property taxes for all taxing jurisdictions, including the District. Secured property taxes for each year ended June 30 are payable in equal installments, November 1, and February 1, and become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes are accounted for as collected and remitted by the County in the governmental funds. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31.

The term "Unsecured" refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed.



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Basis of Presentation and Accounting (Continued)**

**20. Property Taxes (Continued)**

Property tax revenues are recorded in governmental funds as receivables and deferred revenues at the time the tax levy is billed. Current year revenues are those collected within the current period or soon enough thereafter to pay current liabilities, generally within sixty days of year-end. No allowance is provided for delinquent taxes as the lien is considered an enforceable legal obligation.

**21. Permit Fees**

Permit fee revenue is recorded as permits are issued. The District is required to refund permit fees if the permit is not used or to grant an extension of time upon a reasonable request. If a refund is issued, the refunded party also relinquishes any water rights associated with the permit. It is the District's policy to record such refunds as they become payable.

**22. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**23. Reclassifications**

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation.

**24. Summarized Financial Information**

The basic financial statements include certain prior year summarized comparative information in total but not by activities or fund. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 THE CAWD/PBCSD RECLAMATION PROJECT**

The CAWD/PBCSD Reclamation Project (the Project) is a cooperative effort involving the District, the Carmel Area Wastewater District (CAWD), the Pebble Beach Community Services District (PBCSD), and the Pebble Beach Company (PBCo.). This cooperative effort did not create a new or separate legal entity. Therefore, the Project is a proprietary (enterprise) fund of the District, the issuer of the Certificates of Participation which financed the Project's first construction project.

The statements of the Project were audited by the Pun Group whose report has been furnished to us.

The Project provides treated wastewater to irrigate golf courses and open space areas in the Pebble Beach community, which freed up potable water previously used for irrigation. The original Project involved the construction of a new tertiary treatment plant and laboratory facilities located on the site of the existing CAWD secondary wastewater treatment plant, the construction of a new reclaimed distribution system, including a 2.5 million gallon storage tank and irrigation system improvements. Construction of the original Project began in January 1993 and was completed in October 1994. The tertiary treatment plant produces water which meets Title 22 standards specified by the California Department of Health Services, which is a quality acceptable for human contact.

The Project's assets are owned principally by CAWD and PBCSD, and consist primarily of the following:

- Assets owned by CAWD: (1) a tertiary treatment plant, (2) secondary process improvements, (3) laboratory facilities, (4) a reclaimed water pump station, (5) related computer equipment and, (6) a small portion of the reclaimed water pipeline.
- Assets owned by PBCSD: (1) approximately seven miles of reclaimed water distribution system pipeline, (2) the Forest Lake Reservoir, (3) a 2.5 million gallon storage tank, and (4) a potable water pump station.

The original Project was financed by Certificates of Participation (COP) which were executed and delivered at the direction of the District in December 1992 in the amount of \$33,900,000. The District provided the funds necessary to construct and operate the Project and then obtained ownership of the reclaimed water for the purpose of resale. PBCo. guaranteed payment of construction costs of the Project as well as any operating deficiencies. The debt obligations incurred by the District to finance the project constitute limited obligations of the District, payable solely from the net operating revenues generated by the sale of reclaimed water produced by the Project and, if such reclaimed water revenues are insufficient, from payments on a Bond Letter of Credit provided by Wells Fargo Bank (the credit bank) through a reimbursement agreement between PBCo. and the credit bank. PBCo. pays the letter of credit fees, as well as principal and interest payments on debt obligations as needed, as a subsidy to the Project, with reimbursement as cash flow permits.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 THE CAWD/PBCSD RECLAMATION PROJECT (CONTINUED)**

The activities of the Project are overseen by a six-member management committee containing two representatives from the CAWD board, two from the PBCSD board, one from the PBCo. and one from the Independent Reclaimed Water Users Group (IRWUG). Since the Project does not own the wastewater reclamation capital assets, the value earned for the capital expenditures incurred is reflected on the books of the Project as water resale rights, an intangible amortizable capital asset.

Subsequent to the completion of the original facilities, the Project has been expanded to increase the quantity and quality of reclaimed water. The expanded project utilizes the Forest Lake Reservoir located in Pebble Beach which provides up to 115 million gallons of storage capacity. The Reservoir is filled with reclaimed water during winter months when there is excess production at the treatment plant. The stored water is used during summer months when the daily irrigation demand exceeds treatment plant production capacity. In 1998, PBCSD purchased the Reservoir from California-American Water Company. The rehabilitation and reservoir expansion was completed in 2009 in accordance with State Water Resources Division of Safety of Dams requirements. The construction costs of approximately \$13 million were financed by the sale of Pebble Beach Company water entitlements.

The Microfiltration/Reverse Osmosis (MF/RO) phase of the project (phase II), located at the CAWD treatment plant site, began design in 2006 and construction was completed in 2009. The intent of the MF/RO phase is to reduce the sodium content of the tertiary reclaimed water from 150 mg/l to less than 55 mg/l to reduce the stress on the golf greens and eliminate the need for flushing the courses with potable water. The design capacity for the MF/RO is 1.5 million gallons with an expected blend of 80% RO water and 20% MF water. The cost of the MF/RO construction project was approximately \$21 million were financed through the sale of water entitlements owned by the PBCo. to residential property owners within the Pebble Beach community.

**NOTE 3 CASH AND INVESTMENTS**

**Cash and Cash Equivalents**

Balances in cash and cash equivalents consist of bank accounts insured by the Federal Depository Insurance Corporation (FDIC) or Securities Investment Protection Corporation (SIPC) or collateralized by the pledging institution under the California Government Code.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments**

The District's investments consist of obligations of the United States government and its agencies and instrumentalities, municipal obligations, corporate obligations, certificates of deposit, money market accounts, and the State Treasurer's Local Agency Investment Fund. All investments are recorded at fair value. The California Government code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The investment of state pooled funds is governed by state law, by policies adopted by the Pooled Money Investment Board (PMIB) and by accepted norms for prudent fiduciary management of investments. PMIB funds may be invested in a wide range of interest-bearing securities, such as Treasury notes, prime commercial paper, certain California municipal and agency obligations, highly rated corporate bonds, obligations of such agencies as FannieMae, and negotiable certificates of deposit. Also allowed are time deposits in California banks, savings and loans, and credit unions that have not less than a "satisfactory" CRA rating. The value of each participating dollar equals the fair value divided by the amortized cost. The District's fair value of the position in the pool is the same as the value of the pool shares.

Investments at June 30, 2024 consisted of the following:

Governmental Activities:	
Local Agency Investment Fund	\$ 12,466,490
Money Market Accounts	203,433
Certificates of Deposit	8,641,703
Subtotal Governmental Activities	<u>21,311,626</u>
Business-Type Activities:	
Monterey County Investment Pool	1,402
Money Market Accounts	35,777
Certificates of Deposit	1,230,736
Mutual Funds	80,000
Subtotal Business-Type Activities	<u>1,347,915</u>
Total Investments	<u>\$ 22,659,541</u>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair value of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investment by maturity as of June 30, 2024.

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13 to 24 Months	25 to 60 Months	
Local Agency Investment Fund	\$ 12,466,490	\$ -	\$ -	\$ 12,466,490
Money Market Funds	239,210	-	-	239,210
Certificates of Deposit (Governmental Activities)	1,973,778	1,570,600	5,097,325	8,641,703
Certificates of Deposit (Business-Type Activities)	-	1,230,736	-	1,230,736
Monterey County Investment Pool	1,402	-	-	1,402
Mutual Funds	80,000	-	-	80,000
Total	<u>\$ 14,760,880</u>	<u>\$ 2,801,336</u>	<u>\$ 5,097,325</u>	<u>\$ 22,659,541</u>

**Credit Risk**

Generally, credit risk is the risk that an 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. The County Pool does not have a rating provided by a nationally recognized statistical rating organization. The certificates of deposit are not rated.

**Custodial Credit Risk-Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy that complies with the California Government Code commencing at Section 53630 (Public Deposits). As of June 30, 2024, \$10,418,728 of the District's bank balances of \$12,186,643 were exposed to custodial credit risk as uninsured but are collateralized by the pledging bank's trust department not in the District's name.

The difference between bank balances and the carrying amounts (book value) represents outstanding checks and deposits in transit.

**Custodial Credit Risk – Investments**

Custodial credit risk is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

**Fair Value Measurements**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on 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 observable inputs; Level 3 inputs are significant unobservable inputs.

	Level 1	Level 2	Level 3	Total
Certificates of Deposit (Governmental Activities)	\$ -	\$ 8,641,703	\$ -	\$ 8,641,703
Certificates of Deposit (Business-Type Activities)	-	1,230,736	-	1,230,736
Total Leveled Investments	<u>\$ -</u>	<u>\$ 9,872,439</u>	<u>\$ -</u>	<u>\$ 9,872,439</u>
Local Agency Investment Fund*				12,466,490
Money Market Funds*				239,210
Monterey County Investment Pool*				1,402
Mutual Funds*				80,000
Total Investments				<u>\$ 22,659,541</u>

\* Not subject to fair value measurement hierarchy.

**NOTE 4 RECEIVABLES**

Receivables consist of the following at June 30, 2024:

	Water Supply	Conservation	Mitigation	Total
Governmental Activities:				
User Fees	\$ 99,158	\$ 166,170	\$ 439,005	\$ 704,333
Reimbursements	3,483,484	127,976	-	3,611,460
Water Supply Charge	161,091	-	-	161,091
Property Taxes	100,376	95,832	4,544	200,752
Interest	59,042	32,441	49,196	140,679
Other	752,603	-	57,731	810,334
Total Governmental Activities	<u>\$ 4,655,754</u>	<u>\$ 422,419</u>	<u>\$ 550,476</u>	<u>5,628,649</u>
Business-Type Activities:				
Water Sales				443,646
Affiliates (Reclamation)				586,194
Other				30,618
Total Business-Type Activities				<u>1,060,458</u>
Total				<u>\$ 6,689,107</u>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5 CAPITAL ASSETS**

Capital assets experienced the following changes for the year ended June 30, 2024:

	Balance Beginning of Year	Current Additions	Deletions/ Transfers	Balance End of Year
<b>Governmental Activities:</b>				
<b>Nondepreciable Assets:</b>				
Water Reserves	\$ 5,166,160	\$ 1,210,230	\$ -	\$ 6,376,390
Construction in Progress	-	-	-	-
<b>Total Nondepreciable Assets</b>	<b>5,166,160</b>	<b>1,210,230</b>	<b>-</b>	<b>6,376,390</b>
<b>Depreciable Assets:</b>				
<b>Equipment:</b>				
Office	92,718	35,950	-	128,668
Computer	2,271,593	-	-	2,271,593
Operating	21,415	6,766	-	28,181
Transportation	498,173	43,658	-	541,831
Project	264,307	-	-	264,307
Phone	34,850	-	-	34,850
<b>Total Equipment</b>	<b>3,183,056</b>	<b>86,374</b>	<b>-</b>	<b>3,269,430</b>
Building and Improvements	2,072,228	-	-	2,072,228
Monitoring Stations	45,214	-	-	45,214
ASR Facilities	11,428,101	-	-	11,428,101
Fish Rearing Facility	4,014,449	93,551	-	4,108,000
Leasehold Improvements	17,698	-	-	17,698
<b>Total Depreciable Assets</b>	<b>20,760,746</b>	<b>179,925</b>	<b>-</b>	<b>20,940,671</b>
<b>Less Accumulated Depreciation for:</b>				
<b>Equipment:</b>				
Office	92,368	280	-	92,648
Computer	1,524,337	150,468	-	1,674,805
Operating	21,415	-	-	21,415
Transportation	425,565	24,640	-	450,205
Project	263,038	164	-	263,202
Phone	28,910	5,940	-	34,850
<b>Total Equipment</b>	<b>2,355,633</b>	<b>181,492</b>	<b>-</b>	<b>2,537,125</b>
Building and Improvements	1,279,929	57,925	-	1,337,854
Monitoring Stations	45,214	-	-	45,214
ASR Facilities	2,729,140	364,924	-	3,094,064
Fish Rearing Facility	1,120,299	95,726	-	1,216,025
Leasehold Improvements	17,698	-	-	17,698
<b>Total Accumulated Depreciation</b>	<b>7,547,913</b>	<b>700,067</b>	<b>-</b>	<b>8,247,980</b>
<b>Total Depreciable Assets, Net</b>	<b>13,212,833</b>	<b>(520,142)</b>	<b>-</b>	<b>12,692,691</b>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>18,378,993</b>	<b>690,088</b>	<b>-</b>	<b>19,069,081</b>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

	Balance Beginning of Year	Current Additions	Deletions/ Transfers	Balance End of Year
Business-Type Activities:				
Nondepreciable Assets:				
Construction in Progress	\$ 401,116	\$ 138,779	\$ (44,270)	\$ 495,625
Water Resale Rights	71,031,235	92,624	44,270	71,168,129
Less Accumulated Amortization for:				
Water Resale Rights	34,532,017	1,779,207	-	36,311,224
Total Water Resale Rights, Net	36,499,218	(1,686,583)	44,270	34,856,905
Total Business Type Activities				
Capital Assets, Net	36,900,334	(1,547,804)	-	35,352,530
Total Capital Assets, Net	<u>\$ 55,279,327</u>	<u>\$ (857,716)</u>	<u>\$ -</u>	<u>\$ 54,421,611</u>

The District has reevaluated the estimated useful lives of capital asset classes that have been fully depreciated and since the assets are still in use, the assets remain on the books of the District.

Depreciation expense was charged to functions/programs of the District as follows:

Water Supply	\$ 436,543
Conservation	71,538
Mitigation	191,986
Total Depreciation Expense	<u>\$ 700,067</u>

**NOTE 6 TRANSACTIONS WITH RELATED ORGANIZATIONS**

Through its participation in the CAWD/PBCSD Reclamation Project, the District is related with the other organizations involved in the Project.

At June 30, 2024, accounts receivable from these organizations were as follows:

Receivable from PBCo. and Affiliated Golf Courses:	
Water Sales	\$ 586,194
Total	<u>\$ 586,194</u>

At June 30, 2024, accounts payable to these organizations were as follows:

Payable to PBCSD for Operations and Maintenance	\$ 123,817
Payable to CAWD for Operations and Maintenance	142,190
Payable to PBCo for Debt Service Reimbursement	4,899
Total	<u>\$ 270,906</u>



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 7 LONG-TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2024 is as follows:

	2023	Additions	Reductions	2024	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 865,551	\$ 234,021	\$ 387,144	\$ 712,428	\$ 522,396
OPEB	4,991,860	307,561	77,108	5,222,313	143,846
Net Pension Liability	7,088,608	1,241,972	738,908	7,591,672	-
Total Governmental Activities	<u>\$ 12,946,019</u>	<u>\$ 1,783,554</u>	<u>\$ 1,203,160</u>	<u>\$ 13,526,413</u>	<u>\$ 666,242</u>

In prior years, the conservation, mitigation and water supply funds have been used to liquidate compensated absences and net pension/OPEB liabilities.

**NOTE 8 RISK MANAGEMENT**

The District is insured against various risks of loss related to torts, thefts of, damage to or destruction of assets; errors and omissions; work-related injuries to employees and natural disasters through participation in a joint venture under a joint powers agreement (JPA) with the Special District Risk Management Authority (SDRMA). The relationship between the District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes. The insurance carried by the District includes policies for workers' compensation, general liability, errors and omissions, and vehicular liability.

There have not been any significant reductions in insurance coverage as compared to the previous year. Settled claims from these risks have not exceeded commercial coverage in any of the past three years.

SDRMA was formed under a joint powers agreement pursuant to California Government Code Section 6500 et seq. effective August 1, 1986 to provide general liability, comprehensive/collision liability and property damage, and errors and omissions risk financing for the member districts. SDRMA is administered by a Board of Directors, consisting of one member appointed by the California Special Districts Association and five members elected by the districts participating. The board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

The SDRMA did not have long-term debt outstanding at June 30, 2024, other than claims liabilities and lease obligations. The District's share of year-end assets, liabilities and risk margin has not been calculated by the SDRMA.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 9 DEFERRED COMPENSATION PLAN**

The District has a deferred compensation plan for its eligible employees wherein amounts earned by the employees are paid at a future date. This plan meets the requirements of Internal Revenue Code Section 457. All full-time, regular employees are permitted to participate in the plan beginning on the day of hire.

The employee may elect to make tax deferred contributions up to the limits established by the Internal Revenue Service for this type of plan. The employee is 100% vested in their contributions from the first date of participation. The plan does not provide for District contributions. The participant has a choice of investment options.

The plan is administered by ICMA Retirement Corporation (International City Management Association). The assets of the plan are held in trust, with the District serving as trustee. The plan assets held in the ICMA Retirement Trust are held for the exclusive benefit of the plan participants and their beneficiaries. The assets shall not be diverted to any other purpose. The plan does not permit loans.

The District believes, and the auditors concur, that, since it does not provide investment advice or administer the plan, it does not maintain a fiduciary relationship with the plan. Therefore, the District does not report the plan assets in its financial statements.

**NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**Plans Description**

The District administers a single-employer defined-benefit postemployment healthcare plans (the Retiree Health Plans). Dependents are eligible to enroll, and benefits continue to surviving spouses for one year following the member's death. The Retiree Health Plans provide healthcare insurance for eligible retirees and dependents or survivors. Coverage to members of the General Staff Bargaining Unit is provided through the Association of California Water Agencies Health Benefit Authority Anthem Classic Plan, and coverage for the Management Staff Bargaining Unit members and the Confidential Staff Bargaining Unit members are provided through the Laborer's Trust Funds for Northern California Special Plan III. The Plans provide for continuation of medical insurance benefits for certain retirees and their dependents or survivors who meet the eligibility criteria established by the District and/or medical care providers. The Plans can be amended by action of the Board of Directors during negotiation of periodic Memorandums of Understanding with the different bargaining units. The Plans do not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plans.

**Benefits Provided**

Retirees are eligible for medical benefits if they retire at Age 50+. A retiree who was hired before July 1, 2013 and retires with 15+ years of service is eligible to receive a payment of \$1,413 per month for fiscal-year end June 30, 2024. The amount of this payment increases 3% annually. All other retirees are eligible to receive \$540 per month with no service requirements. There are no disability benefits.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**Employees Covered by Benefit Terms**

At June 30, 2024 (the valuation date), the benefit terms covered the following employees:

Active Employees	25
Inactive Employees, Spouses, or Beneficiaries	
Currently Receiving Benefit Payments	18
Inactive Employees Entitled to But	
Not Yet Receiving Benefit Payments	-
Total	43

**Contributions**

The contribution requirements of the District are based on a pay-as-you-go basis. For the fiscal year ended June 30, 2024, the District paid \$144,551 and received an implicit subsidy of \$40,552 for total contributions of \$185,103 for retiree health benefits. The District currently contributes enough money to the plans to satisfy current obligations on a pay-as-you-go basis. There are no assets accumulated in a qualifying trust.

**Total OPEB Liability**

The District's total OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of June 30, 2024.

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.30%
Salary Increases:	2.80%. Additional merit-based increases based on CalPERS merit salary increase tables.
Healthcare Cost Trend Rates:	6.80% in the first year, trending down to 4.04% over 51 years.

Mortality rates were based on CalPERS tables.

**Discount Rate**

The discount rate used to measure the total OPEB liability is 3.97%. The District's OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high-quality 20-year municipal bonds, as of the valuation date.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**Changes in the Total OPEB Liability**

The changes in the total OPEB liability for the OPEB Plan are as follows:

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	<u>\$ 4,991,860</u>
Changes Recognized for Measurement Period:	
Service Cost	114,046
Interest	193,515
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	205,368
Changes of Assumptions	(97,373)
Contributions - Employer	-
Net Investment Income	-
Benefit Payments	(144,551)
Implicit Subsidy Credit	(40,552)
Administrative Expense	-
Net Changes	<u>230,453</u>
Balance at June 30, 2024	<u>\$ 5,222,313</u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate, for measurement period ended June 30, 2024:

	<u>1% Decrease (2.97%)</u>	<u>Current Discount Rate (3.97%)</u>	<u>1% Increase (4.97%)</u>
Total OPEB Liability	\$ 5,964,187	\$ 5,222,313	\$ 4,610,581

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the total OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease (5.80%)	Current Healthcare Cost Trend Rate (6.80%)	1% Increase (7.80%)
Total OPEB Liability	\$ 4,753,871	\$ 5,222,313	\$ 5,594,008

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

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$144,551. As of fiscal year ended June 30, 2024, the District reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference Between Actual and Expected Experience	\$ 176,844	\$ 233,381
Changes in Assumptions	418,168	199,196
Total	<u>\$ 595,012</u>	<u>\$ 432,577</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended June 30,</u>	Deferred Outflows/ (Inflows) of Resources
2025	\$ 25,874
2026	80,853
2027	72,597
2028	(17,445)
2029	(17,445)
Thereafter	18,001

**Change of Assumptions**

The discount rate was changed from 3.86% to 3.97%.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN**

**General Information about the Pension Plan**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

Benefits Provided

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

The Plans' provisions and benefits in effect at the measurement date, June 30, 2023, are summarized as follows:

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Benefit Formula	2% @ 55	2% @ 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 – 63	52-67
Monthly Benefits, as a % of Eligible Compensation	1.4% to 2.4%	1.0% to 2.5%
Required Employee Contribution Rates	7.00%	6.75%
Required Employer Contribution Rates	12.47%	7.68%
Payment of Unfunded Liability	\$ 501,408	\$ -

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN (CONTINUED)**

**General Information about the Pension Plan (Continued)**

Contributions

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

For the year ended June 30, 2024, the contributions recognized as part of pension expense for the Plan were as follows:

	<u>Miscellaneous</u>
Contributions	\$ 750,603

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

As of June 30, 2024, the District reported net pension liabilities for its proportionate share of the net pension liability of the Miscellaneous Plan as \$7,088,608.

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability for the Plan 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. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2023 and 2024 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2023	0.15149%
Proportion - June 30, 2024	<u>0.15182%</u>
Change - Increase (Decrease)	<u><u>0.00033%</u></u>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN (CONTINUED)**

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources  
Related to Pensions (Continued)**

For the year ended June 30, 2024, the District recognized pension expense/(credit) of \$1,094,240. Pension expense is allocated to the functions based on full time equivalents. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference Between Actual and Expected Experience	\$ 387,824	\$ 60,161
Changes in Assumptions	458,343	-
Difference Between Projected and Actual Investment Earnings	1,229,160	-
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	266,495
Change in Employer's Proportion	-	90,808
Pension Contributions Made Subsequent to Measurement Date	750,603	-
Total	<u>\$ 2,825,930</u>	<u>\$ 417,464</u>

Deferred outflows of resources in the amount of \$750,603 were reported related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as of June 30 as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2025	\$ 411,995
2026	295,112
2027	915,487
2028	35,269



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN (CONTINUED)**

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources  
Related to Pensions (Continued)**

Actuarial Assumptions

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

	Miscellaneous
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	Derived using CalPERS' membership data for all funds (1)
Postretirement Benefit Increase	Contract COLA up to 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 rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period 2000 to 2019, including updates to salary increase, mortality and retirement rates. The Experience Study can be found on the CalPERS' website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent for the Plan. The projection of cash flows used to determine the discount rate assumed that the contributions from plan members will be made at the current member contribution rate and that the 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.

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.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN (CONTINUED)**

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources  
Related to Pensions (Continued)**

Discount Rate (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employer will make their required contributions on time and as scheduled in all future years. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class	Assumed Asset Allocation	Real Return (a) (b)
Global Equity - Cap-Weighted	30.00 %	4.54 %
Global Equity - Non-Cap-Weighted	12.00 %	3.84 %
Private Equity	13.00 %	7.28 %
Treasury	5.00 %	0.27 %
Mortgage-Backed Securities	5.00 %	0.50 %
Investment Grade Corporates	10.00 %	1.56 %
High Yield	5.00 %	2.27 %
Emerging Market Debt	5.00 %	2.48 %
Private Debt	5.00 %	3.57 %
Real Assets	15.00 %	3.21 %
Leverage	(5.00)%	(0.59)%
Total	100.00 %	

(a) An expected price inflation of 2.30% used for this period.

(b) Figures are based on the 2021-22 Asset Liability Management Study.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 PENSION PLAN (CONTINUED)**

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources  
Related to Pensions (Continued)**

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

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

	<u>Miscellaneous</u>
1% Decrease	5.90%
Net Pension Liability	\$ 11,313,045
Current Discount Rate	6.90%
Net Pension Liability	\$ 7,591,672
1% Increase	7.90%
Net Pension Liability	\$ 4,528,662

Pension Plan Fiduciary Net Position

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

**NOTE 12 CONTINGENT LIABILITIES**

Due to the various activities of the District involving the Carmel River, several pending and threatened claims against the District are outstanding. No estimate of the amount of any potential liability to the District can reasonably be made at this time.

The District has several pending claims against the District brought by the Monterey Peninsula Tax Payer's Association regarding the collection of the Water Supply Charge. No estimate of the amount of any potential liability to the District can reasonably be made at this time.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 13 COMMITMENTS AND OTHER CONTINGENCIES**

As of June 30, 2024, the District has several ongoing projects with outstanding contracts as follows:

Vendor/Contractor	Project	Original Contract Date	Total Contract Amount	Amount Outstanding at 6/30/2024
Pueblo Water Resources, Inc.	SSAP Water quality Study - Amd #14	11/2006	\$ 94,438	\$ 47,155
Dudek	Grant services *	12/2020	114,960	57,373
Monterey One Water	PWM Deep Injection Well #4 Design/Construction	04/2021	4,070,000	393,265
City of Sand City	IRWM Grant Reimbursement *	11/2021	1,084,322	1,010,805
Montgomery & Associates	Tularcitos ASR Feasibility Study - Amd# 1	03/2023	119,200	104,558
Montgomery & Associates	Groundwater Modeling Montgomery	03/2023	55,000	55,000
Monterey One Water	Urban Community Drought Grant *	05/2023	11,935,206	11,488,932
Monterey One Water	State Water Control Board Grant *	06/2023	4,800,000	3,762,686
Dudek	IRWM IR2 Grant Administration *	11/2023	90,510	87,581
Maggiora Bros. Drilling, INC	ASR1 and ASR2 Well Rehabilitations *	05/2024	509,534	254,008
Onpoint Generators, Inc	Back up generator for 5 Harris Ct.	06/2024	<u>58,900</u>	<u>53,010</u>
Total			<u>\$ 22,932,070</u>	<u>\$ 17,314,373</u>

\*The District acts as a pass-through on these projects. The District's outstanding commitment is limited to actual spending.

**NOTE 14 INTERFUND TRANSACTIONS**

During the year, transfers are used to move general property tax revenues to provide a subsidy to the Conservation and Mitigation funds.

During the year, the Water Supply fund charged the Reclamation Project for services provided.

Interfund receivable for the Water Supply fund and payable by the Reclamation Project consist of the following at June 30, 2024:

	<u>Amount</u>
Purpose:	
Charges for Services	\$ 30,739
User Fee	81,657
Total	<u>\$ 112,396</u>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 15 SUBSEQUENT EVENT**

In November 2018, voters passed an initiative requiring the District to acquire the local water supply and distribution facilities of California American Water, if feasible. In 2021, the District prepared an application to the Monterey County Local Agency Formation Commission (LAFCO) to annex 58 parcels (Yankee Point and Hidden Hills), update its Municipal Services Review (MSR), and “activate” the District’s authority to provide water service directly to end-use customers. LAFCO approved the annexation and MSR but denied the activation of powers. The District challenged that denial in a petition for writ of review. The District prevailed and LAFCO was directed by the Court to vacate the denial. While the LAFCO lawsuit was pending, the District’s appraisers completed their appraisal of the California-American Monterey Water System (the Subject Property Interests) sought to be acquired in this action and the District made an offer to Cal-Am to acquire the Subject Property Interests in an amount equal to the full amount of its appraisal. Cal-Am rejected the offer, indicating it was not interested in selling the system. The District continues to pursue the acquisition. The District board approved a Resolution of Necessity authorizing the taking of the Monterey Water System via eminent domain. The eminent domain complaint was filed by the District and remains active in the Monterey County Superior Court. The next hearing is scheduled for March, 2025.

DRAFT

**REQUIRED SUPPLEMENTARY INFORMATION**

DRAFT

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE, BUDGET AND ACTUAL – WATER SUPPLY  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Amounts
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 2,600,000	\$ 2,600,000	\$ 2,818,416	\$ 218,416
Water Supply Charge	3,400,000	3,400,000	3,363,928	(36,072)
Water Sales	13,275,500	13,275,500	13,275,500	-
User Fees	840,000	840,000	992,214	152,214
Connection Charges, Net of Refunds	500,000	500,000	1,372,615	872,615
Project Reimbursements	651,200	651,200	464,272	(186,928)
Grants	16,740,000	10,340,000	1,265,949	(9,074,051)
Investment Income	50,000	50,000	325,678	275,678
Miscellaneous	5,000	5,000	3,863	(1,137)
Total Revenues	<u>38,061,700</u>	<u>31,661,700</u>	<u>23,882,435</u>	<u>(7,779,265)</u>
<b>EXPENDITURES</b>				
Personnel:				
Salaries	1,141,800	1,247,350	1,335,271	(87,921)
Employee Benefits and Other Personnel	631,700	631,700	587,262	44,438
Services and Supplies:				
Project Expenditures	19,138,400	14,649,758	5,800,209	8,849,549
Water Purchases	13,275,500	13,275,500	13,275,411	89
Operating Expenditures	362,500	377,550	344,770	32,780
Professional Fees	379,300	379,300	734,348	(355,048)
Capital Outlay	44,300	44,300	15,319	28,981
Total Expenditures	<u>34,973,500</u>	<u>30,605,458</u>	<u>22,092,590</u>	<u>8,512,868</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>3,088,200</u>	<u>1,056,242</u>	<u>1,789,845</u>	<u>733,603</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(609,400)	(1,551,964)	(1,054,540)	497,424
Total Other Financing Sources (Uses)	<u>(609,400)</u>	<u>(1,551,964)</u>	<u>(1,054,540)</u>	<u>497,424</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,478,800	(495,722)	735,305	1,231,027
Fund Balance - Beginning of Year	<u>8,926,768</u>	<u>8,926,768</u>	<u>6,921,949</u>	<u>(2,004,819)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 11,405,568</u>	<u>\$ 8,431,046</u>	<u>\$ 7,657,254</u>	<u>\$ (773,792)</u>

See accompanying Note to Required Supplementary Information.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE, BUDGET AND ACTUAL – CONSERVATION  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Amounts
	Original	Final		
<b>REVENUES</b>				
User Fees	\$ 1,440,000	\$ 1,440,000	\$ 1,826,109	\$ 386,109
Permit Fees	198,000	1,273,000	234,408	(1,038,592)
Project Reimbursements	435,000	435,000	149,864	(285,136)
Investment Income	50,000	50,000	283,092	233,092
Legal Fee Reimbursements	16,000	16,000	14,520	(1,480)
Recording Fees	25,000	85,000	58,520	(26,480)
Miscellaneous	5,000	5,000	2,773	(2,227)
Total Revenues	<u>2,169,000</u>	<u>3,304,000</u>	<u>2,569,286</u>	<u>(734,714)</u>
<b>EXPENDITURES</b>				
Personnel:				
Salaries	847,000	917,480	661,781	255,699
Employee Benefits and Other Personnel	437,200	437,200	345,850	91,350
Services and Supplies:				
Project Expenditures	991,000	1,054,500	593,112	461,388
Operating Expenditures	334,100	347,860	337,917	9,943
Professional Fees	205,600	205,600	188,500	17,100
Capital Outlay	34,400	34,400	12,933	21,467
Total Expenditures	<u>2,849,300</u>	<u>2,997,040</u>	<u>2,140,093</u>	<u>856,947</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(680,300)</u>	<u>306,960</u>	<u>429,193</u>	<u>122,233</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	609,400	1,596,660	1,006,646	(590,014)
Total Other Financing Sources (Uses)	<u>609,400</u>	<u>1,596,660</u>	<u>1,006,646</u>	<u>(590,014)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(70,900)</u>	<u>1,903,620</u>	<u>1,435,839</u>	<u>(467,781)</u>
Fund Balance - Beginning of Year	<u>5,653,499</u>	<u>5,653,499</u>	<u>6,371,962</u>	<u>718,463</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 5,582,599</u></u>	<u><u>\$ 7,557,119</u></u>	<u><u>\$ 7,807,801</u></u>	<u><u>\$ 250,682</u></u>

See accompanying Note to Required Supplementary Information.

(57)



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE, BUDGET AND ACTUAL – MITIGATION  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Amounts
	Original	Final		
<b>REVENUES</b>				
User Fees	\$ 3,720,000	\$ 3,720,000	\$ 4,144,036	\$ 424,036
Project Reimbursements	165,000	165,000	279,764	114,764
Investment Income	50,000	50,000	319,263	269,263
Grants	2,200,000	500,000	304,600	(195,400)
Miscellaneous	5,000	5,000	2,838	(2,162)
Total Revenues	<u>6,140,000</u>	<u>4,440,000</u>	<u>5,050,501</u>	<u>610,501</u>
<b>EXPENDITURES</b>				
Personnel:				
Salaries	914,000	982,970	1,036,354	(53,384)
Employee Benefits and Other Personnel	514,800	514,800	544,657	(29,857)
Services and Supplies:				
Project Expenditures	3,226,200	1,491,200	676,578	814,622
Operating Expenditures	348,200	342,926	350,712	(7,786)
Professional Fees	270,200	270,200	186,493	83,707
Capital Outlay	151,300	167,300	58,122	109,178
Total Expenditures	<u>5,424,700</u>	<u>3,769,396</u>	<u>2,852,916</u>	<u>916,480</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>715,300</u>	<u>670,604</u>	<u>2,197,585</u>	<u>1,526,981</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	47,894	47,894
Transfers Out	-	(44,696)	-	44,696
Total Other Financing Sources (Uses)	<u>-</u>	<u>(44,696)</u>	<u>47,894</u>	<u>92,590</u>
<b>NET CHANGE IN FUND BALANCE</b>	715,300	625,908	2,245,479	1,619,571
Fund Balance - Beginning of Year	<u>7,602,107</u>	<u>7,602,107</u>	<u>8,390,039</u>	<u>787,932</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 8,317,407</u>	<u>\$ 8,228,015</u>	<u>\$ 10,635,518</u>	<u>\$ 2,407,503</u>

See accompanying Note to Required Supplementary Information.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2024**

**NOTE 1 BUDGETARY DATA**

The District adopts an annual legal budget, which covers the Water Supply Fund (which acts as the District's general fund), Conservation Fund, and Mitigation Fund. Operating budgets lapse at fiscal year-end and then are re-budgeted for the coming fiscal year. The budgets are prepared on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

A mid-year budget review is performed, and the budget is amended and adopted by the board of directors. The District must approve additional appropriations or interfund transfers not included in the amended budget resolution.

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**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
MEASUREMENT PERIODS ENDED JUNE 30,**

Measurement Period	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability:</b>							
Service Cost	\$ 114,046	\$ 116,685	\$ 131,401	\$ 109,547	\$ 148,363	\$ 131,173	\$ 127,662
Interest	193,515	188,280	88,212	101,994	144,980	155,268	140,378
Actual and Expected Experience Difference	205,368	(120,643)	(120,671)	(5,585)	(411,131)	-	-
Changes of Assumptions	(97,373)	(106,465)	565,999	337,730	(190,471)	249,320	-
Benefit Payments	(144,551)	(142,235)	(142,655)	(126,446)	(117,237)	(98,542)	(92,380)
Implicit Subsidy Credit	(40,552)	-	-	-	-	-	-
<b>Net Change in Total OPEB Liability</b>	<b>230,453</b>	<b>(64,378)</b>	<b>522,286</b>	<b>417,240</b>	<b>(425,496)</b>	<b>437,219</b>	<b>175,660</b>
<b>Total OPEB Liability - Beginning of Year</b>	<b>4,554,641</b>	<b>4,619,019</b>	<b>4,096,733</b>	<b>3,679,493</b>	<b>4,104,989</b>	<b>4,104,989</b>	<b>3,929,329</b>
<b>Total OPEB Liability - End of Year</b>	<b><u>\$ 4,785,094</u></b>	<b><u>\$ 4,554,641</u></b>	<b><u>\$ 4,619,019</u></b>	<b><u>\$ 4,096,733</u></b>	<b><u>\$ 3,679,493</u></b>	<b><u>\$ 4,542,208</u></b>	<b><u>\$ 4,104,989</u></b>
Covered-Employee Payroll	\$ 2,556,431	\$ 2,666,653	\$ 2,609,421	\$ 2,574,004	\$ 2,577,148	\$ 2,508,173	\$ 2,441,044
Total OPEB Liability as a Percentage of Covered-Employee Payroll	187.2%	170.8%	177.0%	159.2%	142.8%	181.1%	168.2%

**Notes to Schedule:**

The District adopted GASB 75 for the fiscal year ending June 30, 2018. Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

No assets have been accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
YEAR ENDED JUNE 30, 2024  
LAST TEN YEARS**

Measurement Period	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	Plan's Fiduciary Net Position	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014 Miscellaneous Plan	0.05481%	\$ 3,287,027	\$ 2,282,220	144.03%	\$ 10,639,461,174	81.15%
2015 Miscellaneous Plan	0.12936%	\$ 3,548,843	\$ 2,325,836	152.58%	\$ 10,896,036,068	79.89%
2016 Miscellaneous Plan	0.12945%	\$ 4,496,774	\$ 2,419,068	185.89%	\$ 10,923,476,287	75.87%
2017 Miscellaneous Plan	0.13198%	\$ 5,202,822	\$ 2,407,013	216.15%	\$ 12,074,499,781	75.39%
2018 Miscellaneous Plan	0.13571%	\$ 5,114,656	\$ 2,531,145	202.07%	\$ 13,122,440,092	77.69%
2019 Miscellaneous Plan	0.13886%	\$ 5,560,550	\$ 2,735,113	203.30%	\$ 13,979,687,268	77.73%
2020 Miscellaneous Plan	0.14260%	\$ 6,015,062	\$ 2,625,596	229.09%	\$ 14,702,361,183	77.71%
2021 Miscellaneous Plan	0.18603%	\$ 3,532,356	\$ 2,586,027	136.59%	\$ 18,065,791,524	90.49%
2022 Miscellaneous Plan	0.15149%	\$ 7,088,608	\$ 2,707,728	261.79%	\$ 16,770,671,339	78.19%
2023 Miscellaneous Plan	0.15182%	\$ 7,591,672	\$ 2,845,112	266.83%	\$ 17,692,895,076	77.97%

**Notes to Schedule:**

**Benefit Changes**

For 2016, the figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**Changes in Assumptions**

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

In 2016, the discount rate was changed from 7.50 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2017, the discount rate was changed from 7.65 percent to 7.15 percent.

In 2018, demographic assumptions and the inflation rate were changed in accordance with CalPERS Experience Study and review of Actuarial Assumptions December 2017.

In 2022, the discount rate was changed from 7.15 percent to 6.9 percent.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SCHEDULE OF CONTRIBUTIONS – PENSION  
YEAR ENDED JUNE 30, 2024  
LAST TEN YEARS**

Measurement Period	Contractually Required Contributions (Actuarially Determined)	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015 Miscellaneous Plan	\$ 369,874	\$ 369,874	\$ -	\$ 2,325,836	15.90%
2016 Miscellaneous Plan	\$ 370,709	\$ 370,709	\$ -	\$ 2,419,068	15.32%
2017 Miscellaneous Plan	\$ 361,981	\$ 361,981	\$ -	\$ 2,407,013	15.04%
2018 Miscellaneous Plan	\$ 386,341	\$ 386,341	\$ -	\$ 2,531,145	15.26%
2019 Miscellaneous Plan	\$ 458,759	\$ 458,759	\$ -	\$ 2,735,113	16.77%
2020 Miscellaneous Plan	\$ 516,231	\$ 516,231	\$ -	\$ 2,625,596	19.66%
2021 Miscellaneous Plan	\$ 583,756	\$ 583,756	\$ -	\$ 2,586,027	22.57%
2022 Miscellaneous Plan	\$ 656,243	\$ 656,243	\$ -	\$ 2,707,728	24.24%
2023 Miscellaneous Plan	\$ 738,908	\$ 738,908	\$ -	\$ 2,845,112	25.97%
2024 Miscellaneous Plan	\$ 750,603	\$ 750,603	\$ -	\$ 2,888,705	25.98%

The actuarial methods and assumptions used to set the actuarially determined contributions for each fiscal year are as follows:

FYE 2014–2015	June 30, 2012	Funding valuation report
FYE 2015–2016	June 30, 2013	Funding valuation report
FYE 2016–2017	June 30, 2014	Funding valuation report
FYE 2017–2018	June 30, 2015	Funding valuation report
FYE 2018–2019	June 30, 2016	Funding valuation report
FYE 2019–2020	June 30, 2017	Funding valuation report
FYE 2020–2021	June 30, 2018	Funding valuation report
FYE 2021–2022	June 30, 2019	Funding valuation report
FYE 2022–2023	June 30, 2020	Funding valuation report

Actuarial Cost Method	Individual entry age normal
Amortization Method/Period	Level percentage of payroll and direct rate smoothing
Asset Valuation Method	Fair value of assets
Inflation	2.30%
Salary Increases	Varies, based on entry age and service
Payroll Growth	2.75%
Investment Rate of Return	6.90%
Retirement Age	The probabilities of retirement are based on results of an actuarial experience study for the period from 2000 to 2019.
Mortality	The probabilities of mortality are based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

**STATISTICAL SECTION**



(Photo: (ASR) Aquifer Storage and Recovery Project)

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
STATISTICAL SECTION**

The information in this section is not covered by the Independent Auditors' Report but is presented as supplemental data for the benefit of the readers of the comprehensive financial report. This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

**Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. (Pages 63-67)

**Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue sources. (Pages 68-70)

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. (Pages 71-72)

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. (Pages 73-75)

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. (Pages 76-77)

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental activities</b>										
Net investment in capital assets	\$ 19,069,081	\$ 18,378,993	\$ 13,621,629	\$ 12,777,097	\$ 9,874,997	\$ 5,391,484	\$ 3,360,667	\$ 3,279,341	\$ 3,454,077	\$ 3,765,812
Restricted for debt service	-	-	222,743	222,654	222,524	222,098	221,656	221,214	220,772	220,330
Unrestricted (deficit)	17,912,602	11,242,765	9,312,783	8,073,357	7,086,920	6,650,005	3,659,946	(2,942,603)	(3,985,497)	(2,940,609)
<b>Total governmental activities net position</b>	<b>\$ 36,981,683</b>	<b>\$ 29,621,758</b>	<b>\$ 23,157,155</b>	<b>\$ 21,073,108</b>	<b>\$ 17,184,441</b>	<b>\$ 12,263,587</b>	<b>\$ 7,242,269</b>	<b>\$ 557,952</b>	<b>\$ (310,648)</b>	<b>\$ 1,045,533</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 35,352,530	\$ 36,900,334	\$ 34,553,753	\$ 33,998,217	\$ 33,122,073	\$ 30,591,335	\$ 28,603,598	\$ 27,566,748	\$ 26,194,280	\$ 25,157,565
Restricted for debt service	-	-	1,175	1,176	1,176	1,164	1,144	1,136	1,136	1,136
Restricted for capital replacement	-	-	-	-	-	-	-	1,121,549	1,118,503	1,273,355
Unrestricted (deficit)	3,024,451	1,865,135	2,297,199	465,377	(1,182,948)	(1,221,936)	(919,550)	(3,165,974)	(3,430,576)	(3,772,838)
<b>Total business-type activities net position</b>	<b>\$ 38,376,981</b>	<b>\$ 38,765,469</b>	<b>\$ 36,852,127</b>	<b>\$ 34,464,770</b>	<b>\$ 31,940,301</b>	<b>\$ 29,370,563</b>	<b>\$ 27,685,192</b>	<b>\$ 25,523,459</b>	<b>\$ 23,883,343</b>	<b>\$ 22,659,218</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 54,421,611	\$ 55,279,327	\$ 48,175,382	\$ 46,775,314	\$ 42,997,070	\$ 35,982,819	\$ 31,964,265	\$ 30,846,089	\$ 29,648,357	\$ 28,923,377
Restricted for debt service	-	-	223,918	223,830	223,700	223,262	222,800	222,350	221,908	221,466
Restricted for capital replacement	-	-	-	-	-	-	-	1,121,549	1,118,503	1,273,355
Unrestricted (deficit)	20,937,053	13,107,900	11,609,982	8,538,734	5,903,972	5,428,069	2,740,396	(6,108,577)	(7,416,073)	(6,746,108)
<b>Total primary government net position</b>	<b>\$ 75,358,664</b>	<b>\$ 68,387,227</b>	<b>\$ 60,009,282</b>	<b>\$ 55,537,878</b>	<b>\$ 49,124,742</b>	<b>\$ 41,634,150</b>	<b>\$ 34,927,461</b>	<b>\$ 26,081,411</b>	<b>\$ 23,572,695</b>	<b>\$ 23,672,090</b>

## Notes:

Accounting standards require that net assets be reported in three components in the financial statements: Net investment in capital assets; restricted; and unrestricted. Net assets are considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Expenses (by function)	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental activities:</b>										
Conservation	\$ 2,333,306	\$ 1,938,053	\$ 1,982,677	\$ 1,952,205	\$ 1,961,978	\$ 2,022,792	\$ 2,101,343	\$ 1,881,138	\$ 1,928,518	\$ 2,538,647
Mitigation	3,005,536	2,916,434	3,396,714	2,923,021	3,160,250	3,374,595	2,584,965	2,343,392	2,261,058	2,348,049
Water supply	21,423,221	16,574,115	16,122,277	10,480,766	4,008,834	3,681,507	3,878,083	5,321,950	7,057,927	5,149,757
Interest	-	134,558	52,215	122,731	125,979	128,961	132,183	137,086	138,627	141,077
<b>Total Governmental Activities expenses</b>	<b>26,762,063</b>	<b>21,563,160</b>	<b>21,553,883</b>	<b>15,478,723</b>	<b>9,257,041</b>	<b>9,207,855</b>	<b>8,696,574</b>	<b>9,683,566</b>	<b>11,386,130</b>	<b>10,177,530</b>
<b>Business-type activities:</b>										
Reclamation Project	4,761,119	4,916,246	4,819,616	4,316,525	4,527,473	4,656,895	4,161,333	4,024,568	4,347,080	3,945,772
<b>Total business-type activities expenses</b>	<b>4,761,119</b>	<b>4,916,246</b>	<b>4,819,616</b>	<b>4,316,525</b>	<b>4,527,473</b>	<b>4,656,895</b>	<b>4,161,333</b>	<b>4,024,568</b>	<b>4,347,080</b>	<b>3,945,772</b>
<b>Total Primary Government Expenses</b>	<b>31,523,182</b>	<b>26,479,406</b>	<b>26,373,499</b>	<b>19,795,248</b>	<b>13,784,514</b>	<b>13,864,750</b>	<b>12,857,907</b>	<b>13,708,134</b>	<b>15,733,210</b>	<b>14,123,302</b>
<b>Program Revenues (by function)</b>										
<b>Governmental activities:</b>										
Charges for service:										
Conservation	2,338,357	2,018,272	1,993,563	1,902,308	1,899,280	1,790,416	2,136,505	996,234	1,005,237	1,584,188
Mitigation	4,423,800	3,833,265	3,729,830	3,660,046	3,380,722	2,977,719	3,013,010	3,052,020	2,542,519	2,236,455
Water supply	19,467,108	18,923,523	15,148,901	11,258,871	5,950,297	5,319,088	10,377,339	4,543,983	4,313,762	4,223,966
Operating grants and contributions	4,046,848	458,949	469,183	82,253	286,651	1,726,815	155,021	89,276	334,864	169,214
<b>Total governmental activities program revenues</b>	<b>30,276,113</b>	<b>25,234,009</b>	<b>21,341,477</b>	<b>16,903,478</b>	<b>11,516,950</b>	<b>11,814,038</b>	<b>15,681,875</b>	<b>8,681,513</b>	<b>8,196,382</b>	<b>8,213,823</b>
<b>Business-type activities:</b>										
Charges for services -										
Water sales	4,337,330	6,829,372	7,220,935	6,838,738	7,063,288	6,299,411	6,328,302	5,661,358	5,513,758	5,379,027
<b>Total Business-type activities revenue</b>	<b>4,337,330</b>	<b>6,829,372</b>	<b>7,220,935</b>	<b>6,838,738</b>	<b>7,063,288</b>	<b>6,299,411</b>	<b>6,328,302</b>	<b>5,661,358</b>	<b>5,513,758</b>	<b>5,379,027</b>
<b>Total Primary Government Program Revenues</b>	<b>34,613,443</b>	<b>32,063,381</b>	<b>28,562,412</b>	<b>23,742,216</b>	<b>18,580,238</b>	<b>18,113,449</b>	<b>22,010,177</b>	<b>14,342,871</b>	<b>13,710,140</b>	<b>13,592,850</b>
<b>Net (Expenses)/Revenue</b>										
Governmental activities	3,514,050	3,670,849	(212,406)	1,424,755	2,259,909	2,606,183	6,985,301	(1,002,053)	(3,189,748)	(1,963,707)
Business-type activities	(423,789)	1,913,126	2,401,319	2,522,213	2,535,815	1,642,516	2,166,969	1,636,790	1,166,678	1,433,255
<b>Total Primary Net (Expenses)/Revenue</b>	<b>\$ 3,090,261</b>	<b>\$ 5,583,975</b>	<b>\$ 2,188,913</b>	<b>\$ 3,946,968</b>	<b>\$ 4,795,724</b>	<b>\$ 4,248,699</b>	<b>\$ 9,152,270</b>	<b>\$ 634,737</b>	<b>\$ (2,023,070)</b>	<b>\$ (530,452)</b>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes	\$ 2,835,328	\$ 2,584,391	\$ 2,409,232	\$ 2,316,662	\$ 2,219,260	\$ 2,075,081	\$ 1,872,468	\$ 1,811,861	\$ 1,788,896	\$ 1,689,619
Investment earnings	928,033	162,465	(193,430)	91,392	398,262	327,035	61,336	35,837	48,125	26,092
Miscellaneous	82,514	46,898	80,651	55,858	43,423	13,019	44,766	22,955	29,207	39,507
Total governmental activities	<u>3,845,875</u>	<u>2,793,754</u>	<u>2,296,453</u>	<u>2,463,912</u>	<u>2,660,945</u>	<u>2,415,135</u>	<u>1,978,570</u>	<u>1,870,653</u>	<u>1,866,228</u>	<u>1,755,218</u>
Business-type activities:										
Investment earnings	35,301	216	(13,962)	2,256	33,923	42,855	(5,236)	3,326	56,685	25,504
Miscellaneous	-	-	-	-	-	-	-	-	762	-
Total business-type activities	<u>35,301</u>	<u>216</u>	<u>(13,962)</u>	<u>2,256</u>	<u>33,923</u>	<u>42,855</u>	<u>(5,236)</u>	<u>3,326</u>	<u>57,447</u>	<u>25,504</u>
Total Primary Government	<u>3,881,176</u>	<u>2,793,970</u>	<u>2,282,491</u>	<u>2,466,168</u>	<u>2,694,868</u>	<u>2,457,990</u>	<u>1,973,334</u>	<u>1,873,979</u>	<u>1,923,675</u>	<u>1,780,722</u>
Change in Net Position										
Governmental activities	7,359,925	6,464,603	2,084,047	3,888,667	4,920,854	5,021,318	8,963,871	868,600	(1,323,520)	(208,489)
Business-type activities	(388,488)	1,913,342	2,387,357	2,524,469	2,569,738	1,685,371	2,161,733	1,640,116	1,224,125	1,458,759
Total Primary Government	<u>6,971,437</u>	<u>8,377,945</u>	<u>4,471,404</u>	<u>6,413,136</u>	<u>7,490,592</u>	<u>6,706,689</u>	<u>11,125,604</u>	<u>2,508,716</u>	<u>(99,395)</u>	<u>1,250,270</u>
Net position - beginning of year	<u>68,387,227</u>	<u>60,009,282</u>	<u>55,537,878</u>	<u>49,124,742</u>	<u>41,634,150</u>	<u>34,927,461</u>	<u>23,801,857</u>	<u>23,572,695</u>	<u>23,672,090</u>	<u>22,454,481</u>
Net position - end of year	<u>\$ 75,358,664</u>	<u>\$ 68,387,227</u>	<u>\$ 60,009,282</u>	<u>\$ 55,537,878</u>	<u>\$ 49,124,742</u>	<u>\$ 41,634,150</u>	<u>\$ 34,927,461</u>	<u>\$ 26,081,411</u>	<u>\$ 23,572,695</u>	<u>\$ 23,704,751</u>

## Notes:

Net position - beginning of the year for the fiscal year ended June 30, 2015 has been restated for implementation of GASB 68.  
Net position - beginning of the year for the fiscal year ended June 30, 2016 has been restated for implementation of GASB 82.  
Net position - beginning of the year for the fiscal year ended June 30, 2018 has been restated for implementation of GASB 75.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Water Supply Fund*</b>										
Restricted	\$ -	\$ -	\$ 222,743	\$ 222,654	\$ 222,524	\$ 222,098	\$ 221,656	\$ 221,214	\$ 220,772	\$ 220,330
Committed	617,648	903,478	859,728	3,427,017	2,812,819	541,223	669,260	833,920	739,717	485,060
Assigned:										
Insurance/litigation	171,354	171,354	171,354	171,354	171,354	171,354	171,354	-	171,354	171,354
Capital equipment	527,016	314,666	105,516	87,216	72,766	61,666	25,966	-	3,666	47,666
Flood/drought emergencies	-	-	-	-	-	-	-	-	-	-
Pension/OPEB	408,000	336,000	264,000	196,000	130,000	64,000	-	-	-	-
Debt service	-	-	500,000	500,000	-	-	-	-	-	-
Water Supply Reserve	3,213,888	-	-	-	-	-	-	-	-	-
Project expenditures	2,719,348	5,196,451	6,897,777	3,865,441	5,097,130	7,524,615	6,245,339	-	-	2,587,157
Unassigned (deficit)	-	-	-	-	-	-	-	(142,687)	(119,214)	-
<b>Total Water Supply Fund Balances</b>	<b>\$ 7,657,254</b>	<b>\$ 6,921,949</b>	<b>\$ 9,021,118</b>	<b>\$ 8,469,682</b>	<b>\$ 8,506,593</b>	<b>\$ 8,584,956</b>	<b>\$ 7,333,575</b>	<b>\$ 912,447</b>	<b>\$ 1,016,295</b>	<b>\$ 3,511,567</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	35,340	316,333	245,012	478,743	668,440	821,194	270,526	-	-	-
Assigned:										
Insurance/litigation	78,646	78,646	78,646	78,646	78,646	78,646	78,646	78,646	78,646	78,646
Capital equipment	1,098,084	980,134	977,784	751,784	508,734	470,334	306,034	140,334	140,334	184,334
Flood/drought emergencies	500,000	328,944	328,944	328,944	328,944	328,944	328,944	328,944	328,944	254,891
Pension/OPEB	792,000	664,000	536,000	404,000	270,000	136,000	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Water Supply Reserve	-	-	-	-	-	-	-	-	-	-
Project expenditures	15,939,249	12,393,944	10,196,870	9,098,994	7,730,552	6,595,265	5,794,340	3,396,036	2,067,332	1,087,461
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Fund Balances</b>	<b>\$ 18,443,319</b>	<b>\$ 14,762,001</b>	<b>\$ 12,363,256</b>	<b>\$ 11,141,111</b>	<b>\$ 9,585,316</b>	<b>\$ 8,430,383</b>	<b>\$ 6,778,490</b>	<b>\$ 3,943,960</b>	<b>\$ 2,615,256</b>	<b>\$ 1,605,332</b>

\* The Water Supply fund acts as the District's general fund.

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CHANGES IN FUNDS BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS OF DOLLARS)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Revenues:</b>										
Property Taxes	\$ 2,818,416	\$ 2,578,806	\$ 2,403,905	\$ 2,317,001	\$ 2,215,716	\$ 2,059,154	\$ 1,924,320	\$ 1,817,206	\$ 1,744,833	\$ 1,689,619
Water supply charge	3,363,928	3,394,345	3,393,516	3,422,117	3,355,193	3,410,398	3,405,008	3,391,354	3,382,389	3,327,701
Water sales	13,275,500	12,201,000	9,828,000	5,908,182	-	-	-	-	-	-
User fees	6,962,359	6,361,569	6,029,950	5,908,495	5,535,384	4,862,354	5,158,825	1,156,364	79,018	95,321
Connection charges, net of refunds	1,372,615	409,101	503,980	474,040	575,511	591,240	522,167	370,255	502,298	159,250
Permit fees	234,408	211,649	235,890	194,822	191,902	251,850	317,312	243,787	225,374	193,609
Project reimbursements	893,900	2,198,123	878,659	925,015	1,562,927	973,715	6,065,203	1,390,565	1,259,886	2,151,906
Investment income	928,033	162,465	(193,430)	91,392	398,262	327,035	61,336	35,837	48,125	26,092
Legal fee reimbursements	14,520	4,800	4,650	2,356	1,800	3,600	5,370	2,914	2,728	2,637
Recording fees	58,520	27,291	55,990	43,435	35,040	7,530	17,887	12,039	12,047	11,340
Mitigation revenue	-	-	-	-	-	-	-	2,039,912	2,412,553	2,127,410
Grants	1,570,549	458,949	469,183	82,253	286,651	1,726,815	155,021	89,276	334,864	169,214
Miscellaneous	9,474	14,807	20,011	10,067	6,583	1,889	21,509	8,002	14,432	25,530
<b>Total revenues</b>	<b>31,502,222</b>	<b>28,022,905</b>	<b>23,630,304</b>	<b>19,379,175</b>	<b>14,164,969</b>	<b>14,215,580</b>	<b>17,653,958</b>	<b>10,557,511</b>	<b>10,018,547</b>	<b>9,979,629</b>
<b>Expenditures:</b>										
<b>Current:</b>										
Water Supply	22,077,271	18,688,163	15,965,592	13,222,603	7,927,006	4,279,219	3,647,937	5,114,480	7,053,419	5,088,746
Conservation	2,140,093	2,049,380	1,752,007	1,750,280	1,727,395	1,839,560	1,881,374	1,733,055	1,889,096	2,493,467
Mitigation	2,794,794	3,782,991	3,378,185	2,632,291	3,169,851	4,549,120	2,277,747	2,149,332	2,211,423	2,248,870
Capital outlay	73,441	348,311	151,371	35,981	45,011	425,271	372,106	114,821	130,822	117,221
<b>Debt Service:</b>										
Principal	-	2,719,926	557,353	96,405	93,157	90,175	86,953	83,881	80,508	78,059
Interest and other charges	-	134,558	52,215	122,731	125,979	128,961	132,183	137,086	138,627	147,150
<b>Total expenditures</b>	<b>27,085,599</b>	<b>27,723,329</b>	<b>21,866,723</b>	<b>17,860,291</b>	<b>13,088,399</b>	<b>11,312,306</b>	<b>8,398,300</b>	<b>9,332,655</b>	<b>11,503,895</b>	<b>10,173,513</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,416,623</b>	<b>299,576</b>	<b>1,773,581</b>	<b>1,518,884</b>	<b>1,076,570</b>	<b>2,903,274</b>	<b>9,255,658</b>	<b>1,224,856</b>	<b>(1,485,348)</b>	<b>(193,884)</b>
<b>Other Financing Sources (Uses):</b>										
Transfers in	1,054,540	2,057,484	345,222	226,047	270,102	1,900,758	1,924,320	1,137,571	1,271,950	948,721
Transfers out	(1,054,540)	(2,057,484)	(345,222)	(226,047)	(270,102)	(1,900,758)	(1,924,320)	(1,137,571)	(1,271,950)	(948,721)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>4,416,623</b>	<b>299,576</b>	<b>1,773,581</b>	<b>1,518,884</b>	<b>1,076,570</b>	<b>2,903,274</b>	<b>9,255,658</b>	<b>1,224,856</b>	<b>(1,485,348)</b>	<b>(193,884)</b>
<b>Fund balances, beginning of year</b>	<b>21,683,950</b>	<b>21,384,374</b>	<b>19,610,793</b>	<b>18,091,909</b>	<b>17,015,339</b>	<b>14,112,065</b>	<b>4,856,407</b>	<b>3,631,551</b>	<b>5,116,899</b>	<b>5,310,783</b>
<b>Fund balances, end of year</b>	<b>\$ 26,100,573</b>	<b>\$ 21,683,950</b>	<b>\$ 21,384,374</b>	<b>\$ 19,610,793</b>	<b>\$ 18,091,909</b>	<b>\$ 17,015,339</b>	<b>\$ 14,112,065</b>	<b>\$ 4,856,407</b>	<b>\$ 3,631,551</b>	<b>\$ 5,116,899</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>0.00%</b>	<b>11.74%</b>	<b>2.93%</b>	<b>1.51%</b>	<b>2.67%</b>	<b>2.59%</b>	<b>2.79%</b>	<b>2.42%</b>	<b>1.96%</b>	<b>2.28%</b>

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY – MONTEREY COUNTY  
 LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Secured Roll	Unsecured Roll	Exemptions	Net Assessed Valuations	* MPWMD Property Tax Allocations	Percentage Over Net Assessed Value
2023	\$ 83,402,624	\$ 3,924,155	\$ (2,929,117)	\$ 84,397,662	\$ 2,578,806	3.1%
2022	77,334,476	3,444,722	(2,825,750)	77,953,448	2,403,905	3.1%
2021	74,781,274	2,938,769	(2,713,849)	75,006,194	2,317,001	3.1%
2020	71,183,662	3,617,496	(2,627,227)	72,173,931	2,215,716	3.1%
2019	67,593,587	2,557,084	(2,474,441)	67,676,230	2,059,154	3.0%
2018	63,625,023	2,475,907	(2,455,639)	63,645,291	1,924,320	3.0%
2017	60,242,461	2,370,771	(2,324,855)	60,288,377	1,817,206	3.0%
2016	57,571,743	2,333,413	(2,196,512)	57,708,644	1,744,833	3.0%
2015	54,354,520	2,231,717	(2,119,791)	54,466,446	1,689,619	3.1%
2014	51,396,835	2,159,991	(2,009,761)	51,547,065	1,582,796	3.1%

Source: Monterey County ACFR Report (Fiscal Year Ended June 30, 2023)

\* Source: Monterey Peninsula Water Management District, Audited Financial Statements

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS – MONTEREY COUNTY  
YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2014**

Tax Payer	Type of Business	2023			2014		
		Taxable Assessed Value (\$'000)	Rank	Percentage of Total County Assessed Value	Taxable Assessed Value (\$'000)	Rank	Percentage of Total County Assessed Value
Pebble Beach Company	Tourism	\$ 960,522	1	1.14%	\$ 716,702	1	1.39%
Pacific Gas & Electric Company	Utility	956,204	2	1.13%	493,521	2	0.96%
Chevron USA Inc	Petroleum	457,244	3	0.54%	408,145	3	0.79%
Dynegy Moss Landing LLC	Utility	289,800	4	0.34%	357,781	5	0.69%
D'Arrigo Bros Co.	Agriculture	226,401	5	0.27%	-	-	-
California - American Water Company	Utility	191,831	6	0.23%	118,469	7	0.23%
Northridge Owner LP	Retail	162,089	7	0.19%	121,207	-	0.24%
Global AG Properties LLC	Agriculture	133,666	9	0.16%	-	-	-
AAT Del Monte LLC	Real Estate	124,050	10	0.15%	-	-	-
Scheid Vineyards California Inc	Agriculture	-	-	-	94,274	5	0.18%
Aera Energy LLC	Utility	-	-	-	406,152	6	0.79%
Pacific Bell Telephone Company	Utility	-	-	-	97,546	8	0.19%
Pacific Holdings	Retail	-	-	-	94,246	9	0.18%
Ten Largest Taxpayers' Total		3,501,807		4.15%	2,908,043		5.64%
All Other Taxpayers' Total		80,753,015		95.84%	48,639,022		94.36%
<b>Total</b>		<b>\$ 84,254,822</b>		<b>100%</b>	<b>\$ 51,547,065</b>		<b>100%</b>

Source: Monterey County ACFR Report (Fiscal Year Ended June 30, 2023)  
2024 data not available at time of print

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
MAJOR REVENUE SOURCES  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental activities</b>										
Property Taxes	\$ 2,835,328	\$ 2,584,391	\$ 2,409,232	\$ 2,316,662	\$ 2,219,260	\$ 2,075,081	\$ 1,872,468	\$ 1,811,861	\$ 1,788,896	\$ 1,689,619
Water supply charge	3,362,507	3,393,618	3,395,815	3,410,671	3,364,575	3,408,064	3,463,347	3,391,354	3,382,389	3,327,701
Water sales	13,275,500	12,201,000	9,828,000	5,908,182	-	-	-	-	-	-
User fees	6,962,359	6,361,569	6,029,950	5,908,495	5,535,384	4,862,354	5,158,825	1,156,364	79,018	95,321
Mitigation revenue	-	-	-	-	-	-	-	2,039,912	2,412,553	2,127,410
<b>Business-type activities</b>										
Water sales	\$ 4,337,330	\$ 6,829,372	\$ 7,220,935	\$ 6,838,738	\$ 7,063,288	\$ 6,299,411	\$ 6,328,302	\$ 5,661,358	\$ 5,513,758	\$ 5,379,027

Source: Monterey Peninsula Water Management District, Audited Financial Statements

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,

<u>Fiscal Year</u>	<u>Installment Purchase Agreement</u>	<u>Line of Credit</u>	<u>Due Pebble Beach Company</u>	<u>Certificates of Participation</u>	<u>Debt</u>	<u>Personal Income (1)</u>	<u>As a Percent of Personal Income</u>
2024	\$ -	\$ -	\$ -	\$ -	\$ -	**	**
2023	-	-	-	-	-	**	**
2022	2,719,926	-	552,000	2,600,000	5,871,926	28,189,179	0.02%
2021	3,277,279	-	1,104,000	5,100,000	9,481,279	27,747,802	0.03%
2020	3,373,684	-	1,656,000	7,500,000	12,529,684	26,504,847	0.05%
2019	3,466,841	-	2,208,000	9,800,000	15,474,841	25,973,189	0.06%
2018	3,357,016	-	2,760,000	11,900,000	18,017,016	24,477,179	0.07%
2017	3,643,969	-	3,312,000	13,900,000	20,855,969	23,819,797	0.09%
2016	3,727,850	-	3,864,000	15,800,000	23,391,850	22,827,059	0.10%
2015	3,808,358	-	4,416,000	17,600,000	25,824,358	21,623,627	0.12%

(1) Monterey County ACFR Report (Fiscal Year Ended June 30, 2023)

\*\* Data not available for 2023 or 2024

Source: Monterey Peninsula Water Management District, Audited Financial Statements



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
DEBT SERVICE COVERAGE  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental activities *</b>										
Debt service coverage										
Water supply charges	\$ 3,363,928	\$ 3,394,345	\$ 3,393,516	\$ 3,422,117	\$ 3,355,193	\$ 3,410,398	\$ 3,405,008	\$ 3,391,354	\$ 3,382,389	\$ 3,327,701
Operating expenses (1)	(3,001,651)	(2,675,636)	(2,561,538)	(2,032,142)	(1,955,508)	(2,005,667)	(1,855,440)	(1,525,501)	(1,847,397)	(1,828,234)
Reserve funds available	1,106,370	822,020	1,263,613	1,177,224	596,644	519,118	418,976	396,234	395,792	439,350
Net available revenues	\$ 1,468,647	\$ 1,540,729	\$ 2,095,591	\$ 2,567,199	\$ 1,996,329	\$ 1,923,849	\$ 1,968,544	\$ 2,262,087	\$ 1,930,784	\$ 1,938,817
<b>Debt Service:</b>										
Principal	\$ -	\$ 2,719,926	\$ 557,353	\$ 96,405	\$ 93,157	\$ 90,175	\$ 86,953	\$ 83,881	\$ 80,508	\$ 78,059
Interest	-	134,558	52,215	122,731	125,979	128,961	132,183	137,086	138,627	147,150
	\$ -	\$ 2,854,484	\$ 609,568	\$ 219,136	\$ 219,136	\$ 219,136	\$ 219,136	\$ 220,967	\$ 219,135	\$ 225,209
Debt service coverage ratio (5)	N/A	N/A	3.44	11.72	9.11	8.78	8.98	10.24	8.81	8.61
Minimum coverage ratio (4)	N/A	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
<b>Business-type activities</b>										
Debt service coverage										
Gross revenues (2)	\$ 6,829,588	\$ 6,829,588	\$ 7,220,935	\$ 6,840,994	\$ 7,097,211	\$ 6,342,266	\$ 6,324,764	\$ 5,664,684	\$ 5,571,205	\$ 5,404,531
Operating expenses (3)	(3,046,769)	(3,046,769)	(2,972,796)	(2,356,918)	(2,504,551)	(2,584,234)	(2,041,565)	(2,053,626)	(2,588,706)	(2,035,882)
Net available revenues	\$ 3,782,819	\$ 3,782,819	\$ 4,248,139	\$ 4,484,076	\$ 4,592,660	\$ 3,758,032	\$ 4,283,199	\$ 3,611,058	\$ 2,982,499	\$ 3,368,649
<b>Debt Service:</b>										
Principal:										
PBCo.	\$ -	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000	\$ 552,000
COPs	-	2,600,000	2,500,000	2,400,000	2,530,000	2,100,000	2,000,000	1,900,000	1,800,000	1,700,000
Interest	1,518	90,694	55,971	70,501	167,891	192,875	185,876	141,828	59,049	40,339
	\$ 1,518	\$ 3,242,694	\$ 3,107,971	\$ 3,022,501	\$ 3,249,891	\$ 2,844,875	\$ 2,737,876	\$ 2,593,828	\$ 2,411,049	\$ 2,292,339
Debt service coverage ratio (5)	N/A	N/A	1.37	1.48	1.41	1.32	1.56	1.39	1.24	1.47
Minimum coverage ratio (4)	N/A	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

\* The service coverage ratio only applies to the Water Supply Fund. The amounts included in the calculation relate only to that fund.

(1) Operating expenses exclude depreciation, interest expense, capital outlay and project expenditures except for ASR operating expenses.

(2) Gross revenues includes operating revenue, other non-operating revenue, and investment earnings.

(3) Operating expenses exclude depreciation and amortization.

(4) Minimum coverage ratio requirement per debt covenants.

(5) Debt service coverage ratio requirement is not applicable to fiscal years ended June 30, 2023 and after as the debt was fully paid off during fiscal year ended June 30, 2023.

Source: Monterey Peninsula Water Management District, Audited Financial Statements

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
DEMOGRAPHICS AND ECONOMIC STATISTICS – MONTEREY COUNTY  
LAST TEN CALENDAR YEARS**

Calendar Year	(1) Population	(2) Per Capita Income	(3) Total Personal Income	(4) Median Age	(5) School Enrollment	(6) Unemployment Rate
2022	\$ 446,229	\$ 65,123	\$ 28,189,179	37	73,643	18.1%
2021	434,283	63,449	27,747,802	38	74,700	14.0%
2020	434,172	61,510	26,504,847	38	75,668	6.6%
2019	434,061	59,838	25,973,189	35	77,381	7.8%
2018	435,594	56,193	24,477,179	35	77,923	4.7%
2017	437,907	54,395	23,819,797	34	77,954	7.2%
2016	435,232	52,448	22,827,059	34	77,517	7.6%
2015	433,898	49,836	21,623,627	34	76,768	8.1%
2014	431,344	46,109	19,889,054	34	75,997	9.1%
2013	428,826	44,851	19,233,171	33	74,684	10.1%

Source: Monterey County ACFR Report (Fiscal Year Ended June 30, 2023)  
2023 & 2024 data not available at time of print

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
PRINCIPAL EMPLOYMENT BY INDUSTRY – MONTEREY COUNTY  
YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2014**

Industry	2023		Industry	2013	
	Number of Employed	Percent of Total		Number of Employed	Percent of Total
Agriculture	55,000	27.42%	Agriculture	50,100	28.37%
Natural Resources, Mining and Construction	7,400	3.69%	Natural Resources, Mining and Construction	4,700	2.66%
Manufacturing	5,100	2.54%	Manufacturing	5,200	2.94%
Wholesale Trade	5,900	2.94%	Wholesale Trade	5,200	2.94%
Retail Trade	16,200	8.08%	Retail Trade	16,200	9.17%
Transportation, Warehousing and Utilities	3,400	1.69%	Transportation, Warehousing and Utilities	4,000	2.27%
Information	900	0.45%	Information	1,500	0.85%
Financial Activities	4,100	2.04%	Financial Activities	4,000	2.27%
Professional and Business Services	14,900	7.43%	Professional and Business Services	11,300	6.40%
Educational and Health Services	21,900	10.92%	Educational and Health Services	17,500	9.91%
Leisure and Hospitality	25,500	12.71%	Leisure and Hospitality	21,900	12.40%
Other Services	5,500	2.74%	Other Services	4,800	2.72%
Government	34,800	17.35%	Government	30,200	17.10%

Source: State of California Employment Development Department, Industry Employment-Official Monthly Estimates (CES)  
2024 data not available at time of print

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
FULL-TIME EQUIVALENT EMPLOYEES BY DEPARTMENT  
LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Department:										
General Manager's Office	2	2	2	2	2	2	2	2	2	2
Administrative Services Division	5	5	5	4	4	5	5	5	7	7
Environmental Resources Division	6	6	6	6	6	-	-	-	-	-
Planning & Engineering Division	*	*	*	*	*	5	5	5	5	5
Water Resources Division	5	5	5	5	5	6	7	7	7	7
Water Demand Division	7	7	6	6	6	6	6	6	6	5
<b>Total</b>	<b>25</b>	<b>25</b>	<b>24</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>27</b>	<b>26</b>

Source: Monterey Peninsula Water Management District  
\* Division reconfigured

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**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
WATER CONSUMPTION BY TYPE (IN ACRE-FEET)  
LAST TEN WATER YEARS**

	2023*	2022	2021	2020	2019	2018	2017	2016	2015	2014
Use Type:										
Residential		4,059	4,591	4,488	4,067	4,242	4,384	4,560	4,936	5,302
Multi-Residential		1,203	1,358	1,359	1,293	1,367	1,410	1,418	1,637	1,529
Commercial		2,016	1,849	1,819	2,157	2,194	2,214	2,224	2,414	2,637
Industrial		-	-	-	-	-	-	-	9	4
Golf Course		96	109	99	108	169	168	185	201	20
Public Authority		530	600	593	589	585	617	560	630	536
Other		74	35	25	41	18	39	40	14	2
Non Revenue Metered		-	2	2	2	1	2	1	1	-
<b>Total</b>	<b>-</b>	<b>7,978</b>	<b>8,544</b>	<b>8,385</b>	<b>8,257</b>	<b>8,576</b>	<b>8,834</b>	<b>8,988</b>	<b>9,842</b>	<b>10,030</b>

Source: California American Water - Customers and Consumption by Political Jurisdiction for Water Year in Acre-Feet

\* 2023 data not available at time of print

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CONNECTIONS BY TYPE  
LAST TEN WATER YEARS**

	2023*	2022	2021	2020	2019	2018	2017	2016	2015	2014
Use Type:										
Residential		33,815	32,502	32,442	32,371	32,332	32,355	31,801	32,532	32,633
Multi-Residential		1,828	1,745	1,739	1,734	1,732	1,696	1,706	1,720	1,427
Commercial		4,893	3,943	3,933	3,928	3,918	3,932	3,890	3,655	3,077
Industrial		-	-	-	-	-	-	-	4	-
Golf Course		4	4	4	4	4	4	4	4	5
Public Authority		557	470	532	543	544	545	537	555	543
Other		242	119	76	71	66	64	51	274	897
Non-Revenue Metered		6	5	5	6	6	6	6	10	12
<b>Total</b>	<b>-</b>	<b>41,345</b>	<b>38,788</b>	<b>38,731</b>	<b>38,657</b>	<b>38,602</b>	<b>38,602</b>	<b>37,995</b>	<b>38,754</b>	<b>38,594</b>

Source: California American Water - Customers and Consumption by Political Jurisdiction for Water Year

\* 2023 data not available at time of print

Board of Directors  
Monterey Peninsula Water Management District  
Monterey, California

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Monterey Peninsula Water Management District as of and for the year ended June 30, 2024, and have issued our report thereon dated REPORT DATE. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit in our engagement agreement dated July 22, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings or issues**

#### ***Qualitative aspects of accounting practices***

##### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Monterey Peninsula Water Management District are described in Note 1 to the financial statements.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

##### *Accounting estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The actuarially required contribution, pension expense, net pension liability, and corresponding deferred outflows of resources and deferred inflows of resources for the District's public defined benefit plan with CalPERS are based on an actuarial valuation provided by CalPERS and prepared by an outside consultant.
- The actuarially determined contribution, OPEB expense, net OPEB liability, and corresponding deferred outflows of resources and deferred inflows of resources for the District's OPEB plan are based on certain actuarial assumptions and methods prepared by an outside consultant.

We evaluated the methods, assumptions, and data used to develop the estimates described above and related disclosures in determining that they are reasonable in relation to the financial statements taken as a whole.

**Financial statement disclosures**

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

***Significant unusual transactions***

We identified no significant unusual transactions.

***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify, and we did not notify them of any uncorrected financial statement misstatements.

***Corrected misstatements***

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

***Disagreements with management***

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated REPORT DATE.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.



***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Audits of group financial statements***

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

***Quality of component auditor's work***

There were no instances in which our evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.

***Limitations on the group audit***

There were no restrictions on our access to information of components or other limitations on the group audit.

***Required supplementary information***

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

***Other information included in annual reports***

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. 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. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

Board of Directors  
Monterey Peninsula Water Management District  
Page 4

This communication is intended solely for the information and use of the board of directors and management of Monterey Peninsula Water Management District and is not intended to be, and should not be, used by anyone other than these specified parties.

**CliftonLarsonAllen LLP**

Monterey, California  
REPORT DATE

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**ITEM: ACTION ITEM****12. CONSIDER APPROVAL OF ADDITIONAL FUNDS FOR LEGAL SERVICES IN SUPPORT OF THE PUBLIC'S ACQUISITION OF THE MONTEREY WATER SYSTEM**

<b>Meeting Date:</b>	<b>December 16, 2024</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>David J. Stoldt</b>	<b>Cost Estimate:</b>	<b>\$250,000</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Ac Guidelines section 15378.**

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**SUMMARY:** On December 16, 2019 the District Board authorized \$200,000 for Special Counsel Rutan & Tucker to work directly with the General Manager and District Counsel to develop findings and to draft a resolution of public necessity in October 2023. That same authorization was then used to fund the filing of the eminent domain proceeding in December 2023 and additional legal action related thereto. To date, the District has been invoiced \$196,572 of the previous authorization and the latest invoice will exceed the total amount authorized.

Estimating the level of legal activity is difficult, but the District is entering a complex and very active part of the bench trial – also referred to as the “Right to Take” trial. It is recommended that an additional authorization of \$250,000 for the remainder of the fiscal year be approved. Such amount will be reflected in the pending mid-year budget adjustment.

**RECOMMENDATION:** The General Manager recommends the Board approve entering into a contract amendment with Rutan & Tucker for the remainder of the fiscal year and authorize a total budget of \$250,000.

**EXHIBITS**

None



**ITEM: ACTION ITEM****13. REVIEW AND CONSIDER ADOPTING THE BOARD MEETING SCHEDULE FOR CALENDAR YEAR 2025 THROUGH FEBRUARY 2026****Meeting Date:** December 16, 2024 **Budgeted:** N/A**From:** David J. Stoldt  
General Manager **Program/** N/A  
**Line Item No.:****Prepared By:** Sara Reyes **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** Attached as **Exhibit 13-A** is a proposed Board meeting schedule for January 2025 through February 2026. The January and February 2026 meeting dates are not set for the third Monday due to conflicts with Martin Luther King Jr. Day and Presidents' Day holidays. Changes to the meeting time or location will be noticed on the meeting agenda and the Water Management District website.

**RECOMMENDATION:** Review and adopt the CY2025 through February 2026 MPWMD Board meeting schedule.

**EXHIBIT****13-A** Proposed Board Meeting Schedule for 2025

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**EXHIBIT 13-A**

**Draft**

**MEETING SCHEDULE  
MPWMD BOARD OF DIRECTORS**

**JANUARY 2025 THROUGH FEBRUARY 2026**

*Adopted by the Board on \_\_\_\_\_, 2024*

*Meetings begin at 6:00 p.m. in the District Conference Room unless noted otherwise.*

	<b>Day of Week</b>	<b>Date</b>	<b>Time</b>	<b>Type of Meeting</b>
<b>2025</b>	Monday	January 27	6 PM	Regular
	Monday	February 24	6 PM	Regular
	Monday	March 17	6 PM	Regular
	Monday	April 21	6 PM	Regular
	Monday	May 19	6 PM	Regular
	Thursday	May 29	6 PM	Special (Budget Workshop)
	Monday	June 16	6 PM	Regular (Budget Adoption)
	Monday	July 21	6 PM	Regular
	Monday	August 18	6 PM	Regular
	Monday	September 15	6 PM	Regular
	Monday	October 20	6 PM	Regular
	Monday	November 17	6 PM	Regular
	Monday	December 15	6 PM	Regular
<b>2026</b>	Monday	January 26	6 PM	Regular
	Monday	February 23	6 PM	Regular

*This schedule is subject to change in the event a Special Meeting of the Board of Directors is needed. At that time notification will be given on the District's Website.*

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**ITEM: ACTION ITEM****14. CONDUCT ELECTION OF BOARD OFFICERS FOR 2025****Meeting Date:** December 16, 2024      **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager      **Program/  
Line Item No.:** N/A**Prepared By:** David J. Stoldt      **Cost Estimate:** N/A**General Counsel Approval:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

**SUMMARY:** Rule 2 of the MPWMD Board Meeting Rules states that in December of each year, the Board will elect a Chair, Vice-Chair, Treasurer, and Secretary. Rule 2.5 specifies the rotation of Directors into the positions of Chair and Vice-Chair. The rules also specify that the election of officers shall be the final item on the December meeting agenda. The officers elected at the meeting will assume their offices immediately following the December Board meeting. The term of office is twelve months.

It has been the Board's past practice to elect the General Manager to serve as Secretary and the Chief Financial Officer (CFO)/Administrative Services Division (ASD) Manager to serve as Treasurer. The rotation is listed as follows:

Calendar Year	Chair	Chair Name	Vice Chair	Vice Chair Name
2024	Division 5	Anderson	Division 2	Riley
2025	Division 2	Riley	Mayoral Rep	Oglesby
2026	Mayoral Rep	Oglesby	Division 3	Lindor
2027	Division 3	Lindor	Division 1	Edwards

**RECOMMENDATION:** The Board should confirm the rotation of Directors into the positions of Board Chair and Vice Chair according to Meeting Rules 2 and 2.5 (**Exhibit 14-A**). Director Riley would take the position of Chair and Director Oglesby would move into the position of Vice Chair. Additionally, staff recommends that General Manager David J. Stoldt be elected to serve as Secretary and that the CFO/ASD Manager Nishil Bali be elected to the position of Treasurer for 2025.

**EXHIBIT****14-A Meeting Rules of the MPWMD, August 2022**



**EXHIBIT 14-A****PART 1: GENERAL RULES****RULE 1: OPEN MEETINGS**

Meetings of the Board of Directors of the MPWMD and subcommittees of the Board shall be held as provided by the MPWMD Law and shall comply with the open meeting requirements of the Ralph M. Brown Act.

**RULE 2: ELECTION OF BOARD OFFICERS**

At the first meeting in the month of December of each year, the Board of Directors shall elect a Chair, Vice-Chair, a Treasurer, and a Secretary. The agenda for the December meeting will list the election of Board officers as the last item for consideration that evening. The newly elected officers will assume their positions immediately following adjournment of the meeting at which they were elected. At the first meeting after a vacancy occurs in any office, an election shall be conducted to fill that vacancy. If both the Chair and Vice-Chair are absent, the directors in attendance shall select a presiding officer to conduct that meeting.

**RULE 2.5: ROTATION OF VICE CHAIR INTO THE POSITION OF CHAIR**

The Board shall rotate its leadership among the seven (7) members. To encourage rotation of the Chair, each December when the annual election of Board officers is conducted, or when a vacancy in the position of Chair occurs, the Vice-Chair shall be elected as Chair. Beginning in December 2016, the following rotation shall be used to select the next Vice-Chair.

Division 2 Director  
 Mayoral Representative  
 Division 3 Director  
 Division 1 Director  
 Division 4 Director  
 Monterey County Board of Supervisors Representative  
 Division 5 Director

Thereafter, the rotation shall return to the top of this list.

Should the current Vice Chair decline to serve as incoming Chair, the Board shall select the Director next in rotation to serve as Chair. Should the Director next in rotation for the position of Vice Chair decline to serve in that capacity, the Board shall select the next Director in rotation to serve as Vice Chair. The declining Director shall have an opportunity to serve once the entire rotation schedule is complete and has returned to the Division that opted-out. If the Chair has served less

less than 12 months at the time the annual December election of Board officers is conducted, the Board shall, by majority vote, elect a Chair to serve for that year, and thereafter the Chair rotation shall return to where it had left off.

**RULE 3: PRESIDING OFFICER**

The Chair shall preside at all meetings of the Board. The Vice-Chair shall preside at all meetings of the Board in the absence of the Chair.

**RULE 4: DUTIES OF PRESIDING OFFICER**

The presiding officer of the Board shall preserve order and decorum and shall decide questions of order subject to appeal to the Board.

**RULE 5: DUTIES OF THE GENERAL MANAGER**

The General Manager shall prepare and deliver to each member of the Board on or before Friday preceding the regular meeting, a meeting agenda and staff notes, together with a copy of the minutes of the previous meeting. The General Manager shall perform those duties as delegated by the Board of Directors.

**RULE 6: SPOKESPERSON**

Only the Chair, another Board member designated by the Chair, or the General Manager shall be the spokesperson for the District when expressing District policy and position. Public statements by Board Members in the name of the District shall be first reviewed and approved by the Board. Except for this circumstance, only the Chair, the General Manager, and employees designated by the General Manager shall sign correspondence on District stationery. Board Members shall clarify that they are speaking as an individual and not on behalf of the Board when they make oral or written statements regarding District matters.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****15. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000**

**Meeting Date:** December 16, 2024                      **Budgeted:** N/A

**From:** David J. Stoldt,                                      **Program/** N/A  
              General Manager                                      **Line Item No.:**

**Prepared By:** Nishil Bali                                      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** The Finance and Administration Committee reviewed this item on December 9, 2024.

**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** Attached for review as **Exhibit 15-A** is a monthly status report on contracts over \$25,000 for the period October 2024. This status report is provided for information only, no action is required.

**EXHIBIT**

**15-A** Status on District Open Contracts (over \$25k)



**EXHIBIT 15-A**

**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period October 2024**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Current Period Acitivity	P.O. Number	
1	Monterey One Water	PWM Expansion State Water Control Board Grant	9/22/2022	\$ 4,800,000.00	\$ 819,674.25	\$ -	\$ 819,674.25		PO03753
2	Monterey One Water	Urban Community Drought Grant	9/22/2022	\$ 11,935,206.00	\$ 446,274.00	\$ -	\$ 446,274.00		PO03726
3	DUDEK	IRWM IR2 Grant Administration	10/1/2022	\$ 90,510.00	\$ 2,805.00	\$ -	\$ 2,805.00		PO03718
4	Colantuono, Highsmith, & Whatley, PC	MTA Legal services for appeal to Water Supply Charge	9/15/2021	\$ 50,000.00	\$ 51,057.97	\$ 6,225.00	\$ 57,282.97	Current period activity for MTA legal services	PO03715
5	John K. Cohan dba Telemetrix	Consultant Services for Sleepy Hollow Facility	6/30/2023	\$ 29,600.00	\$ 12,015.49	\$ -	\$ 12,015.49		PO03693
6	Rutan & Tucker, LLP	Measure J/Rule 19.8 Eminent Domain Phase IV	2/24/2023	\$ 200,000.00	\$ 181,597.55	\$ -	\$ 181,597.55		PO03639
7	Telemetrix	Flood Repair Services for Sleepy Hollow Facility	1/23/2023	\$ 85,000.00	\$ 41,124.09	\$ -	\$ 41,124.09		PO03556
8	Rincon Consultants, Inc.	Environmental Consulting Services for Water Allocation	5/25/2023	\$ 29,000.00	\$ 21,944.25	\$ -	\$ 21,944.25		PO03525
9	Tyler Technologies	Software Maintenance 24-25	5/20/2024	\$ 36,607.72	\$ 34,907.72	\$ -	\$ 34,907.72		PO03737
10	Schaaf & Wheeler	Drawing Support Services	4/23/2023	\$ 30,000.00	\$ 6,752.50	\$ -	\$ 6,752.50		PO03474
11	Lynx Technologies, Inc	GIS Consultant Contract for 2024-2025	5/20/2024	\$ 35,000.00	\$ 12,750.00	\$ 2,325.00	\$ 15,075.00	Current period activity for GIS services	PO03795
12	DeVeera Inc.	IT Managed Services Contract and subscriptions FY 2024-2025	5/20/2024	\$ 95,500.00	\$ 15,911.96	\$ 7,955.98	\$ 23,867.94	Current period activity for managed IT services	PO03815
13	JEA & Associates	Legislative and Administrative Services	7/1/2024	\$ 54,000.00	\$ 13,500.00	\$ 4,500.00	\$ 18,000.00	Current period retainer billing	PO03761
14	The Ferguson Group LLC	Contract for Legislative Services for FY 2024-2025	7/1/2024	\$ 79,100.00	\$ 18,900.00	\$ 6,300.00	\$ 25,200.00	Current period retainer billing	PO03760
15	Maggiora Bros. Drilling, Inc	ASR Support from Maggiora Bros for Well Work	6/20/2023	\$ 50,000.00	\$ -	\$ -	\$ -		PO03407
16	Montgomery & Associates	Groundwater Modeling Montgomery Contract	6/27/2024	\$ 55,000.00	\$ -	\$ -	\$ -		PO03750
17	Pueblo Water Resources, Inc.	ASR Operations Support	6/20/2023	\$ 25,000.00	\$ 1,527.50	\$ -	\$ 1,527.50		PO03406
18	CSC	Recording Fees	7/1/2024	\$ 60,000.00	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00	Monthly Recording Fees	PO03754
19	WellmanAD	Public Outreach Consultant	7/17/2024	\$ 94,500.00	\$ 31,500.00	\$ -	\$ 31,500.00		PO03735
20	Montgomery & Associates	Tularcitos ASR Feasibility Study	3/20/2023	\$ 119,200.00	\$ 14,642.00	\$ -	\$ 14,642.00		PO03368
21	Kevin Robert Knapp/ Tierra Plan LLC	Surface Water Data Portal	11/14/2022	\$ 27,730.00	\$ 24,025.81	\$ -	\$ 24,025.81		PO03302
22	City of Monterey	MPWMD Local Water Project Development Grant	10/17/2022	\$ 25,000.00	\$ 14,955.50	\$ -	\$ 14,955.50		PO03242
23	Montgomery & Associates	Annual Groundwater Modeling Support	6/20/2022	\$ 50,000.00	\$ 11,881.00	\$ -	\$ 11,881.00		PO03193
24	Telemetrix	Consultant Services for Sleepy Hollow Facility	6/20/2022	\$ 27,060.00	\$ 24,554.64	\$ -	\$ 24,554.64		PO03121
25	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Water Rights	8/15/2022	\$ 75,000.00	\$ 45,490.46	\$ -	\$ 45,490.46		PO03113
26	Monterey One Water	PWM Expansion Project Amd #6	11/15/2021	\$ 1,200,000.00	\$ 909,545.39	\$ -	\$ 909,545.39		PO03042
27	Monterey One Water	PWM Deep Injection Well #4 Design/Construction	9/21/2020	\$ 4,070,000.00	\$ 1,935,602.04	\$ -	\$ 1,935,602.04		PO02604

**Monterey Peninsula Water Management District  
 Status on District Open Contracts (over \$25K)  
 For The Period October 2024**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Current Period Acitivity	P.O. Number	
28	City of Sand City	IRWM Grant Reimbursement	3/28/2022	\$ 1,084,322.50	\$ 33,435.30	\$ -	\$ 33,435.30		PO03093
29	DUDEK	Grant administration services for the Proposition 1 IRWM Implementation	12/14/2020	\$ 114,960.00	\$ 53,325.00	\$ -	\$ 53,325.00		PO02847
30	Shute, Mihaly & Weinberger LLP	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 484,000.00	\$ 454,645.85	\$ -	\$ 454,645.85		PO02843
31	Reiff Manufacturing	Quarantine tanks for the Sleepy Hollow steelhead facility	10/18/2022	\$ 48,000.00	\$ 40,350.00	\$ -	\$ 40,350.00		PO02824
32	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	6/21/2021	\$ 67,500.00	\$ 46,108.64	\$ -	\$ 46,108.64		PO02693
33	Weston Solutions, Inc.	UXO Support Services	6/15/2020	\$ 26,378.70	\$ 6,521.66	\$ -	\$ 6,521.66		PO02371
34	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	7/16/2018	\$ 30,000.00	\$ 26,878.87	\$ -	\$ 26,878.87		PO01880
35	Colantuono, Highsmith, & Whatley, PC	MPPTA Legal Matter	7/1/2018	\$ 250,000.00	\$ 249,425.78	\$ -	\$ 249,425.78		PO01707
36	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11	\$ -	\$ 44,318.11		PO01510
37	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 57,168.85	\$ -	\$ 57,168.85		PO01628
38	Maggiora Bros. Drilling, Inc	ASR1 and ASR2 Well Rehabilitation	5/20/2024	\$ 509,534.00	\$ 255,526.25	\$ -	\$ 255,526.25		PO03762
39	FishBio	Weir Repairs	1/23/2023	\$ 32,512.00	\$ 29,912.00	\$ 2,600.00	\$ 32,512.00	Substrate rail installation	PO03796
40	Clifton Larson Allen LLP	Audit & Related Services for FY 24-25	8/21/2023	\$ 84,525.00	\$ 6,825.00	\$ 17,640.00	\$ 24,465.00	Current spending for audit services	PO03771
41	Onpoint Generators, Inc	Purchase & installation of Generator	6/27/2024	\$ 58,900.00	\$ 5,890.00	\$ -	\$ 5,890.00		PO03751
42	Kyocera Document Solutions of America Inc.	Lease Agreement for three Copiers for 60 months	8/1/2024	\$ 29,424.00	\$ -	\$ 535.75	\$ 535.75	Current spending lease payment	PO03790
43	TJC and Associates	Perform a review of our electrical system, capacity, and provide overall support for the ASR project.	6/27/2024	\$ 45,000.00	\$ -	\$ -	\$ -		PO03829



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****16. STATUS REPORT ON EXPENDITURES – PUBLIC’S OWNERSHIP OF MONTEREY WATER SYSTEM**

**Meeting Date:** December 16, 2024                      **Budgeted:** N/A  
**From:** David J. Stoldt,                                      **Program/** N/A  
                   General Manager                                      **Line Item No.:**  
**Prepared By:** Nishil Bali                                      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** The Finance and Administration Committee reviewed this item on December 9, 2024.

**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** Attached for review as **Exhibit 16-A** is a monthly status report on spending – Public’s Ownership of Monterey Water System for the period October 2024. This status report is provided for information only, no action is required.

**EXHIBIT**

**16-A** Status Report on Spending – Public’s Ownership of Monterey Water System



**Monterey Peninsula Water Management District  
Status on Public's Ownership of Monterey Water System - Phase IV  
Eminent Domain Proceedings through Bench Trial  
Through October 2024**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Phase IV - Authorization (unallocated)	11/13/2023	\$ 50,000.00	\$ -		\$ -	\$ 50,000.00	
2	Eminent Domain Legal Counsel (Rutan)	12/16/2019	\$ 200,000.00	\$ 182,541.55	\$ -	\$ 182,541.55	\$ 17,458.45	PA00009-01
3	Eminent Domain Legal Counsel (SMW)*	12/16/2019	\$ 100,000.00	\$ 104,393.79	\$ -	\$ 104,393.79	\$ (4,393.79)	PA00009-02
4	Financial Services (Raftelis)	8/21/2023	\$ 200,000.00	\$ 17,675.00	\$ 1,077.50	\$ 18,752.50	\$ 181,247.50	PA00009-03
5	District Legal Counsel*		\$ 70,000.00	\$ 85,202.49	\$ 3,788.99	\$ 88,991.48	\$ (18,991.48)	PA00009-05
	<b>Total</b>		<b>\$ 620,000.00</b>	<b>\$ 389,812.83</b>	<b>\$ 4,866.49</b>	<b>\$ 394,679.32</b>	<b>\$ 225,320.68</b>	

**Status on Public's Ownership of Monterey Water System - Phase III  
Appraisal through Resolution of Necessity  
Through October 2023**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/16/2019	\$ 200,000.00	\$ 98,283.28		\$ 98,283.28	\$ 101,716.72	PA00007-01
2	Appraisal Services	4/17/2023	\$ 220,000.00	\$ 220,000.75		\$ 220,000.75	\$ (0.75)	PA00007-03
3	District Legal Counsel	12/16/2019	\$ 100,000.00	\$ 46,361.50		\$ 46,361.50	\$ 53,638.50	PA00007-05
4	Real Estate Appraiser	8/15/2022	\$ 80,000.00	\$ 53,309.64		\$ 53,309.64	\$ 26,690.36	PA00007-06
5	Water Rights Appraisal	8/15/2022	\$ 75,000.00	\$ 45,490.46		\$ 45,490.46	\$ 29,509.54	PA00007-10
6	Contingency/Miscellaneous	12/16/2019	\$ -	\$ -		\$ -	\$ -	PA00007-20
	<b>Total</b>		<b>\$ 675,000.00</b>	<b>\$ 463,445.63</b>	<b>\$ -</b>	<b>\$ 463,445.63</b>	<b>\$ 211,554.37</b>	

**Status on Public's Ownership of Monterey Water System - Phase II  
EIR & LAFCO Application  
Through September 2022**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	9/20/2021	\$ 345,000.00	\$ 168,265.94		\$ 168,265.94	\$ 176,734.06	PA00005-01
2	CEQA Work	12/16/2019	\$ 134,928.00	\$ 134,779.54		\$ 134,779.54	\$ 148.46	PA00005-02
3	Appraisal Services	9/20/2021	\$ 430,000.00	\$ 188,683.75		\$ 188,683.75	\$ 241,316.25	PA00005-03
4	Operations Plan	12/16/2019	\$ 145,000.00	\$ 94,860.00		\$ 94,860.00	\$ 50,140.00	PA00005-04
5	District Legal Counsel	12/16/2019	\$ 40,000.00	\$ 162,254.16		\$ 162,254.16	\$ (122,254.16)	PA00005-05
6	MAI Appraiser	6/15/2020	\$ 170,000.00	\$ 76,032.00		\$ 76,032.00	\$ 93,968.00	PA00005-06
7	Jacobs Engineering	12/16/2019	\$ 87,000.00	\$ 86,977.36		\$ 86,977.36	\$ 22.64	PA00005-07
8	LAFCO Process	11/15/2021	\$ 240,000.00	\$ 217,784.62		\$ 217,784.62	\$ 22,215.38	PA00005-08
9	PSOMAS	9/20/2021	\$ 28,000.00	\$ 25,900.00		\$ 25,900.00	\$ 2,100.00	PA00005-09
10	Contingency/Miscellaneous/Uncommitted	12/16/2019	\$ 289,072.00	\$ 38,707.08		\$ 38,707.08	\$ 250,364.92	PA00005-20
	<b>Total</b>		<b>\$ 1,909,000.00</b>	<b>\$ 1,194,244.45</b>	<b>\$ -</b>	<b>\$ 1,194,244.45</b>	<b>\$ 714,755.55</b>	
1	Measure J CEQA Litigation Legal Services	12/23/2020	\$ 200,000.00	\$ 141,280.62		\$ 141,280.62	\$ 58,719.38	PA00005-15
1	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 400,000.00	\$ 389,365.52		\$ 389,365.52	\$ 10,634.48	PA00005-16

**Status on Public's Ownership of Monterey Water System - Phase I**  
**Financial Feasibility**  
**Through November 2019**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/17/2018	\$ 100,000.00	\$ 160,998.16		\$ 160,998.16	\$ (60,998.16)	PA00002-01
2	Investment Banking Services	2/21/2019	\$ 30,000.00	\$ 27,000.00		\$ 27,000.00	\$ 3,000.00	PA00002-02
3	Valuation & Cost of Service Study Consultant	2/21/2019	\$ 355,000.00	\$ 286,965.17		\$ 286,965.17	\$ 68,034.83	PA00002-03
4	Investor Owned Utility Consultant	2/21/2019	\$ 100,000.00	\$ 84,221.69		\$ 84,221.69	\$ 15,778.31	PA00002-04
5	District Legal Counsel		\$ 35,000.00	\$ 41,897.59		\$ 41,897.59	\$ (6,897.59)	PA00002-05
6	Contingency/Miscellaneous		\$ 30,000.00	\$ 45,495.95		\$ 45,495.95	\$ (15,495.95)	PA00002-10
	<b>Total</b>		<b>\$ 650,000.00</b>	<b>\$ 646,578.56</b>	<b>\$ -</b>	<b>\$ 646,578.56</b>	<b>\$ 3,421.44</b>	

\* Amount spent corrected based on cumulative spending



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****17. LETTERS RECEIVED AND SENT****Meeting Date:** December 16, 2024 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/  
Line Item No.:** N/A**Prepared By:** Sara Reyes **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

A list of letters sent by and/or received by the Board Chair and/or General Manager between November 14, 2024, and December 11, 2024, is shown below.

The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's website at [www.mpwmd.net](http://www.mpwmd.net).

Author	Addressee	Date	Topic
<b>Yessica Ramirez</b>	Dave Stoldt	11/25/2024	December 6, 2025, State Lands Commission Outreach and Engagement Meeting regarding California American Water
<b>Melodie Chrislock</b>	MPWMD Board	11/25/2024	State Lands Commission Outreach and Engagement Meeting





**ITEM: INFORMATIONAL ITEM/STAFF REPORT****18. COMMITTEE REPORTS****Meeting Date: December 16, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Sara Reyes Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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The final minutes of the committee meetings listed below are formally submitted for review.

**EXHIBITS****18-A MPWMD Water Demand Committee Meeting of October 3, 2024****18-B MPWMD Finance and Administration Committee Meeting of November 12, 2024**





**EXHIBIT 18-A**

**Final Minutes  
Monterey Peninsula Water Management District  
Water Demand Committee  
Thursday, October 3, 2024 at 1:30 p.m.**

**Call to Order / Roll Call**

Chair Edwards called the meeting to order at 1:33 p.m.

Committee members present: Alvin Edwards - Chair  
Amy Anderson  
Karen Paull

Committee members absent: None

District staff members present: David J. Stoldt, General Manager  
Stephanie Locke, Water Demand Manager  
Stephanie Kister Campbell, Conservation Analyst  
Gabriela Bravo, Conservation Analyst

District staff members absent: Sara Reyes, Board Clerk

District Counsel Present: Michael Laredo with DeLay and Laredo  
Fran Farina with DeLay and Laredo

Comments from the Public: Chair Edwards opened the public comment period; however, no comments were made.

**Action Item**

**1. Consider Adoption of Committee Minutes from August 1, 2024**

Chair Edwards introduced the item and opened the public comment period; however, no comments were made to the committee.

A motion was made by Director Paull, seconded by Director Anderson, to approve the August 1, 2024, Committee Meeting minutes. The motion passed on a roll-call vote with 3 Ayes (Anderson, Paull, and Edwards), and 0 Noes.

**2. Review Request by Dakotah Bertsch to Reinstate Water Credit for Rainwater/Greywater Systems**

Chair Edwards introduced the item. Stephanie Locke, Water Demand Manager provided an overview of this item and reported that the District received a letter on September 9, 2024, from Dakotah Bertsch, requesting the Board reinstate a Water Use Credit for the installation of

rainwater or greywater plumbing systems to flush toilets and/or wash laundry. Committee discussion followed.

Chair Edwards opened the public comment period, and the following comment was made to the committee:

- (1) Dakotah Bertsch, Landscape Architecture, reviewed the letter he sent to the Board and explained the process he follows with the Building and Health departments for clients who have successfully implemented rainwater and greywater systems. He asked that these clients receive water credits if they choose to in the future.

After some discussion, the Committee agreed with the staff’s recommendation that no action be taken. Additionally, Chair Edwards requested that the General Manager report on this to the full Board at their October 21, 2024, meeting.

### **3. Discuss and Provide Direction to Staff on Open Water Permits**

Chair Edwards introduced the item. Stephanie Kister Campbell, Conservation Analyst, provided an overview of this item to the Committee. Stephanie Locke, Water Demand Manager, then answered questions from the Committee. Staff reported this matter will be presented to the full Board at its October 21, 2024 meeting.

## **Discussion Items**

### **4. Update on 2024-2025 Water Allocation Process**

Chair Edwards introduced the item. General Manager Stoldt provided a brief report on this item and mentioned that he met with the Technical Advisory Group, which included City Managers, Planning Directors, the Naval Support Activity Monterey, the Monterey County Water Resources Agency, and Housing and Community Development on September 12, 2024. Mr. Stoldt noted that this will be a discussion item for the Board on October 21, 2024. Committee discussion followed after which he will be presenting to each jurisdiction’s council/board.

## **Suggest Items to be Placed on a Future Agenda**

Chair Edwards introduced the item. The committee discussed future topics of interest, but no items were formally suggested.

## **Adjournment**

There being no further business, Chair Edwards adjourned the meeting at 3:02 p.m.

/s/ Sara Reyes

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Sara Reyes, Board Clerk to the  
*MPWMD Water Demand Committee*

Approved by the MPWMD Water Demand Committee on December 5, 2024

Received by the MPWMD Board of Director’s on December 16, 2024



**EXHIBIT 18-B**

**FINAL MINUTES**

**Monterey Peninsula Water Management District  
Finance and Administration Committee  
November 12, 2024 at 2:00 p.m.**

Meeting Location: District Office, Main Conference Room  
5 Harris Court, Building G., Monterey, CA 93940  
(Hybrid: Meeting Held In-Person and via Zoom – Teleconferencing means)

**Call to Order**

Chair Riley called the meeting to order at 2:01 p.m.

Committee members present: George Riley, Chair  
Alvin Edwards  
Karen Paull (arrived at 2:03 p.m.)

District staff members present: David Stoldt, General Manager  
Nishil Bali, Chief Financial Officer /Administrative Services Manager  
Sara Reyes, Executive Assistant/Board Clerk

District Counsel present: David Laredo, DeLay & Laredo

**Additions / Corrections to Agenda**

None

**Comments from the Public**

None

**Action Items:**

1. **Consider Adoption of October 14, 2024, Committee Meeting Minutes**  
On a motion by Edwards and seconded by Riley, the minutes of the October 14, 2024, meeting were approved 2-0 (Edwards and Riley) and 1-Absent (Paull).
2. **Consider Adoption of Treasurer's Report for September 2024**  
On a motion by Edwards and seconded by Riley, the Finance and Administration Committee recommended that the Board adopt the September 2024 Treasurer's Report and Statement of Revenues and Expenditures and ratify the disbursements made during the month. The motion passed unanimously on a 3-0 vote.
3. **Receive and File First Quarter Financial Activity Report for Fiscal Year 2024-2025**  
On a motion by Paull and seconded by Edwards, the Finance and Administration Committee recommended that the Board receive the First Quarter Financial Activity Report for Fiscal Year 2024-2025. The motion passed unanimously on a 3-0 vote.

**4. Consider Approval of First Quarter Fiscal Year 2024-2025 Investment Report**

On a motion by Paull and seconded by Edwards, the Finance and Administration Committee recommended that the Board approve the First Quarter Fiscal Year 2024-2025 Investment Report. The motion passed unanimously on a 3-0 vote.

**5. Receive Government Accounting Standards Board Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other than Pensions**

On a motion by Paull and seconded by Edwards, the Finance and Administration Committee recommended that the Board receive the GASB 75 OPEB Valuation Report prepared by GovInvest. The motion passed unanimously on a 3-0 vote.

**Informational Items****6. Report on Activity/Progress on Contracts Over \$25,000**

This item was presented as information to the committee. No action was required or taken by the committee.

**7. Status Report on Spending – Public’s Ownership of Monterey Water System**

This item was presented as information to the committee. No action was required or taken by the committee.

**Discussion Item****8. Consider Approval of Budget for Contracting with Rate Design Consultant for Replacement Water Supply Charge Subject to a Proposition 218 Approval Process**

General Manager David Stoldt provided a brief description of this item and reported it will be presented to the Board on November 18, 2024, for action.

**9. Consider Approval of Budget for Contracting with Engineering and/or Utility Operations Consultant(s) in Support of the Public’s Acquisition of the Monterey Water System**

General Manager David Stoldt provided a brief description of this item and reported it will be presented to the Board on November 18, 2024, for action.

**10. Review Draft November 18, 2024 Regular Board Meeting Agenda**

A revised draft agenda for the November 18, 2024, Board meeting was distributed to the Committee for review and discussion. The Committee made no changes to the agenda.

**Adjournment**

There being no further business, Chair Riley adjourned the meeting at 3:35 p.m.

/s/ Sara Reyes

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Sara Reyes, Committee Clerk to the  
*MPWMD Finance and Administration Committee*

Reviewed and Approved by the MPWMD Finance and Administration Committee on December 9, 2024.  
Received by the MPWMD Board of Directors on December 16, 2024.

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**ITEM: INFORMATIONAL ITEM/STAFF REPORT****19. MONTHLY ALLOCATION REPORT****Meeting Date: December 16, 2024**                      **Budgeted: N/A****From: David J. Stoldt,**                      **Program: N/A**  
**General Manager**                      **Line Item No.:****Prepared By: Gabriela Bravo**                      **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**SUMMARY:** As of November 30, 2024, a total of **26.801** acre-feet (**7.9%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **30.177** acre-feet is available to the Jurisdictions, and **28.123** acre-feet is available as public water credits.

**Exhibit 19-A** shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in November 2024 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in November 2024.

**Exhibit 19-A** also shows additional water available to each of the Jurisdictions. Additional water from expired or canceled permits that were issued before January 1991 are shown under “PRE-Paralta.” Water credits used from a Jurisdiction’s “public credit” account are also listed. Transfers of Non-Residential Water Use Credits into a Jurisdiction’s Allocation are included as “public credits.” **Exhibit 19-B** shows water available to Pebble Beach Company and Del Monte Forest Benefited Properties, including Macomber Estates, Griffin Trust. Another table in this exhibit shows the status of Sand City Water Entitlement and the Malpaso Water Entitlement.

**BACKGROUND:** The District’s Water Allocation Program, associated resource system supply limits, and Jurisdictional Allocations have been modified by a number of key ordinances. These key ordinances are listed in **Exhibit 19-C**.

**EXHIBITS****19-A** Monthly Allocation Report**19-B** Monthly Entitlement Report**19-C** District’s Water Allocation Program Ordinances





**EXHIBIT 19-A**  
**MONTHLY ALLOCATION REPORT**  
 Reported in Acre-Feet  
 For the month of November 2024

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Water	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
<b>Airport District</b>	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
<b>Carmel-by-the-Sea</b>	19.410	0.000	1.398	1.081	0.000	1.081	0.910	0.000	0.182	2.661
<b>Del Rey Oaks</b>	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
<b>Monterey</b>	76.320	0.000	0.298	50.659	0.000	0.181	38.121	0.000	2.451	2.920
<b>Monterey County</b>	87.710	0.000	10.578	13.080	0.000	0.352	7.827	0.000	1.181	12.121
<b>Pacific Grove</b>	25.770	0.000	0.010	1.410	0.000	0.014	15.874	0.000	0.002	0.026
<b>Sand City</b>	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.163	23.163
<b>Seaside</b>	65.450	0.000	0.743	34.438	0.000	28.549	2.693	0.000	1.144	30.436
<b>TOTALS</b>	<b>342.720</b>	<b>0.000</b>	<b>18.224</b>	<b>101.946</b>	<b>0.000</b>	<b>30.177</b>	<b>90.142</b>	<b>0.000</b>	<b>28.123</b>	<b>76.524</b>

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
<b>Quail Meadows</b>	33.000	0.000	32.320	0.680
<b>Water West</b>	12.760	0.197	10.352	2.408
<b>District Reserve</b>	9.000	0.030	0.423	8.577

\* Does not include 15.280 Acre-Feet from the District Reserve prior to adoption of Ordinance No. 73.



**EXHIBIT 19-B**  
**MONTHLY ALLOCATION REPORT**  
**ENTITLEMENTS**  
**Reported in Acre-Feet**  
**For the month of November 2024**  
**Recycled Water Project Entitlements**

<b>Entitlement Holder</b>	<b>Entitlement</b>	<b>Changes this Month</b>	<b>Total Demand from Water Permits Issued</b>	<b>Remaining Entitlement/and Water Use Permits Available</b>
<b>Pebble Beach Co. *</b>	191.250	0.000	32.282	158.968
<b>Del Monte Forest Benefited Properties (Pursuant to Ord No. 109)</b>	173.750	0.058	80.784	92.966
<b>Macomber Estates</b>	10.000	0.000	10.000	0.000
<b>Griffin Trust</b>	5.000	0.000	4.829	0.171
<b>CAWD/PBCSD Project Totals</b>	<b>380.000</b>	<b>0.058</b>	<b>127.895</b>	<b>252.105</b>

<b>Entitlement Holder</b>	<b>Entitlement</b>	<b>Changes this Month</b>	<b>Total Demand from Water Permits Issued</b>	<b>Remaining Entitlement/and Water Use Permits Available</b>
<b>City of Sand City</b>	206.000	0.000	23.234	182.766
<b>Malpas Water Company</b>	80.000	0.214	24.505	55.495
<b>D.B.O. Development No. 30</b>	13.950	0.000	3.913	10.037
<b>City of Pacific Grove</b>	38.390	0.063	18.177	20.213
<b>Cypress Pacific</b>	3.170	0.000	3.170	0.000
<b>City of Seaside</b>	10.817	0.000	10.817	0.000

\* Increases in the Del Monte Forest Benefited Properties Entitlement will result in reductions in the Pebble Beach Co. Entitlement.



## EXHIBIT 19-C

### **District's Water Allocation Program Ordinances**

**Ordinance No. 1** was adopted in September 1980 to establish interim municipal water allocations based on existing water use by the jurisdictions. Resolution 81-7 was adopted in April 1981 to modify the interim allocations and incorporate projected water demands through the year 2000. Under the 1981 allocation, Cal-Am's annual production limit was set at 20,000 acre-feet.

**Ordinance No. 52** was adopted in December 1990 to implement the District's water allocation program, modify the resource system supply limit, and to temporarily limit new uses of water. As a result of Ordinance No. 52, a moratorium on the issuance of most water permits within the District was established. Adoption of Ordinance No. 52 reduced Cal-Am's annual production limit to 16,744 acre-feet.

**Ordinance No. 70** was adopted in June 1993 to modify the resource system supply limit, establish a water allocation for each of the jurisdictions within the District, and end the moratorium on the issuance of water permits. Adoption of Ordinance No. 70 was based on development of the Paralta Well in the Seaside Groundwater Basin and increased Cal-Am's annual production limit to **17,619** acre-feet. More specifically, Ordinance No. 70 allocated 308 acre-feet of water to the jurisdictions and 50 acre-feet to a District Reserve for regional projects with public benefit.

In addition to releasing water from the development of the Paralta Well, Ordinance No. 70 established a "special reserve" of 12.76 acre-feet of water saved by system improvements to the former Water West System when it was purchased and integrated into Cal-Am. This reserve was made available to properties in the former Water West System on a first-come, first-served basis. The ordinance also increased Cal-Am's production limit for savings related to the annexation of the Quail Meadows subdivision.

**Ordinance No. 73** was adopted in February 1995 to eliminate the District Reserve and allocate the remaining water equally among the eight jurisdictions. Of the original 50 acre-feet that was allocated to the District Reserve, 34.72 acre-feet remained and was distributed equally (4.34 acre-feet) among the jurisdictions.

**Ordinance No. 74** was adopted in March 1995 to allow the reinvestment of toilet retrofit water savings on single-family residential properties. The reinvested retrofit credits must be repaid by the jurisdiction from the next available water allocation and are limited to a maximum of 10 acre-feet. This ordinance sunset in July 1998.

**Ordinance No. 75** was adopted in March 1995 to allow the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities. Fifteen percent of the savings are set aside to meet the District's long-term water conservation goal and the remainder of the savings are credited to the jurisdictions allocation. This ordinance sunset in July 1998.

**Ordinance No. 83** was adopted in April 1996 and set Cal-Am's annual production limit at **17,621** acre-feet and the non-Cal-Am annual production limit at **3,046** acre-feet. The modifications to the production limit were made based on the agreement by non-Cal-Am water users to permanently reduce annual water production from the Carmel Valley Alluvial Aquifer in exchange for water service from Cal-Am. As part of the agreement, fifteen percent of the historical non-Cal-Am production was set aside to meet the District's long-term water conservation goal.

**Ordinance No. 87** was adopted in February 1997 as an urgency ordinance establishing a community benefit allocation for the planned expansion of the Community Hospital of the Monterey Peninsula (CHOMP). Specifically, a special reserve allocation of 19.60 acre-feet of production was created exclusively for the benefit of CHOMP. With this new allocation, Cal-Am's annual production limit was increased to **17,641** acre-feet and the non-Cal-Am annual production limit remained at **3,046** acre-feet.

**Ordinance No. 90** was adopted in June 1998 to continue the program allowing the reinvestment of toilet retrofit water savings on single-family residential properties for 90-days following the expiration of Ordinance No. 74. This ordinance sunset in September 1998.

**Ordinance No. 91** was adopted in June 1998 to continue the program allowing the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities.

**Ordinance No. 90 and No. 91** were challenged for compliance with CEQA and nullified by the Monterey Superior Court in December 1998.

**Ordinance No. 109** was adopted on May 27, 2004, revised Rule 23.5 and adopted additional provisions to facilitate the financing and expansion of the CAWD/PBCSD Recycled Water Project.

**Ordinance No. 132** was adopted on January 24, 2008, established a Water Entitlement for Sand City and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 165** was adopted on August 17, 2015, established a Water Entitlement for Malpas Water Company and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 166** was adopted on December 15, 2015, established a Water Entitlement for D.B.O. Development No. 30.

**Ordinance No. 168** was adopted on January 27, 2016, established a Water Entitlement for the City of Pacific Grove.

**Resolution 2024-13** was adopted October 21, 2024, to authorize the use of the District Reserve Allocation to permit unpermitted water fixtures found on final inspection, to suspend specific rules through September 2025, and to not collect the Capacity Fee or administrative fees for staff and legal time needed to close certain open Water Permits.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****20. WATER CONSERVATION PROGRAM REPORT FOR NOVEMBER 2024**

<b>Meeting Date:</b>	<b>December 16, 2024</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Kyle Smith</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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*The following information reflects activities undertaken by the Water Demand Division during the month of November 2024.*

**I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM**

District Regulation XIV requires the retrofit of water fixtures upon Change of Ownership or Use with High Efficiency Toilets (HET) (1.28 gallons-per-flush), 2.0 gallons-per-minute (gpm) Showerheads, 1.2 gpm Washbasin faucets, 1.8 gpm Kitchen, Utility, and Bar Sink faucets, and Rain Sensors on all automatic Irrigation Systems. Property owners must certify the Site meets the District's water efficiency standards by submitting a Water Conservation Certification Form (WCC), and a Site inspection is occasionally conducted to verify compliance. Properties that do not require an inspection are issued a Conservation Certification document.

**A. Changes of Ownership**

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is compared against the properties that have submitted WCCs. Details on **54** property transfers that occurred were added to the database.

**B. Certification**

The District received **39** Water Conservation Certification Forms. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

**C. Verification**

**23** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **23** verifications, **2** properties verified compliance by submitting certification forms and/or receipts. District staff completed **30** Site inspections. Of the **30** properties visited, **21 (70%)** passed.

**D. Non-Residential Compliance with Water Efficiency Standards**

By January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. District inspectors performed **4** verification inspections.

As part of the Non-Residential compliance effort, MPWMD notifies California American Water (Cal-Am) of properties with landscaping. Cal-Am staff then schedules an outdoor audit to verify compliance with the Rate Best Management Practices (BMPs). (Compliance with MPWMD's Rule 143 achieves Rate BMP compliance for indoor water uses.) Properties with landscaping must comply with Cal-Am's outdoor Rate BMPs to avoid rates in Division 4 (customers that are not in compliance with Rate BMPs). Rate BMPs are used to determine the appropriate Non-Residential rate division for each customer (there are four different rates based on the amount of irrigated area and compliance/noncompliance with the Rate BMPs).

MPWMD referred **no** property to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waste occurrences at [www.mpwmd.net](http://www.mpwmd.net) or [www.montereywaterinfo.org](http://www.montereywaterinfo.org). There were **two** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

## II. WATER DEMAND MANAGEMENT

A. Permit Processing

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **55** Water Permits. **Six** permits were issued using Water Entitlements (Pebble Beach Company, Malpas Water, Sand City, etc.). **No** permits involved a debit to a Public Water Credit account. **Nine** Meter Split Permits and **11** Hydrant Meter Permits were issued.

District Rule 24-3-A allows the addition of a second Bathroom in an existing Dwelling Unit that has only one Bathroom. Of the **55** Water Permits issued, **two** were issued under this provision.

B. Permit Compliance

Staff completed **29** site inspections during November. **19** properties passed the interior inspection, and **3** properties failed due to unpermitted fixtures. **Three** properties were inspected to complete a Landscape Water Permit: **none** failed.

C. Close the Open Permits Project

Staff sent out **305** open permit letters during November. **Seventy** properties were inspected to close open permits. **Fifty-one** of the **70** inspected passed and **19** failed. In November **one** permit was amended using the District Reserve.



D. Notary Services

District staff provided Notary services for **50** customers.

E. Rebates

The District processes rebate applications to ensure that only voluntary replacement of higher efficiency devices receive rebates. The comprehensive list of available rebates can be found in [Rule 141](#). Monthly statistics are shown on the following page.

**EXHIBIT**

**20-A** Rebate report for November 2024



<b>REBATE PROGRAM SUMMARY</b>		November-2024			2024 YTD		1997 - Present	
<b>I. <u>Application Summary</u></b>								
A.	Applications Received	65			1,124		32,130	
B.	Applications Approved	58			1,001		25,263	
C.	Single Family Applications	58			995		28,148	
D.	Multi-Family Applications	0			5		1,629	
E.	Non-Residential Applications	0			1		363	
		<b>Number of Devices</b>	<b>Rebate Paid</b>	<b>Estimated AF</b>	<b>Gallons Saved</b>	<b>Year to Date Number</b>	<b>Year to Date Paid</b>	<b>Year to Date Estimated AF</b>
<b>II. <u>Type of Devices Rebated</u></b>								
A.	High Efficiency Toilet (HET)	5	\$375.00	0.025000	8,146	87	\$6,799.00	0.43500
B.	Ultra HET			0.000000	0	24	\$3,000.00	0.24000
C.	Toilet Flapper			0.000000	0	3	\$39.98	0.00000
D.	High Efficiency Dishwasher	4	\$500.00	0.012000	3,910	122	\$15,623.00	0.36600
E.	High Efficiency Clothes Washer - Res	30	\$15,000.00	0.483000	157,386	363	\$181,650.99	5.84430
F.	High Efficiency Clothes Washer - Com			0.000000	0	1	\$1,000.00	0.09000
G.	Instant-Access Hot Water System	1	\$200.00	0.005000	1,629	10	\$2,000.00	0.05000
H.	Zero Use Urinals			0.000000	0	0	\$0.00	0.00000
I.	Pint Urinals			0.000000	0	0	\$0.00	0.00000
J.	Cisterns			0.000000	0	7	\$4,587.20	0.00000
K.	Smart Controllers			0.000000	0	15	\$2,315.17	0.00000
L.	Rotating Sprinkler Nozzles			0.000000	0	0	\$0.00	0.00000
M.	Moisture Sensors			0.000000	0	1	\$25.00	0.00000
N.	Lawn Removal & Replacement			0.000000	0	0	\$0.00	0.00000
O.	Graywater			0.000000	0	0	\$0.00	0.00000
P.	Other - Smart Flowmeter	19	\$3,769.00	0.000000	0	355	\$70,036.19	0.00000
Q.	Smart Toilet Leak Detectors			0.000000	0	43	\$8,600.00	0.00000
<b>III. <u>TOTALS</u></b>		59	\$19,844.00	0.525000	171,072	1,031	\$295,676.53	7.02530
<b>IV. <u>TOTALS Since 1997</u></b>							Paid Since 1997: \$ 6,654,431	599.2 Acre-Foot Saved Since 1997 (from quantifiable retrofits)



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****21. CARMEL RIVER FISHERY REPORT FOR NOVEMBER 2024****Meeting Date: December 16, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Cory Hamilton Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

**AQUATIC HABITAT AND FLOW CONDITIONS:** The first rains came this month, resulting in an increase in streamflow from the mainstem as well as the tributaries. This has now stabilized base flows in the river. Los Padres Reservoir hit a low water surface elevation this month of 1012.34 feet and came up to 1022.20 feet by the end of the month. Flow release out of the reservoir was 8 cfs, while the incoming flow into the reservoir was 12.2 cfs.

November's streamflow at the Sleepy Hollow Weir gaging station ranged from 8.5 to 20 cfs (mean 10.9 cfs), while flows at the Highway 1 gage ranged from 1.9 to 17 cfs (mean 6.8 cfs).

There was 2.9 inches of rainfall in November as recorded at the San Clemente gauge. The total rainfall for Water Year (WY) 2025 (which started October 1, 2024) is 2.9 inches.

**FISH RESCUE:** Staff initiated an emergency fish rescue on November 4<sup>th</sup> as the reach below the Los Padres Dam went dry when Cal Am's diesel pumps suction pipe failed on November 3<sup>rd</sup>, which resulted in no flow being supplemented to a section of river. The pump was fixed and flow returned that day in the afternoon. Staff rescued 29 fish during this period and released them downstream to a wetted section of river. Staff also documented a fish kill of 73 steelhead during that event and notified Cal Am, NOAA, and CDFG. As of the end of November, a total of 5,633 fish have been rescued this season from drying reaches of the mainstem Carmel River and its tributaries.

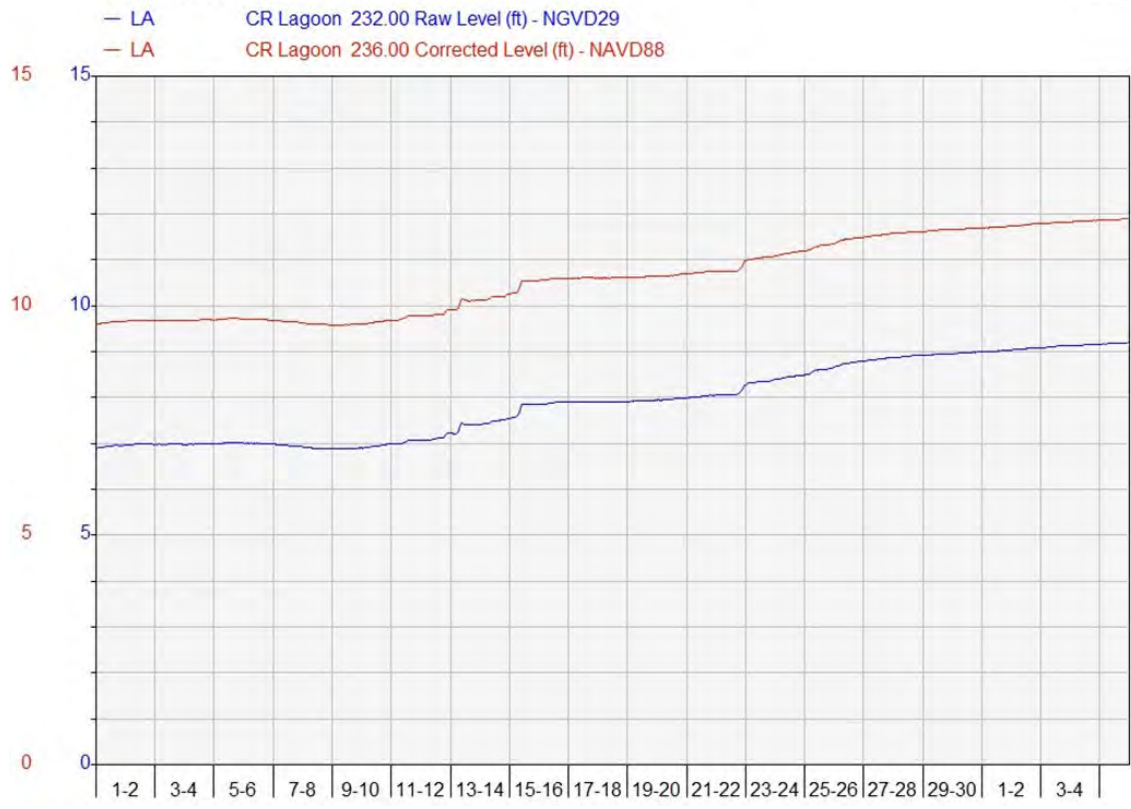
**CARMEL RIVER LAGOON:** In November, the lagoon's Water Surface Elevation (WSE) ranged from approximately 9.5-11.75 feet (NGVD 1988) (see graph below). Water quality depth-profiles were conducted at five sites on November 19, 2024, while the lagoon mouth was closed, water surface elevation was 10.6 feet at the time of sampling, and river inflow was approximately 4.3 cfs. There is a salinity stratification layer at about 1.0 meter depth, below this depth salinity increases sharply. High salinity observations reduce the amount of suitable habitat for juvenile fish. Salinity levels ranged from 1.4-17.5 parts per thousand (ppt), water temperatures ranged from 48-58 degrees Fahrenheit, and dissolved oxygen (DO) levels ranged from less than one at the bottom to a maximum of 11.5 mg/l.

### Monterey Peninsula Water Management District

HYPLOT V134 Output 12/06/2024

Period 35 Day 11/01/2024 to 12/06/2024

2024



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****22. CONSIDER ADOPTION OF JANUARY THROUGH MARCH 2024 QUARTERLY WATER SUPPLY STRATEGY AND BUDGET**

**Meeting Date:** December 16, 2024      **Budgeted:** N/A

**From:** David J. Stoldt,      **Program/**  
 General Manager      **Line Item No.:** N/A

**Prepared By:** Jonathan Lear      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

**CEQA Compliance:** Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)

**ESA Compliance:** Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.

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**SUMMARY:** The Board will accept public comment and take action on the **January** through **March 2025** Quarterly Water Supply Strategy and Budget for California American Water's (Cal-Am's) Main and Satellite Water Distribution Systems (WDS), which are within the Monterey Peninsula Water Resources System (MPWRS). The proposed budget, which is included as **Exhibit 22-A**, outline monthly production by source of supply that will be required to meet projected customer demand in Cal-Am's Main and Laguna Seca Subarea systems, i.e., Ryan Ranch, Bishop, and Hidden Hills, during the **January** through **March 2025** period. The proposed strategy and budget is designed to maximize the long-term production potential and protect the environmental quality of the Seaside Groundwater and Carmel River Basins.

**Exhibit 22-A** shows the anticipated production by Cal-Am's Main system for each production source and the actual production values for the water year to date through the end of **November 2024**. Cal-Am's annual Main system production from the Monterey Peninsula Water Resource System (MPWRS) for Water Year (WY) 2025 will not exceed 3,376 acre-feet (AF). Sources available to meet customer demand are 1,474 AF from the Coastal Subareas of the Seaside Groundwater Basin as set by the Seaside Basin Adjudication Decision and 3,376 AF from the Carmel River as set by WRO 2016-16. Additional water projects and water rights available are an estimated 1,050 AF of Pure Water Monterey Injection over this quarter, an estimated 3,677 AF from ASR Phase 1 and 2 storage remaining from WY 2022, 2023, and 2024 injection are available but is being banked for drought reserve, an estimated 75 AF from the Sand City Desalination Plant, and an estimated 138 AF from Cal-Am's Table 13 water rights. Under Table 13 water rights, Cal-Am is allowed to produce water for in-basin uses when bypass flows are in excess of permit conditions. This water budget proposes to inject an estimated 1,050 AF of Pure Water

Monterey and recover about 1,050 AF. The schedule of production from the Carmel Valley Alluvial Aquifer is consistent with State Water Resources Control Board (SWRCB) Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.

According to the Seaside Basin Adjudication Decision, CalAm's production has been reduced to 0 AF. The Quarterly Water Budget Group recognizes that CalAm will need to produce water to serve its customers in the Hidden Hills Distribution System and not all of the demand can be served by the intertie with the main system. Therefore, production in Laguna Seca will be tracked as a ministerial component of tracking production against the Adjudication Decision.

**RECOMMENDATION:** The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff recommends adoption of the proposed budget. The budget is described in detail in **Exhibit 22-B**, Quarterly Water Supply Strategy Report: **January to March 2025**.

**BACKGROUND:** The Water Supply Strategy and Budget prescribes production within CalAm's Main and Laguna Seca Subarea systems and is developed on a quarterly schedule. Staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) cooperatively develop this strategy to comply with regulatory requirements and maximize the environmental health of the resource system while meeting customer demand. To the greatest extent pumping in the Carmel Valley is minimized in the summer months and the Seaside wells are used to meet demand by recovering native water and banked Carmel River water. Also, it was agreed that CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream order and the Upper Valley wells will be used to support ASR injection.

If flows exceed 20 cfs at the District's Don Juan Gage, CalAm is allowed to produce from its Upper Carmel Valley Wells, which are used to supply water for injection into the Seaside Groundwater Basin. The permitted diversion season for ASR is between December 1 and May 31. Diversions to storage for ASR will be initiated whenever flows in the river are above permit threshold values. For planning purposes, the QWB group schedules diversions to ASR storage based on operational days that would occur in an average streamflow year. CalAm may also divert under Table 13 Water Rights for in-basin use within Carmel Valley when flows are adequate. This schedule is estimated with average year streamflow conditions and daily demand for Carmel Valley. CalAm will schedule the recovery of Pure Water Monterey water stored in the Seaside Basin with the goal of removing all water injected over the operational reserve for WY 2024. There is also a projected goal of producing 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

Rule 101, Section B of the District Rules and Regulations requires that a Public Hearing be held at the time of determination of the District water supply management strategy. Adoption of the quarterly water supply strategy and budget is categorically exempt from the California Environmental Quality Act (CEQA) requirements as per Article 19, Section 15301 (Class 1). A Notice of Exemption will be filed with the Monterey County Clerk's office, pending Board action on this item.



**EXHIBITS**

**22-A** Quarterly Water Supply Strategy and Budget for Cal-Am Main System: January to March 2025

**22-B** Quarterly Water Supply Strategy and Budget Report: January to March 2024

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**California American Water Main Distribution System  
Quarterly Water Supply Strategy and Budget: January - March 2025**

**Proposed Production Targets by Source in Acre-Feet**

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Jan-25	Feb-25	Mar-25	Oct-24 - Nov-24	% of YTD	% of Annual Budget
<b>Source</b>						
<u>Carmel Valley Aquifer</u>						
Upper Subunits (Service)	100	100	100	0		
Lower Subunits (Service)	125	125	125	678	141%	40%
ASR Diversion	230	320	345	0		
Table 13 Diversion (Service)	38	52	48	0		
<b>Total</b>	493	597	618			
<u>Seaside Groundwater Basin</u>						
Coastal Subareas	50	75	100	293	108%	44%
Phase 1 and 2 ASR Recovery	0	0	0	0	0%	0%
Sand City Desalination	25	25	25	42	84%	14%
Pure Water Monterey	350	350	350			
<b>Total</b>	425	450	475			
<b>Total for All Sources</b>	<b>918</b>	<b>1,047</b>	<b>1,093</b>			
<b>Use</b>						
Customer Service	650	675	700			
Phase 1 and 2 ASR Storage	230	320	345			
Table 13 In Basin use	38	52	48			
<b>Total</b>	<b>918</b>	<b>1,047</b>	<b>1,093</b>			

Notes:

- The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
- Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (4,850 AF) times the average percentage of annual production for January, February and March (7.9%, 6.8%, and 8.3%, respectively). According to District Rule 160, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 1,474 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 3,376 AF in WY 2023. The average production percentages were based on monthly data for customer service from WY 2012 to 2015.
- Anticipated production for ASR injection is based on an average diversion rate of approximately 2,700 gallons per minute (gpm) or 12 AF per day from CAW's sources in the Carmel River Basin. "Total" monthly CAW "Use" includes water for customer service and water for injection into the Seaside Basin.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the assumption that sufficient flow will occur in the Carmel River at the targeted levels, to support ASR injection. It is planned that Coastal Subarea pumping will not occur, or will be proportionally reduced, if ASR injection does not occur at targeted levels.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation during WY 2023 to be in compliance with SWRCB WRO No. 95-10.
- It should be noted that monthly totals for Carmel Valley Aquifer sources may be different than those shown in MPWMD Rule 160, Table XV-3. These differences result from monthly target adjustments needed to be consistent with SWRCB WRO 98-04, which describes how Cal-Am Seaside Wellfield is to be used to offset production in Carmel Valley during low-flow periods. Adjustments are also made to the Quarterly Budgets to ensure that compliance is achieved on an annual basis with MPWMD Rule 160 totals.
- Table 13 values reflect source/use estimates based on SWRCB Permit 21330, which allows diversions from the CVA for "In Basin use" (3.25 AFD) when flows in the River exceed threshold values. In accordance with Water Rights Permits 21330 and CDO2009-0060, water produced and consumed under this right is subtracted from the CVA annual base amount. Actual values will be dependant on the number of days flows exceed minimum daily instream flow requirements.



**EXHIBIT 22-B**

**Quarterly Water Supply Strategy and Budget Report  
California American Water  
Main Water Distribution System: January to March 2025**

1. Management Objectives

The Monterey Peninsula Water Management District (District) desires to maximize the long-term production potential and protect the environmental quality of the Carmel River and Seaside Groundwater Basins. In addition, the District desires to maximize the amount of water that can be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin while complying with the instream flow requirements recommended by the National Marine Fisheries Service (NMFS) to protect the Carmel River steelhead population. Additionally the QWB seeks to shift a large component of pumping from the Carmel River to the Seaside Groundwater Basin to recover injected PWM water. To accomplish these goals, a water supply strategy and budget for production within California American Water's (Cal-Am's) Main and Laguna Seca Subarea water distribution systems is reviewed quarterly to determine the optimal strategy for operations, given the current hydrologic and system conditions, and legal constraints on the sources and amounts of water to be produced.

2. Quarterly Water Supply Strategy: January to March 2025

On December 9, 2024 the Quarterly Water Budget Group which includes staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) met and discussed the proposed water supply strategy and related topics for upcoming quarter.

**Carmel River Basin** Cal-Am will operate its wells in the Lower Carmel Valley in a downstream to upstream sequence, as needed to meet customer demand. The group planned that WY 2025 would be a normal water year and storms will bring up in stream flows to support ASR injections and Table 13 diversions. ASR injections are limited to 14 Acre Feet per day because ASR 3 and ASR 4 are scheduled to be used to recover PWM water and therefore will not be available to support injection of excess Carmel River water. It was agreed that CalAm would plan to produce water from the wells in the Lower Carmel Valley to support system demand. PWM Recovery will be the primary source to meet system demand. December is the first month permits allow for ASR and Table 13 Diversions. If storms in December bring River conditions within permit conditions, Cal-Am will use the increase the production from the Carmel Valley wells to provide water for injection into the Seaside Basin.

**Seaside Groundwater Basin** Cal-Am has shut off the Upper Carmel Valley wells and turned on the Seaside wellfield. The Seaside wells are currently being used to recover

PWM injected water and Native Seaside Groundwater. PWM water will be recovered at the same rate injected this quarter with the goal maximizing PWM as a source to meet system demand and shift pumping away from the Carmel River Basin. There is also a goal to produce 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

It is recognized that, based on recent historical use, Cal-Am's production from the Laguna Seca Subarea during this period may not be reduced to zero, as is set by Cal-Am's allocation specified in the Seaside Basin Adjudication Decision. In this context, the production targets represent the maximum monthly production that should occur so that Cal-Am remains within its adjudicated allocation for the Laguna Seca Subarea. Under the amended Seaside Basin Decision, Cal-Am is allowed to use production savings in the Coastal Subareas to offset over-production in the Laguna Seca Subarea. However, the quarterly budget was developed so that Cal-Am would produce all native groundwater in the Coastal Subareas and Laguna Seca production would be over the Adjudication allotment. On February 5, 2020 the Seaside Groundwater Basin Watermaster Board voted to allow Cal-Am to claim carryover credits to cover the pumping over the Laguna Seca allotment in the interim prior to establishing a physical solution. Because of this decision, the Quarterly Water Budget Group decided that the table presenting the Laguna Seca allotment of zero would no longer be necessary as the Watermaster is now planning to handle the pumping over allotment with a different mechanism.



## Supplement to December 16, 2024 MPWMD Board Packet

Attached are copies of letters sent and/or received between **November 14, 2024** and **December 11, 2024**. These letters are listed in the Monday, December 16, 2024 Board Packet under Letters Received.

Author	Addressee	Date	Topic
<b>Yessica Ramirez</b>	Dave Stoldt	11/25/2024	December 6, 2025, State Lands Commission Outreach and Engagement Meeting regarding California American Water
<b>Melodie Chrislock</b>	MPWMD Board	11/25/2024	State Lands Commission Outreach and Engagement Meeting

**From:** Ramirez, Yessica@SLC <Yessica.Ramirez@slc.ca.gov>  
**Sent:** Monday, November 25, 2024 8:55 AM  
**To:** Ramirez, Yessica@SLC <Yessica.Ramirez@slc.ca.gov>  
**Cc:** Simpkin, Drew@SLC <Drew.Simpkin@slc.ca.gov>; Day, Christine@SLC <Christine.Day@slc.ca.gov>; Calvo, Lucinda@SLC <Lucinda.Calvo@slc.ca.gov>  
**Subject:** RE: December 6, 2024 - State Lands Commission Outreach and Engagement Meeting regarding California American Water  
**Importance:** High

Good morning,

The California State Lands Commission (Commission) is hosting a community outreach and engagement meeting at the **Marina City Council Chambers on Friday, December 6, 2025**. This meeting is an opportunity for community members to comment on the potential impacts, burdens, or benefits resulting from the potential lease to California American Water (Cal-Am). This outreach is part of the environmental justice analysis Commission staff is doing. Due to the various interest groups, we have two separate meeting options. The meeting details are below.

- **Date:** Friday, December 6, 2025
- **Time:** 11 am – 1 pm – Environmental impacts and general comments  
3 pm – 6 pm – Environmental justice impacts
- **Location:** Marina City Council Chambers (211 Hillcrest Ave, Marina, CA 93933)

#### **Application Information:**

The Commission is processing an application from California-American Water Company (Cal-Am) for a General Lease – Industrial Use, near Marina, Monterey County. The proposed lease would allow Cal-Am to construct four new subsurface slant wells and convert an existing test slant well into a fifth subsurface slant well. This is part of Cal-Am’s first phase, a 4.8-million-gallon-per-day, ocean desalination project, known as the Monterey Peninsula Supply Project (“MPWSP”). The Commission first issued Cal-Am General Lease – Right-of-Way Use to construct and operate a temporary exploratory test slant well on December 17, 2014.

#### **Project Description:**

Cal-Am is proposing to construct and operate desalination components of its overall MPWSP that would consist of a desalination facility, a well field, water transmission pipelines, pump station, and other related infrastructure (the “Project”). The proposed Project would provide potable water for customers in Cal-Am’s service area in the Monterey Peninsula region, which has experienced decades of water shortages resulting from drought, over-pumping of groundwater sources, seawater intrusion, proposed supply projects not being completed, and other causes.

Cal-Am is proposing phased construction of the Project. It seeks authorization to construct a smaller initial phase of the Project that would produce 4.8 million gallons per day (“mgd”) per year. Per conditions issued by the Coastal Commission, construction of the full sale of the



Project at 6.4 mgd per year would occur in a second phase only if Cal-Am can demonstrate a need for the additional water supply and demonstrate that the first phase has been operating in a manner that is protective of local groundwater supplies and nearby wetlands. At the Project's maximum build-out, it would include up to six new slant wells to be located within a Cal-Am easement in part of the CEMEX sand mining facility near the Monterey Bay shoreline in the City of Marina. The Project would also include the conversion of a test slant well to a permanent well on the same site, as well as four main pipelines. The desalination facility itself would be constructed inland and would discharge processed saline brine to an existing outfall operated by the regional wastewater treatment agency, Monterey One Water ("M1W"). This outfall line would need to be modified to discharge the brine and would also require additional Commission authorization.

Please don't hesitate to reach out to me should you have any questions or concerns.

With gratitude,  
Yessica



**Yessica Ramirez** (*She/Her/Ella* [What's This?](#))

Executive Office

Environmental Justice and Tribal Liaison

916.574.1888

*Monday – Friday 8:00 a.m.-5:00 p.m.*




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## FW: December 6, 2024 - State Lands Commission Outreach and Engagement Meeting regarding California American Water

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**From** mwchrislock@redshift.com <mwchrislock@redshift.com>

**Date** Mon 11/25/2024 9:48 AM

**To** Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; District 5 <district5@co.monterey.ca.us>; Marc Eisenhart <mae@gedlaw.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Sara Reyes <Sara@mpwmd.net>

### FYI

Good morning,

The California State Lands Commission (Commission) is hosting a community outreach and engagement meeting at the **Marina City Council Chambers on Friday, December 6, 2025**. This meeting is an opportunity for community members to comment on the potential impacts, burdens, or benefits resulting from the potential lease to California American Water (Cal-Am). This outreach is part of the environmental justice analysis Commission staff is doing. Due to the various interest groups, we have two separate meeting options. The meeting details are below.

- **Date:** Friday, December 6, 2025
- **Time:** 11 am – 1 pm – Environmental impacts and general comments  
3 pm – 6 pm – Environmental justice impacts
- **Location:** Marina City Council Chambers (211 Hillcrest Ave, Marina, CA 93933)

### Application Information:

The Commission is processing an application from California-American Water Company (Cal-Am) for a General Lease – Industrial Use, near Marina, Monterey County. The proposed lease would allow Cal-Am to construct four new subsurface slant wells and convert an existing test slant well into a fifth subsurface slant well. This is part of Cal-Am's first phase, a 4.8-million-gallon-per-day, ocean desalination project, known as the Monterey Peninsula Supply Project ("MPWSP"). The Commission first issued Cal-Am General Lease – Right-of-Way Use to construct and operate a temporary exploratory test slant well on December 17, 2014.

### Project Description:

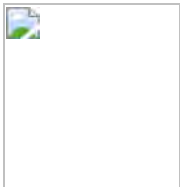
Cal-Am is proposing to construct and operate desalination components of its overall MPWSP that would consist of a desalination facility, a well field, water transmission pipelines, pump station, and other related infrastructure (the "Project"). The proposed Project would provide potable water for customers in Cal-Am's service area in the Monterey Peninsula region, which has experienced decades of water shortages resulting from drought, over-pumping of groundwater sources, seawater intrusion, proposed supply projects not being completed, and other causes.

Cal-Am is proposing phased construction of the Project. It seeks authorization to construct a smaller initial phase of the Project that would produce 4.8 million gallons per day ("mgd") per year. Per conditions issued by the Coastal Commission, construction of the full sale of the Project at 6.4 mgd per year would occur in a second phase only if Cal-Am can demonstrate a

need for the additional water supply and demonstrate that the first phase has been operating<sup>4</sup> in a manner that is protective of local groundwater supplies and nearby wetlands. At the Project's maximum build-out, it would include up to six new slant wells to be located within a Cal-Am easement in part of the CEMEX sand mining facility near the Monterey Bay shoreline in the City of Marina. The Project would also include the conversion of a test slant well to a permanent well on the same site, as well as four main pipelines. The desalination facility itself would be constructed inland and would discharge processed saline brine to an existing outfall operated by the regional wastewater treatment agency, Monterey One Water ("M1W"). This outfall line would need to be modified to discharge the brine and would also require additional Commission authorization.

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