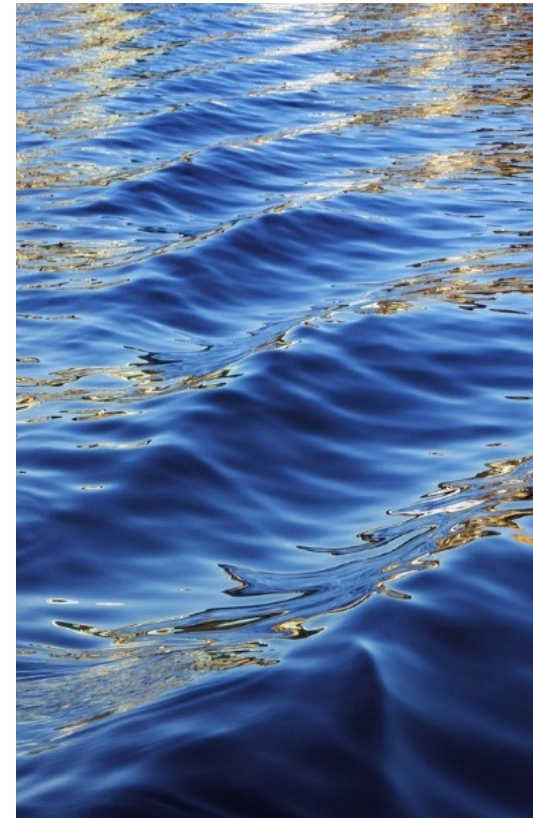


Update on District's Water Supply Charge

Item 8
General Manager's Report
January 27, 2025

David J. Stoldt
General Manager



Recent Developments with Water Supply Charge

- September 2021: Taxpayers file claim seeking sunset or termination of Water Supply Charge, but no refunds
- March 2023: Superior Court rules in favor of Taxpayers
- May 2023: District files appeal
- June 2024: Class action claim for refunds filed
- September 2024: Appeal denied; Superior Court ruling upheld

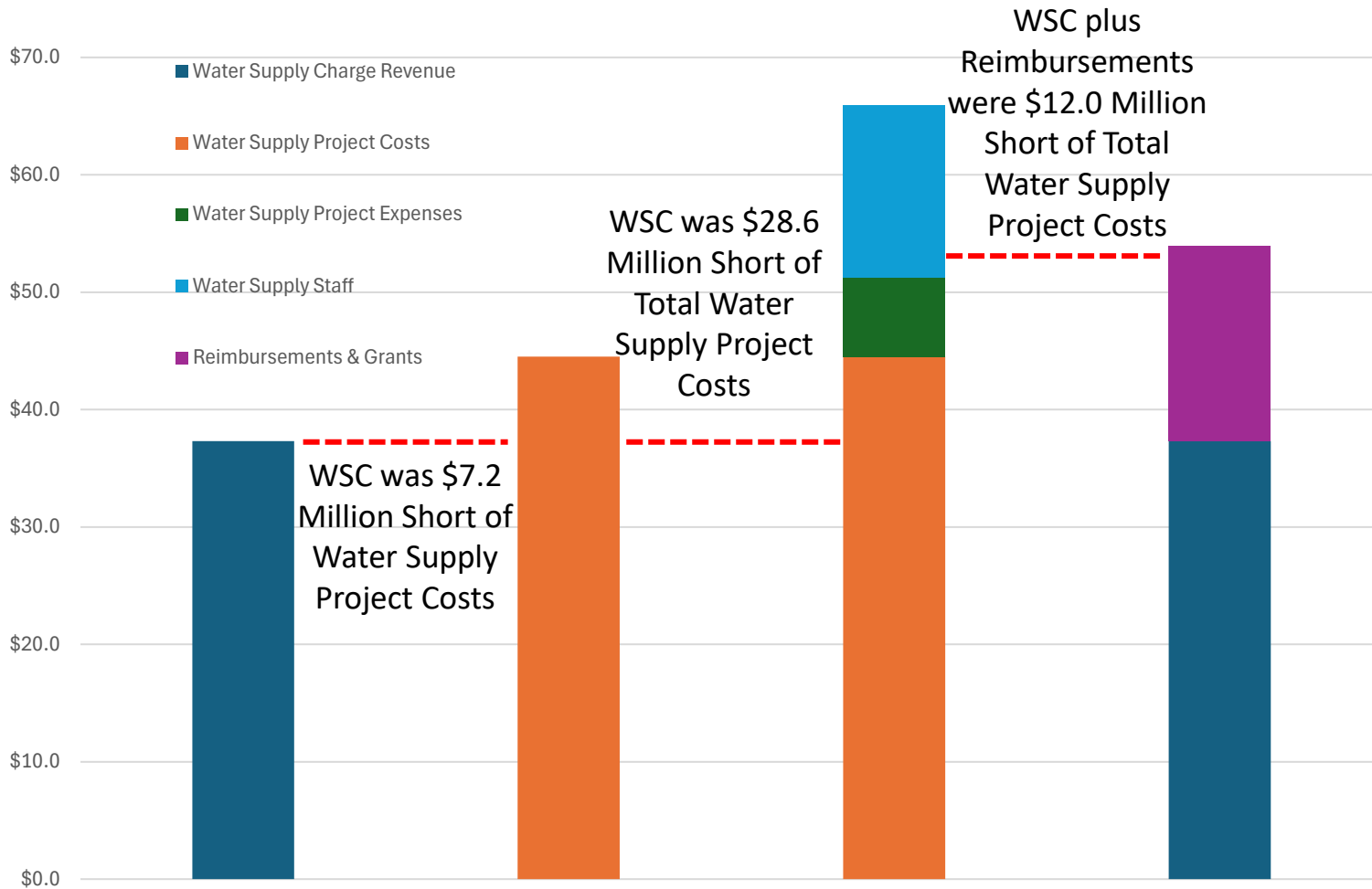
Water Supply Revenues and Expenditures Since 2013

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
Water Supply Charge Report (Water Supply Fund)

	Fiscal Year Ending												Total
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
Revenue													
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	\$ 3,412,207	\$ 3,400,873	\$ 37,295,101
Expenditures													
Personel:													
Salaries	\$ 1,335,271	\$ 1,186,041	\$ 1,088,157	\$ 1,050,039	\$ 1,034,678	\$ 1,025,894	\$ 918,724	\$ 824,182	\$ 815,048	\$ 790,486	\$ 768,299	\$ 734,454	\$ 10,236,002
Employee Benefits and other	\$ 587,262	\$ 570,032	\$ 548,432	\$ 489,891	\$ 468,197	\$ 415,047	\$ 367,183	\$ 338,110	\$ 308,289	\$ 295,699	\$ 321,168	\$ 331,552	\$ 4,453,600
Services and Supplies:													
Project expenditures	\$ 5,800,209	\$ 4,068,626	\$ 4,072,036	\$ 5,149,121	\$ 5,995,887	\$ 2,284,777	\$ 1,850,300	\$ 3,595,023	\$ 5,384,999	\$ 3,373,391	\$ 6,465,907	\$ 2,294,196	\$ 44,534,263
Water purchases	\$ 13,275,411	\$ 12,200,995	\$ 9,695,000	\$ 6,041,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,937,589
Operating expenditures	\$ 344,770	\$ 316,917	\$ 270,583	\$ 290,370	\$ 236,163	\$ 240,055	\$ 154,660	\$ 143,059	\$ 166,695	\$ 344,266	\$ 143,720	\$ 130,241	\$ 2,436,729
Professional fees	\$ 734,348	\$ 345,552	\$ 291,384	\$ 201,388	\$ 192,081	\$ 313,446	\$ 357,070	\$ 214,106	\$ 378,388	\$ 284,904	\$ 304,978	\$ 363,081	\$ 3,246,578
Capital outlay	\$ 15,319	\$ 108,374	\$ 39,472	\$ 12,647	\$ 14,927	\$ 76,477	\$ 64,404	\$ 17,334	\$ 60,530	\$ 38,752	\$ 35,919	\$ 15,944	\$ 484,780
Debt Service:													
Principal	\$ -	\$ 2,719,926	\$ 557,353	\$ 96,405	\$ 93,157	\$ 90,175	\$ 86,953	\$ 83,881	\$ 80,508	\$ 78,059	\$ 75,215	\$ 38,368	\$ 4,000,000
Interest and other charges	\$ -	\$ 134,558	\$ 52,215	\$ 122,731	\$ 125,979	\$ 128,961	\$ 132,183	\$ 137,086	\$ 138,627	\$ 147,150	\$ 143,921	\$ 41,801	\$ 1,305,212
Total Expenditures	\$ 22,092,590	\$ 21,631,021	\$ 16,614,632	\$ 13,454,386	\$ 8,161,069	\$ 4,574,832	\$ 3,931,477	\$ 5,352,781	\$ 7,333,084	\$ 5,352,707	\$ 8,259,127	\$ 3,949,637	\$ 98,634,753
Difference [surplus/(deficit)]	\$ (18,728,662)	\$ (18,236,676)	\$ (13,221,116)	\$ (10,032,269)	\$ (4,805,876)	\$ (1,164,434)	\$ (526,469)	\$ (1,961,427)	\$ (3,950,695)	\$ (2,025,006)	\$ (4,846,920)	\$ (548,764)	\$ (61,339,652)
Other Revenue Sources													
Project reimbursements	\$ 464,272	\$ 1,923,260	\$ 563,024	\$ 622,842	\$ 1,220,812	\$ 526,867	\$ 5,583,786	\$ 693,848	\$ 429,075	\$ 712,002	\$ 2,093,013	\$ 2,032,924	\$ 16,401,453
PWM Water Sales	\$ 13,275,500	\$ 12,201,000	\$ 9,828,000	\$ 5,908,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,937,182
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,342	\$ 238,342
Difference [surplus/(deficit)]	\$ (4,988,890)	\$ (4,132,416)	\$ (2,830,092)	\$ (3,501,245)	\$ (3,585,064)	\$ (437,567)	\$ 5,057,317	\$ (1,267,579)	\$ (3,521,620)	\$ (1,313,004)	\$ (2,753,907)	\$ 1,522,502	\$ (16,762,675)

Source: MPWMD Audited Financial Statement

Use of Water Supply Charge Since 2013



Impacts of Court Decision on Water Supply Charge

- WSC “sunsets” going forward
- District removed WSC from FY2024-25 bills
- Superior Court legal expenses previously agreed to will be paid in January
- Appeals Court legal expenses to be negotiated
- Settlement of remaining 4 cases (3 reverse validation, 1 class action monetary claim) in process
- Refund to customers will occur



Questions?