



**Montara Water
and Sanitary District**
Serving the Community of Montara and Moss Beach

P.O. Box 370131
8888 Cabrillo Hwy
Montara, CA 94037-0131
t: 650.728.3545 • f: 650.728.8556

To sensitively manage the natural resources entrusted to our care, to provide the people of Montara - Moss Beach with reliable, high – quality water, wastewater, and trash disposal at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations. Be open to providing other services desired by our community.

AGENDA

District Board of Directors

8888 Cabrillo Highway
Montara, California 94037

November 2, 2023 at 7:30 p.m.

The meeting will take place in the District offices located at the above address. Seating is limited and social distancing will be practiced due to ongoing public health and safety concerns. Simultaneous public access and participation is also available remotely, via telephone or the ZOOM application:

ZOOM MEETING INFORMATION:

WEBSITE: <https://us02web.zoom.us/j/87038002304?pwd=SWtDV2M0b2prQ0VRReGMwRTMwcGdnZz09>

MEETING ID: 870 3800 2304

Password: 379024

CALL IN PHONE NUMBER: +1 669 900 9128

INSTRUCTIONS for remote access are available at <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>. You also may view video during the meeting via live stream or after the meeting at

<https://videoplayer.telvue.com/player/wuZKb9gwEY7sMACIIsr7VSJgIB35kNZA/stream/159?fullscreen=true&showtabssearch=false&autostart=false>. If you experience technical difficulties or have technical questions prior to or during the meeting, please contact MWSD's IT support at (650) 728-7843.

Note: Public participation is not permitted during closed session discussion items.

Director Boyd will be attending the meeting remotely from the following location:

60 Sea Walk Dr
The Sea Ranch, CA 95497

Public Comment

In accordance with the Government Code, members of the public may address the Board on specific agenda items when the matter is announced by the Board President. Any other item of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. For participants attending the meeting virtually, a "raise hand" button is available for every Zoom user wishing to speak and should be used to alert the President of the intent to comment.

Upon request, this Agenda and written agenda materials will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or accommodation in order to participate in the public meeting should be emailed to info@mwsd.net or submitted by phone at 650-728-3545 at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility. Materials related to an item on this Agenda submitted to the Board after distribution of the Agenda Packet are available in the District Clerk's office during normal business hours. Such documents may also be available on the District's web site (www.mwsd.montara.org) subject to staff's ability to post the documents before the meeting.

CALL TO ORDER

ROLL CALL

PRESIDENT'S STATEMENT

ORAL COMMENTS (Items other than those on the agenda)

PUBLIC HEARING

CONSENT AGENDA

1. [Approve Minutes for Regular Scheduled Board Meeting October 5 and 19, 2023.](#)
2. [Approve Financial Statements for September 2023](#)
3. [Approve Warrants for November 1, 2023](#)
4. [SAM Flow Report](#)
5. [Monthly Review of Current Investment Portfolio](#)
6. [Connection Permit Applications Received](#)
7. [Monthly Water Production Report](#)
8. [Rain Report](#)
9. [Monthly Solar Energy Report](#)
10. [Monthly Public Agency Retirement Service Report for August 2023](#)

OLD BUSINESS

NEW BUSINESS

1. [Review and Possible Action Concerning Receipt of Fiscal Year 2022-23 Audit](#)
2. [Review Alta Vista Groundwater Monitoring Update](#)

REPORTS

1. Sewer Authority Mid-Coastside Meetings (Slater-Carter).
2. Mid-Coast Community Council Meeting (Slater-Carter).
3. CSDA Report (Slater-Carter).
4. LAFCo Report (Slater-Carter).
5. Attorney's Report (Fitzgerald).
6. Directors' Reports.
7. [General Manager's Report \(Heldmaier\).](#)

FUTURE AGENDAS

CONVENE IN CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.* (Santa Clara County Superior Court No. 17CV316927)

Case Name: *In re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-02873* (City of Camden, et al., v. 3M Company, No. 2:23-cv-03147-RMG, United States District Court, District of South Carolina, Charleston Division)

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION (Government Code §54956.9(d)(4) Initiation of Litigation (2 potential cases)

REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY

ADJOURNMENT

The District has a curfew of 10:30 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.



MONTARA WATER & SANITARY DISTRICT

**REGULAR BOARD OF DIRECTORS MEETING
October 5, 2023**

MINUTES

This meeting took place at the district office located at the above address. Simultaneous public access and participation was also available remotely, via telephone or the ZOOM application.

REGULAR SESSION began at 7:33 p.m.

CALL TO ORDER

ROLL CALL

Directors Present: Boyd, Dekker, Softky, Slater-Carter and Young

Directors Absent: None

Staff Present: Clemens Heldmaier, General Manager
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald
District Accountant, Peter Medina
District Counsel, Christine Fitzgerald
Kastama Consulting, Alison Kastama
Sewer Authority Mid-Coastside, General Manager Kishen Prathivadi
Sewer Authority Mid-Coastside, George Evans
Foster & Foster, Katherine Moore

PRESIDENT'S STATEMENT

Director Boyd stated today was the hearing before the Appeals Court. Half Moon Bay appealed the lower court's decision which ruled against them in the lawsuit against their partners at Sewer Authority Mid-Coastside (SAM). Today the arguments on both sides were heard and the court says they should hear something in the next 90 days.

ORAL COMMENTS

Gregg Dieguez stated there is an outbreak of hate speech disrupting public meetings. They put out a report on the Cypress Point housing project development and their team put in several comments related to the Montara Water and Sanitary District (MWSD). He sent the District a copy (as well as every other agency) and hopes MWSD will confirm, correct, or augment any of claims made in the report to ensure they are factual. He has since that report come out learned even more which he would like to discuss with you and your staff that causes him concern. One of the concerns they flagged was the Fire Department response, especially if they make Carlos Street one way headed south. He hopes to have a discussion about that as well.

General Manager Kishen Prathivadi said on October 14-15th, they will have a booth at the Half Moon Bay Pumpkin Festival. Please visit them at their booth. Also, on November 18th, Saturday, the Sewer Authority Mid-Coastside (SAM) will have an open house from 10am-2pm. There will be food, games, and plant tours. Please save the date.

PUBLIC HEARING CONSENT AGENDA

- 1. Approve Minutes for Regular Scheduled Board Meeting September 7, and 21, 2023.**
- 2. Approve Financial Statements for August 2023**
- 3. Approve Warrants for October 1, 2023**
- 4. SAM Flow Report**
- 5. Monthly Review of Current Investment Portfolio**
- 6. Connection Permit Applications Received**
- 7. Monthly Water Production Report**
- 8. Rain Report**
- 9. Monthly Solar Energy Report**
- 10. Monthly Public Agency Retirement Service Report for July 2023**

Director Slater-Carter made a motion to approve the consent agenda items 1-10, and Director Dekker seconded it. All directors were in favor, and the motion passed 5-0.

OLD BUSINESS - none

NEW BUSINESS

1. Review and Acceptance of the June 30, 2023, GASBY 68 Actuarial Valuation

General Manager Clemens Heldmaier stated this is presented every year. The Governmental Accounting Standards Board (GASBY) requires them to look at the pension plan. Every other year they adjust accordingly. This February, they received the GASBY 68 Report for the prior fiscal year and adjusted the contribution rate. This is now for this year's outlook, and they are receiving this report that Foster & Foster prepared.

Katherine Moore presented the PARS Retirement Plan. These numbers will go into the June 30, 2023, financial statements. They used a measurement date of 6/30/2022. So, everything they are looking at is what happened in 2021-2022, but they are going use these numbers for the 2023 reporting, and all the calculations are based on the 6/30/2021 actuarial evaluation. They took those results and projected them forward to the 6/30/2022 measurement date. Since you are prefunding with PARS, you are considered an agent multiple employer, since they take care of the planned accounting information. For the expected long-term rate of return on assets, the plan is invested in the PARS capital appreciation fund with the asset allocation provided by PARS. Foster & Foster is using an expected long-term rate return of assets of 6.25% and well as 6.25% asset discount rate based on survey investment advisors, expected returns, and 2.5% inflation assumption. This is the same as was used last year. As of 6/30/22 there are 2 retirees currently receiving benefits and 8 active employees. For net pension liability, last year it was 119% funded, this year it is 96.6%. Due to increased service costs and interest, and decreased liability by the amount of net payments that were paid out during the year. This resulted in a liability at the end of the year. Additionally, there was a 13% asset loss that year driving the change from net pension asset to net pension liability.

Director Young asked for clarification of the loss.

Katherine Moore said these are asset numbers which came from PARS, and 2021-2022 was a bad year for investments all around and that is where the plan ended up with a 13% loss.

Director Boyd added PARS manages pension funds and this money is invested with PARS and during that twelve-month period the asset value declined.

Director Young asked if there were underlying assets that caused it to underperform.

Director Boyd said she can go on-line to look at the portfolio.

Katherine Moore said next is the sensitivity of what the net pension liability would look like if the discount rate were adjusted 100 basis points. Since the fund is almost 100% funded, small changes in the liability will result in big differences in the net pension liability. It is a required disclosure under GASBY 68. The pension expense that you will report for the fiscal year is \$104,525 dollars. It is not tied to cash; GASBY moves the net pension liabilities to the balance sheet, and expenses are a measurement of the changes in the net pension liability from the beginning of the year to the end of the year. GASBY didn't want this to be a volatile number, so some changes in the liability are recognized over time. Those numbers that have not flowed through expense are called the deferred outflows/inflows. She showed a chart of the sources of the deferred outflows/inflows, and when they will be recognized in future years. The summary of the important assumptions used: 6/30/2021 evaluation date and 6.25% expected return of assets. They also used the newest CalPERS experience study and mortality improvement projection. The net pension liability as a percent of covered employee payroll as 4.9%.

Director Young stated on page 13 or 14, the Benefits payments—does that mean someone retired and that is the withdrawal?

Katherine Moore replied there are two retirees receiving monthly benefits.

Director Young asked what the discount rate is based on.

Katherine Moore replied since they projected there are enough funds in the trust and you are going to continue contributing to the trust to be able to pay all benefits from the trust in the future, they can use the long-term expected rate of return on assets as the discount rate. So, they are using the 6.25%.

Gregg Dieguez said you showed a table of future year financial impacts, based on current knowledge and situations. Those numbers are not binding and will change every year the analysis is done right?

Katherine Moore replied yes, these numbers are based on the deferrals they have as of 6/30/23. Next year there will be new deferrals so they will change.

Gregg Dieguez inflation is assumed at 2.5%; over the last 20 years up to 2019, the Construction cost rate of inflation was 3.5% then it went up a lot. The Consumer Price Index (CPI) shows a long-term inflation of 3.68%. Which type of inflation are you mirroring, and what are the implications for the discount rate of using a more accurate rate of inflation?

Katherine Moore said they are looking at CPI and consider this a long-term assumption. They reset it in late 2021 and will reconsider it in a few years. They think it appropriate for the time being.

Gregg Dieguez said he thinks it is not appropriate. Keep watch on it. The discount rate and inflation rate are key assumptions; please pay attention going forward.

Director Young asked what is the life expectancy you are basing it on.

Katherine Moore said they use the CalPERS mortality table. She doesn't have the numbers on-hand.

District Accountant Peter Medina says the GASBY 68 report is for their audit report. The GASBY 68 is designed to ensure pension liabilities are addressed. During the time since the plan was implemented in 2016, they had assets the entire time. This is the first year they have a liability. Every two years, Foster and Foster recommends changes to the District contribution rates. The District has made a concerted effort to make sure the plan is funded. Every month there is a PARS statement with the District's contributions, employee and employer.

Director Young asked if the goal was to make sure the plan is funded.

Director Boyd replied yes. This is over a long period of time, with many factors.

Director Young asked if the unfunded liability was high and if someone wanted to retire would they be denied.

Director Boyd replied no; they have an obligation to accrue resources to help them when they retire after serving the district for many years.

2. Review and Possible Action Concerning Approval of SAM's Request to Replenish Emergency Reserves Fund Shortfall.

General Manager Clemens Heldmaier stated they received a request from SAM's management to replenish their emergency reserves. They were used for last year's emergency repairs and storm damage. The total shortfall is \$266,350.66 dollars and the district has been asked to contribute \$51,805.20 dollars. Staff recommends to adopt a resolution. There is also some language in the resolution that holds Half Moon Bay accountable if they fail to pay their portion of the emergency reserve fund as well as its contractual obligation under the Joint Powers Agreement to approve a general budget. Staff recommendation is to approve and adopt the Resolution of the Montara Water and Sanitary District consenting to the funding of Sewer Authority Mid-Coastside's Emergency Reserve Fund shortfall (fiscal year 2023-2024).

General Manager Kishen Prathivadi said they are pursuing funds from their insurance and the Federal Emergency Management Agency (FEMA). FEMA assured them that will receive funds, but it will take time. In the meantime, they need to make sure they have enough reserves for the upcoming storms, and that is why they are making this request.

Director Young asked when was the last time they communicated with FEMA.

General Manager Kishen Prathivadi said they communicated with FEMA yesterday. They have been approved for \$800,000 dollars to be awarded, but he doesn't know when the funds will come.

Director Young asked what would happen if one of the other agencies don't pay their portion. This is just for emergencies, right?

General Manager Kishen Prathivadi said she is correct.

Director Slater-Carter said that as a SAM Board member, she suggests they contribute this money, whether the other agencies do or not. They need to be prepared for the upcoming storms and protect their public health interests.

Director Dekker added that his impression was that all the agencies were willing to contribute.

Director Boyd read the portion where the district holds them accountable:

WHEREAS, to the extent that Member Agency the City of Half Moon Bay objects, refuses or fails to contribute its proportional share to replenish the ERRF's shortfall in accordance with the Request for Reserve Funds, or contributes its share under protest of funds being replenished for emergency repairs to the IPS, it is the intent of this Board to hold the City fully accountable for all costs, damages and adverse consequences arising from and associated with its failure to comply with the Policy concerning emergency funds related to the IPS, as more fully set forth in Montara Water and Sanitary District Resolution Nos 1769..." It goes on a little more, but it carries the spirit of this, and he wants everyone to be aware that this clause is in the resolution when voting on this.

Director Slater-Carter made the motion to adopt the resolution of the Montara Water and Sanitary District consenting to the funding of Sewer Authority Mid-Coastside's emergency reserve fund shortfall (fiscal year 2023-2024). Director Young seconded the motion. The motion passes 5-0.

REPORTS

1. Sewer Authority Mid-Coastside Meeting (SAM) (Slater-Carter)- none

2. Mid-Coast Community Council Meeting (Slater-Carter)

Gregg Dieguez said at the Pacifica City Council meeting 13 people called in with hate speech, etc. He has been talking to County counsel at Pacifica and other cities, and they cannot cut off speakers, although they can comment when they are off topic or off the agenda for the entity (outside the jurisdiction). Some of the coping actions might include suppressing remote public comment and requiring people to come in-person or moving public comment to the end of the agenda. This is happening to a stressing degree throughout the country, and it has started to happen here. He sent everyone a copy of their comments in reference to Cypress Point and he is hoping for a review. He wants to make sure that his statements are fact-based and if not, he wants to correct them. He has become aware since that report was produced about some disturbing news about the permeability of the soil underneath Cypress Point. It is excellent, and if it were to be covered as proposed they would lose a valuable retention pond and that runs the risk of further storm water flooding of Highway One and Moss Beach. Also, he also has some concern about firefighting response.

Director Softky said the hate speech comes from the attention economy, where people feel the need to get attention and the availability of mechanisms to intrude in places otherwise not allowed and interact with people they don't have to confront and deal with consequences. So, the idea of consequence free intrusion for the sake of getting attention at the expense of public discourse is the general problem. And the only way to cut it down is to remove the ability of remote people that aren't constituents to show up and derail everything.

Director Slater-Carter said there is a new industry of harassing employees in offices to make them react badly and perhaps this is an outgrowth of that. This level of grotesque incivility has to be handled by our legislature. If they try to keep someone from speaking, they will have a Brown Act lawsuit.

Director Boyd said that Josh Becker's office is working on something right now.

Director Young said she saw the Pacifica video, and they limited comments to one minute. About the permeability at Cypress Point, she recalls near the water tanks there is quite a bit of erosion and run-off that comes from up-hill.

General Manager Clemens Heldmaier replied there is a drainage system from Lincoln Street and the upper section of the property adjacent to Lincoln Street is susceptible to flooding regularly. The road in front of the tanks has been eroding for years.

Director Young said she made a comment as an individual about Cypress Point requesting they not use impermeable material for their driveways, etc.

Director Slater-Carter cautioned people about the hate speech. You can't generalize to the politics of the hate speech speaker because hate speech is designed to be disruptive and words are chosen to make the biggest impact, not necessarily that he/she believes it.

3. **California Special Districts Associations Report (Slater-Carter)-none**
4. **Local Agency Formation Commission (LAFCo) Report (Slater-Carter)-none**
5. **Attorney's Report (Fitzgerald) - none**
6. **Directors' Report - none**
7. **General Manager's Report (Heldmaier)**

FUTURE AGENDAS – none

BREAK 8:25 pm

CONVENE IN CLOSED SESSION 8:35 pm

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.* (Santa Clara County Superior Court No. 17CV316927)

Case Name: *In re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-02873* (City of Camden, et al., v. 3M Company, No. 2:23-cv-03147-RMG, United States District Court, District of South Carolina, Charleston Division)

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION (Government Code §54956.9(d)(4)) Initiation of Litigation (2 potential cases)

REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY

ADJOURNMENT at 10:30 pm

The district has a curfew of 10:30 pm for all meetings. The meeting may be extended for one hour by vote of the Board.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 2nd, November 2023

Signed _____
President



MONTARA WATER & SANITARY DISTRICT

REGULAR BOARD OF DIRECTORS MEETING October 19, 2023

MINUTES

This meeting took place at the district office located at the above address. Simultaneous public access and participation was also available remotely, via telephone or the ZOOM application.

REGULAR SESSION began at 7:34 p.m.

CALL TO ORDER

ROLL CALL

Directors Present: Boyd, Dekker, Softky, Young, and Slater-Carter (joined at 7:36 pm)

Directors Absent: None

Staff Present: Clemens Heldmaier, General Manager
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald
District Accountant, Peter Medina
Kastama Consulting, Alison Kastama
Recology of the Coastside, Glen Bong

PRESIDENT'S STATEMENT - none

ORAL COMMENTS

General Manager Clemens Heldmaier asked the Board to consider an emergency item on a temporary basis limiting speakers to 2 minutes during the meetings. This allows them to remove a speaker from the room or disengage a remote speaker after the allotted time expires. This is to address the problem of zoom bombing. They are in the process of drafting proposed rules that would govern the conduct at district meetings. Staff recommends that this temporary measure be in place until the Board has an opportunity to consider and adopt the rules of conduct. He wants to reiterate speakers could be removed if his/her comments are not related to the subject matter, the jurisdiction of the District, to a specific agenda item, or a comment from a previous meeting where there wasn't an opportunity to comment. He would like to ask for a motion to add this item to the agenda based on the urgency that arose after the agenda was posted and requires immediate attention.

Director Young asked if the restriction includes board members and applies to people in-person and remote.

General Manager Clemens Heldmaier replied it applies to public speakers.

Director Young made a motion to include the agenda item, and Director Softky seconded the motion. All were in favor and the motion passed 5-0.

General Manager Clemens Heldmaier said they are looking to adopt a temporary public speaker limit of 2 minutes until such time the Board adopts the rules governing meeting conduct.

Director Slater-Carter said she would like to add an amendment to that. Any speaker can send an email to the district for preview that can be sent to the Board if they feel they need more time. They can do it after the agenda is posted or after the meeting.

Director Boyd said they don't need to amend the motion for that.

General Manager Clemens Heldmaier said any email they receive will be read out loud and placed in the minutes. This is the current practice already.

Director Slater-Carter said she thinks it is important to reiterate it in this motion, so it is clear, and people don't take offense.

General Manager Clemens Heldmaier said they are developing rules and suggests leaving it the way it is now. Anyone can comment in writing, pertaining to the District or any agenda item and it will be read out loud. They are suggesting to implement this measure until the developed policies can be brought to the Board.

Director Young asked what the District's policy is going to be for emails received after the agenda is posted and received before the board meeting.

General Manager Clemens Heldmaier said they currently read any comment they receive with a request to read it at a Board meeting.

Director Slater-Carter said she will vote no. She would like to see that amendment made so people don't feel shut out.

Director Young made a motion to adopt a temporary public speaker limit of 2 minutes until such time the Board adopts the rules governing meeting conduct. Director Softky seconded the motion. The motion passes 4 (Director Boyd, Dekker, Young, Softky)-1 (Director Slater-Carter).

PUBLIC HEARING
CONSENT AGENDA
OLD BUSINESS - none

NEW BUSINESS

**1. Review and Possible Action Concerning Review of Recology 2024
Solid Waste Rate Increase**

General Manager Clemens Heldmaier stated that this item is reviewed every year. Recology's statements are reviewed by District Accountant Peter Medina. He checks the calculations in accordance with the contract that specifies how the rate increase is determined. This year is an index-based calculations. Recology calculated an increase of 7.87%. However, there is a 6% cap on our latest amendment. So, 1.87% could be added next year if the rate is at or below 6%. A Prop 218 notice has been prepared, and the public hearing is scheduled for December 21, 2023. If there is a problem with any of the Board members' ability to attend, they can move it to January 4, 2024. Staff recommendation is to receive RVE Accounting & Advisory Consultant's Report on the review of the suggested rate increase and associated information and authorize distribution of the Prop 218 notice, and decide if they can all attend the December 21, 2023, meeting or if it should be moved to January 4, 2024.

Director Young said Recology allows people experiencing hardships (on the PG&E CARES program) to receive a discount on the smallest garbage container in Pacifica. However, to her knowledge, this discount is not available to customers in Montara and Moss Beach, and only applies to midsize and large containers. Former General Manager Chris Porter made special accommodation for Director Young. She would like to know when they can possibly negotiate the contract.

General Manager Glen Bongi said they are open to negotiating ahead of time.

Director Young said she is new to the Board and isn't sure if this policy was changed. She suggested General Manager Glen Bongi compare the prices of the smallest container in Pacifica and Montara for those experiencing hardships.

General Manager Glen Bongi said next year is a cost-based review and they can look into the details in the contract. And if this is something the Board wants added to the contract, next year it can be added.

Director Slater-Carter said she is concerned that those on the edge financially, but don't qualify for government subsidies, are asking the public at large to pay for them. The costs will be passed on somewhere, and she is concerned where that cost will get passed on.

Director Boyd stated the Board received RVE Accounting & Advisory Consultant's Report on the review of the suggested rate increase and associated information and authorizes distribution of Prop 218 notice. They all agreed on December 21, 2023, meeting will have the public hearing.

2. Review and Possible Action Concerning Approval of Preliminary Funding Commitment for The Vallemar Sewer and Water Relocation Project

General Manager Clemens Heldmaier said the board was informed some time ago about a federal grant the district applied for to relocate the sewer lines on Vallemar Street. They have a sewer line out on the Strand which is non-existent now. The sewer line is out on the bluffs now and that line is only used to bypass sewage from the Vallemar to Montara pump stations. They are working with the San Mateo County Resources Conservation District (RCD) for a grant with the Coastal Conservancy. They were notified the Coastal Conservancy finds this project favorable and would like to bring it to their Board at the end of the month. The district is being asked to state that they are capable of contributing \$272,000 dollars to the cost of 1.84 million to design the entire project. He is hoping Implementation will be paid with another grant that follows. Staff recommendation is to adopt the resolution of the Board of the Montara Water and Sanitary District certifying availability of the District's share of funds for the Vallemar sewer and water relocation project.

Director Young asked if this is for sewer and water.

General Manager Clemens Heldmaier replied yes.

Director Young asked if the Niagara pumpstation is involved.

General Manager Clemens Heldmaier replied the project is not designed yet and he can answer questions when it is done.

Director Dekker made a motion to adopt the resolution of the Board of the Montara Water and Sanitary District certifying availability of the District's share of funds for the Vallemar Sewer and Water relocation project. Director Softky seconded the motion, and the motion passed 5-0.

REPORTS

1. Sewer Authority Mid-Coastside Meeting (SAM) (Slater-Carter)- none

Director Slater-Carter said at the meeting Monday they discussed the SRT design work for the SAM Intertie Pipeline in Montara and Granada, and Half Moon Bay was oddly quiet. She felt giving approval for it to go ahead was not safe for Montara or Granada and she asked for a vote, so everyone knows the project has full support. They took a roll call vote, and Half Moon Bay abstained. It takes a majority vote of five to pass something at SAM. The attorney said it does not call for a vote. However, she wanted a vote and wanted it on record. She is going to be working with Jeremy Jungreis and Kishen Prathivadi to look at what in the JPA that Half Moon Bay was up to. She believes they do not want to pay their share of the 16 million dollars for the pipeline replacement. Also, there will be an Open House at SAM on November 18th from 10 am – 2 pm. She encouraged everyone to come by. She also suggested the districts notify customers if it looks like the SAM plant cannot handle the storm flows and ask customers to conserve water to help the sewer plant.

Director Young said she also watched the SAM meeting and felt Half Moon Bay may have abstained because a vote wasn't required.

Director Softky said conveying the message of conserving water during storms is important. They should have a signboard next to the entrance of the post office.

Director Dekker said all the discussion back and forth clearly indicated that Half Moon Bay isn't willing to contribute to the cost of the pipeline. It needs to be clear to the public that there is only one party holding back the immediate installation of the pipeline and it is essential that this be replaced due to the lawsuit and out of necessity. The solution in the end was they will wait for the outcome of the lawsuit that will force Half Moon Bay into paying for the pipeline. They think even if they win the lawsuit, they have doubts Half Moon Bay will pay for the replacement of the force main. There are legal angles to that that they need to explore.

2. Mid-Coast Community Council Meeting (Slater-Carter)

Gregg Dieguez said off-leash dog walking at Quarry Park has been approved. The MCC endorsed it with a request for a little more enforcement. They had a serious presentation with the Planning Department about the Moss Beach corridor project on Highway One. It is entering the phase now where they will be evaluating alternatives. It looked to be 3 signals or 1 signal and 2 roundabouts. Decisions and recommendations on deployment will stretch out to 2030 and the trail still won't reach to Montara. Upcoming issues are herbicide use on the Coast, and RCD will hold a session with Parks on December 1st to discuss this issue. In reference to the damage to Montara Mountain it appears the County may have declared an emergency in order to get access to some funds they wouldn't have been able to get for the work. They are concerned about erosion and environmental damage because they didn't do a gentle job on what they did. They are also working on a storm water report. San Mateo County has no storm water management master plan. They will touch base with MWSD in reference to that report to ensure what they are claiming is in alignment with the facts that Montara sees.

Director Young said thanks to Michelle Dragony she saw there will be a ribbon cutting for Mirada bridge on November 3rd, at 1:30pm.

- 3. California Special Districts Associations Report (Slater-Carter)-none**
- 4. Local Agency Formation Commission (LAFCo) Report (Slater-Carter)-none**
- 5. Attorney's Report (Fitzgerald) - none**
- 6. Directors' Report - none**
- 7. General Manager's Report (Heldmaier)**

FUTURE AGENDAS – none

BREAK 8:15 pm

CONVENE IN CLOSED SESSION 8:25 pm

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.*
(Santa Clara County Superior Court No. 17CV316927)

Case Name: *In re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-02873* (City of Camden, et al., v. 3M Company, No. 2:23-cv-03147-RMG, United States District Court, District of South Carolina, Charleston Division)

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
(Government Code §54956.9(d)(4)) Initiation of Litigation (2 potential cases)

REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY

ADJOURNMENT at 9:00 pm

The district has a curfew of 10:30 pm for all meetings. The meeting may be extended for one hour by vote of the Board.

Respectfully Submitted,

Signed _____
Secretary

Approved on the 2nd, November 2023


Signed _____
President



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 2, 2023**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager 

**SUBJECT: Unaudited Financial Statements – Executive
Summary**

**Budget vs. Actual – Sewer July 1, 2023 through September 30, 2023 -
Variances over \$2,000:**

- 4610 Property Tax Receipts, \$103,183 above Budget – The District received an ERAF distribution of \$205,793 in August.
- 4710 Sewer Service Charges, \$4,303 above Budget – Based upon prorated sewer service charges by customer.
- 4720 Sewer Service Refunds, \$2,500 below Budget – No refunds issued to date.
- **Overall Total Operating Income for the period ending September 30, 2023 was \$110,456 above budget. Total operating income received to date is \$140,707.**
- 5200 Board of Directors, \$5,576 above Budget – Payment made to Redistricting Partners for on-going work.
- 5300 Insurance, \$9,485 above Budget – The District pays for insurance premiums at the beginning of the year, the variance will decrease as the FY continues.
- 5400 Legal, \$13,429 below Budget – Costs related to the defense of various legal proceedings is less than expected at this point.
- 5510 Maintenance, Office, \$4,037 below Budget – Various projects are planned for the office that have not yet begun.
- 5610 Accounting, \$2,173 below Budget – Invoice for September has not yet been posted.
- 5630 Consulting, \$4,002 below Budget – Additional costs expected later in fiscal year.
- 5640 Data Services, \$7,913 above Budget – Annual payment made for the use of Parcel Management System, used for Property Tax Roll.
- 5800 Labor, \$15,599 above Budget – Due to the funding of GM salary & benefit increase.
- 6170 Claims, Property Damage, \$2,500 below Budget – No claims filed to date.
- 6200 Engineering, \$11,112 below Budget – Majority of costs have been related to CIP projects and booked in account 8075 Sewer CIP.
- 6600 Collection/Transmission, \$2,500 below Budget – No activity to date.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: November 2, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6900 SAM Expenses, \$122,734 below Budget – The District adopted the original budget provided by SAM. After adoption by MWSD, SAM adjusted their infrastructure budget downward.
- **Overall Total Operating Expenses for the period ending September 30, 2023, were \$140,127 below Budget.**
- **Total overall Expenses for the period ending September 30, 2023, were \$128,910 below budget. For a net ordinary gain of \$239,367 above Budget. Actual net ordinary loss is \$568,060.**
- 7100 Connection Fees, \$33,583 above Budget – No new connections sold in September. 2 sold in July.
- 7200 Interest Income, LAIF, \$21,929 above budget – Due to the increase Federal interest rates.
- 8000 CIP, \$820,473 below Budget – Minimal activity to date, mainly engineering support and generator expenses.
- 9200 I-Bank Loan, \$8,007 below budget – Due to timing.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 2, 2023**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

Budget vs. Actual – Water July 1, 2023 thru September 30, 2023 - Variances over \$2,000:

- 4610 Property Tax Receipts, \$103,183 above Budget – The District received an ERAF distribution of \$205,793 in August.
- 4850 Water Sales refunds, \$2,000 below Budget – No refunds issued to date.
- **Overall Total Operating Income for the period ending September 30, 2023 was \$107,368 above budget. Total operating revenue received to date is \$615,518.**
- 5200 Board of Directors, \$5,576 above Budget – Payment made to Redistricting Partners for on-going work.
- 5240 CDPH Fees, \$4,500 below Budget – first bills are typically paid in December.
- 5300 Insurance, \$10,535 above Budget – The District pays for insurance premiums at the beginning of the year, the variance will decrease as the FY continues.
- 5400 Legal, \$7,811 above Budget – General legal expenses.
- 5510 Maintenance, Office, \$4,848 below Budget – Various projects are planned for the office that have not yet begun.
- 5530 Memberships, \$6,250 below Budget – Membership fees are typically paid at the beginning of the calendar year.
- 5610 Accounting, \$2,850 below Budget – Invoice for September has not yet been posted.
- 5630 Consulting, \$7,752 below Budget – Additional costs expected later in fiscal year.
- 5800 Labor & Wages, \$2,459 below Budget – Due to the timing of payroll increases.
- 6170 Claims, Property Damage, \$2,107 below Budget – One minor claim paid in August.
- 6180 Communications, \$5,000 below Budget – No activity to date.
- 6200 Engineering, \$16,175 below Budget – Due to reduced need for water quality engineering reporting. More expected as year goes forward.
- 6370 Lab Supplies & Equipment, \$4,799 above Budget – Major purchase of inventory made in August.
- 6400 Pumping, \$8,024 below Budget – PG&E costs are budgeted high in anticipation of large “true up” bill which is received in the spring.
- 6500 Supply, \$12,351 below Budget – Q1 water purchase takes place in October.



MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **November 2, 2023**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6600 Collection/Transmission, \$26,816 below Budget – work on-going for various collections projects.
- 6700 Treatment, \$2,832 below Budget – Additional costs anticipated as the FY moves forward.
- 6800 Vehicles, \$2,010 below Budget – Allocation of 25% to Sewer Fund for joint use of vehicles.
- **Overall Total Operating Expenses for the period ending September 30, 2023 were \$67,490 below Budget.**
- **Total overall Expenses for the period ending September 30, 2023 were \$67,857 below budget. For a net ordinary income of \$175,224 budgeted vs. actual. Actual net ordinary income was \$116,620.**
- 7100 Connection Fees, \$72,023 above Budget – No new connections sold in September. 2 sold in July.
- 7250 CAMP interest, \$31,095 above Budget – Due to increase in federal interest rates.
- 7650 Water System Reliability, \$2,295 above Budget – Pro-rata charges paid by customers. Not through property tax roll.
- 8000 CIP, \$900,457 below Budget – Projects are currently on-going and others are being planned.
- 9100 GO Bond interest expense, \$24,837 below Budget – Difference due to timing.

RECOMMENDATION:

This is for Board information only

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
 July through September 2023

	Jul - Sep 23	Sewer Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4220 · Cell Tower Lease	21,208.50	20,750.01	458.49
4400 · Fees			
4410 · Administrative Fee (New Constr)	0.00	1,000.02	-1,000.02
4420 · Administrative Fee (Remodel)	0.00	250.02	-250.02
4430 · Inspection Fee (New Constr)	0.00	1,000.02	-1,000.02
4440 · Inspection Fee (Remodel)	0.00	250.02	-250.02
4460 · Remodel Fees	3,362.00	2,000.01	1,361.99
4470 · Other Fees	160.00		
Total 4400 · Fees	3,522.00	4,500.09	-978.09
4610 · Property Tax Receipts	103,182.99	0.00	103,182.99
4710 · Sewer Service Charges	4,303.33	0.00	4,303.33
4720 · Sewer Service Refunds, Customer	0.00	-2,500.02	2,500.02
4760 · Waste Collection Revenues	6,365.04	7,500.00	-1,134.96
4990 · Other Revenue	2,124.64		
Total Income	140,706.50	30,250.08	110,456.42
Gross Profit	140,706.50	30,250.08	110,456.42
Expense			
5000 · Administrative			
5190 · Bank Fees	1,943.73	1,500.00	443.73
5200 · Board of Directors			
5210 · Board Meetings	2,313.85	1,000.02	1,313.83
5220 · Director Fees	3,012.28	2,500.02	512.26
5230 · Election Expenses	7,500.00	3,750.00	3,750.00
Total 5200 · Board of Directors	12,826.13	7,250.04	5,576.09
5250 · Conference Attendance	1,145.03	2,500.02	-1,354.99
5270 · Information Systems	2,135.13	1,500.00	635.13
5300 · Insurance			
5310 · Fidelity Bond	0.00	125.01	-125.01
5320 · Property & Liability Insurance	12,109.75	2,500.02	9,609.73
Total 5300 · Insurance	12,109.75	2,625.03	9,484.72
5350 · LAFCO Assessment	0.00	750.00	-750.00
5400 · Legal			
5430 · General Legal	25,829.15	50,000.01	-24,170.86
5440 · Litigation	10,741.44		
Total 5400 · Legal	36,570.59	50,000.01	-13,429.42
5510 · Maintenance, Office	1,122.19	6,250.02	-5,127.83
5530 · Memberships	0.00	1,250.01	-1,250.01
5540 · Office Supplies	1,418.96	2,062.50	-643.54
5550 · Postage	0.00	287.52	-287.52
5560 · Printing & Publishing	898.32	562.50	335.82

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
 July through September 2023

	Jul - Sep 23	Sewer Budget	\$ Over Budget
5600 · Professional Services			
5610 · Accounting	7,577.50	9,750.00	-2,172.50
5620 · Audit	2,500.00	3,375.00	-875.00
5630 · Consulting	9,060.51	13,062.51	-4,002.00
5640 · Data Services	10,412.73	2,500.02	7,912.71
5650 · Labor & HR Support	640.50	625.02	15.48
5660 · Payroll Services	308.84	250.02	58.82
Total 5600 · Professional Services	30,500.08	29,562.57	937.51
5710 · San Mateo Co. Tax Roll Charges	0.00	625.02	-625.02
5720 · Telephone & Internet	11,886.33	10,000.02	1,886.31
5730 · Mileage Reimbursement	0.00	500.01	-500.01
5740 · Reference Materials	0.00	50.01	-50.01
5790 · Other Administrative	337.66		
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	8,634.88	5,371.50	3,263.38
5820 · Employee Benefits	12,658.41	13,033.77	-375.36
5830 · Disability Insurance	457.65	567.75	-110.10
5840 · Payroll Taxes	5,876.08	5,536.77	339.31
5850 · PARS	4,964.71	0.00	4,964.71
5900 · Wages			
5910 · Management	40,407.15	30,654.27	9,752.88
5920 · Staff	47,867.49	51,441.75	-3,574.26
5930 · Staff Certification	525.00	450.00	75.00
5940 · Staff Overtime	1,775.15	438.51	1,336.64
5950 · Staff Standby	654.55		
Total 5900 · Wages	91,229.34	82,984.53	8,244.81
5960 · Worker's Comp Insurance	0.00	728.25	-728.25
Total 5800 · Labor	123,821.07	108,222.57	15,598.50
Total 5000 · Administrative	236,714.97	225,497.85	11,217.12
6000 · Operations			
6170 · Claims, Property Damage	0.00	2,500.02	-2,500.02
6195 · Education & Training	0.00	500.01	-500.01
6200 · Engineering			
6220 · General Engineering	6,388.00	17,500.02	-11,112.02
Total 6200 · Engineering	6,388.00	17,500.02	-11,112.02
6330 · Facilities			
6335 · Alarm Services	1,681.50	1,500.00	181.50
6337 · Landscaping	0.00	1,500.00	-1,500.00
Total 6330 · Facilities	1,681.50	3,000.00	-1,318.50
6400 · Pumping			
6410 · Pumping Fuel & Electricity	10,693.42	12,500.01	-1,806.59
6420 · Pumping Maintenance, Generators	6,030.92	3,750.00	2,280.92
Total 6400 · Pumping	16,724.34	16,250.01	474.33

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
 July through September 2023

	Jul - Sep 23	Sewer Budget	\$ Over Budget
6600 · Collection/Transmission			
6660 · Maintenance, Collection System	0.00	2,500.02	-2,500.02
Total 6600 · Collection/Transmission	0.00	2,500.02	-2,500.02
6770 · Uniforms	0.00	50.01	-50.01
6800 · Vehicles			
6810 · Fuel	638.02	500.01	138.01
6820 · Truck Equipment, Expensed	244.25	50.01	194.24
6830 · Truck Repairs	31.08	250.02	-218.94
Total 6800 · Vehicles	913.35	800.04	113.31
6900 · Sewer Authority Midcoastside			
6910 · SAM Collections	73,715.49	73,715.52	-0.03
6920 · SAM Operations	356,555.73	451,613.01	-95,057.28
6940 · SAM Maintenance, Collection Sys	0.00	11,250.00	-11,250.00
6950 · SAM Maintenance, Pumping	16,072.92	32,500.02	-16,427.10
Total 6900 · Sewer Authority Midcoastside	446,344.14	569,078.55	-122,734.41
Total 6000 · Operations	472,051.33	612,178.68	-140,127.35
Total Expense	708,766.30	837,676.53	-128,910.23
Net Ordinary Income	-568,059.80	-807,426.45	239,366.65
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	65,222.00	55,000.02	10,221.98
7120 · Connection Fees (Remodel)	0.00	13,750.02	-13,750.02
7152 · Connection Fee Refunds	0.00	-5,000.01	5,000.01
7153 · Add'l Fixture Units (New Const)	16,362.00	5,000.01	11,361.99
7155 · Add'l Fixture Units (Remodel)	25,749.00	5,000.01	20,748.99
Total 7100 · Connection Fees	107,333.00	73,750.05	33,582.95
7200 · Interest Income - LAIF	36,929.21	15,000.00	21,929.21
Total 7000 · Capital Account Revenues	144,262.21	88,750.05	55,512.16
Total Other Income	144,262.21	88,750.05	55,512.16
Other Expense			
8000 · Capital Improvement Program			
8075 · Sewer	179,348.25	999,821.25	-820,473.00
Total 8000 · Capital Improvement Program	179,348.25	999,821.25	-820,473.00

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Accrual Basis

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July through September 2023

	Jul - Sep 23	Sewer Budget	\$ Over Budget
9000 · Capital Account Expenses			
9125 · PNC Equipment Lease Interest	1,671.14	1,794.00	-122.86
9200 · I-Bank Loan	1,601.35	9,608.00	-8,006.65
Total 9000 · Capital Account Expenses	3,272.49	11,402.00	-8,129.51
Total Other Expense	182,620.74	1,011,223.25	-828,602.51
Net Other Income	-38,358.53	-922,473.20	884,114.67
Net Income	-606,418.33	-1,729,899.65	1,123,481.32

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2023

	Jul - Sep 23	Water Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4400 · Fees			
4410 · Administrative Fee (New Constr)	0.00	1,000.02	-1,000.02
4420 · Administrative Fee (Remodel)	0.00	150.00	-150.00
4430 · Inspection Fee (New Constr)	0.00	1,000.02	-1,000.02
4440 · Inspection Fee (Remodel)	0.00	0.00	0.00
4450 · Mainline Extension Fees	0.00	0.00	0.00
4470 · Other Fees	160.00		
Total 4400 · Fees	160.00	2,150.04	-1,990.04
4610 · Property Tax Receipts	103,182.97	0.00	103,182.97
4740 · Testing, Backflow	5,158.00	4,500.00	658.00
4810 · Water Sales, Domestic	504,874.06	503,500.02	1,374.04
4850 · Water Sales Refunds, Customer	0.00	-2,000.01	2,000.01
4990 · Other Revenue	2,142.64		
Total Income	615,517.67	508,150.05	107,367.62
Gross Profit	615,517.67	508,150.05	107,367.62
Expense			
5000 · Administrative			
5190 · Bank Fees	1,943.72	1,375.02	568.70
5200 · Board of Directors			
5210 · Board Meetings	2,313.85	1,000.02	1,313.83
5220 · Director Fees	3,012.27	2,500.02	512.25
5230 · Election Expenses	7,500.00	3,750.00	3,750.00
Total 5200 · Board of Directors	12,826.12	7,250.04	5,576.08
5240 · CDPH Fees	0.00	4,500.00	-4,500.00
5250 · Conference Attendance	1,800.99	3,750.00	-1,949.01
5270 · Information Systems	2,135.12	1,625.01	510.11
5300 · Insurance			
5310 · Fidelity Bond	0.00	125.01	-125.01
5320 · Property & Liability Insurance	13,159.75	2,500.02	10,659.73
Total 5300 · Insurance	13,159.75	2,625.03	10,534.72
5350 · LAFCO Assessment	0.00	750.00	-750.00
5400 · Legal			
5430 · General Legal	25,809.16	18,750.00	7,059.16
5440 · Litigation	752.00		
Total 5400 · Legal	26,561.16	18,750.00	7,811.16
5510 · Maintenance, Office	1,401.57	6,250.02	-4,848.45
5530 · Memberships	0.00	6,250.02	-6,250.02
5540 · Office Supplies	1,418.92	1,562.52	-143.60
5550 · Postage	3,872.76	3,687.51	185.25
5560 · Printing & Publishing	2,914.79	1,437.51	1,477.28

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2023

	Jul - Sep 23	Water Budget	\$ Over Budget
5600 · Professional Services			
5610 · Accounting	7,577.50	9,750.00	-2,172.50
5620 · Audit	2,500.00	3,375.00	-875.00
5630 · Consulting	9,060.51	16,812.51	-7,752.00
5640 · Data Services	1,199.50	250.02	949.48
5650 · Labor & HR Support	640.50	625.02	15.48
5660 · Payroll Services	308.90	250.02	58.88
Total 5600 · Professional Services	21,286.91	31,062.57	-9,775.66
5710 · San Mateo Co. Tax Roll Charges	0.00	625.02	-625.02
5720 · Telephone & Internet	13,681.50	12,500.01	1,181.49
5730 · Mileage Reimbursement	282.85	500.01	-217.16
5740 · Reference Materials	0.00	125.01	-125.01
5790 · Other Administrative	3,431.71		
5800 · Labor			
5810 · CalPERS 457 Deferred Plan	16,182.23	12,865.26	3,316.97
5820 · Employee Benefits	35,241.33	38,822.76	-3,581.43
5830 · Disability Insurance	988.17	1,393.02	-404.85
5840 · Payroll Taxes	14,202.85	14,878.50	-675.65
5850 · PARS	11,180.40	11,775.27	-594.87
5900 · Wages			
5910 · Management	40,407.21	30,654.27	9,752.94
5920 · Staff	131,214.37	138,610.02	-7,395.65
5930 · Staff Certification	2,625.00	2,850.00	-225.00
5940 · Staff Overtime	16,274.91	15,105.00	1,169.91
5950 · Staff Standby	9,553.58	7,271.52	2,282.06
Total 5900 · Wages	200,075.07	194,490.81	5,584.26
5960 · Worker's Comp Insurance	0.00	6,103.26	-6,103.26
Total 5800 · Labor	277,870.05	280,328.88	-2,458.83
Total 5000 · Administrative	384,587.92	384,954.18	-366.26
6000 · Operations			
6160 · Backflow Prevention	0.00	250.02	-250.02
6170 · Claims, Property Damage	393.15	2,500.02	-2,106.87
6180 · Communications			
6185 · SCADA Maintenance	0.00	5,000.01	-5,000.01
Total 6180 · Communications	0.00	5,000.01	-5,000.01
6195 · Education & Training	164.99	1,250.01	-1,085.02
6200 · Engineering			
6220 · General Engineering	825.00	2,500.02	-1,675.02
6230 · Water Quality Engineering	14,250.00	28,750.02	-14,500.02
Total 6200 · Engineering	15,075.00	31,250.04	-16,175.04
6320 · Equipment & Tools, Expensed	2,274.38	2,500.02	-225.64

Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July through September 2023

	Jul - Sep 23	Water Budget	\$ Over Budget
6330 · Facilities			
6335 · Alarm Services	391.26	500.01	-108.75
6337 · Landscaping	1,925.00	3,750.00	-1,825.00
Total 6330 · Facilities	2,316.26	4,250.01	-1,933.75
6370 · Lab Supplies & Equipment	5,799.51	1,000.02	4,799.49
6380 · Meter Reading	0.00	125.01	-125.01
6400 · Pumping			
6410 · Pumping Fuel & Electricity	21,516.36	23,750.01	-2,233.65
6420 · Pumping Maintenance, Generators	2,260.00	7,500.00	-5,240.00
6430 · Pumping Maintenance, General	874.29	1,250.01	-375.72
6440 · Pumping Equipment, Expensed	0.00	175.02	-175.02
Total 6400 · Pumping	24,650.65	32,675.04	-8,024.39
6500 · Supply			
6510 · Maintenance, Raw Water Mains	0.00	625.02	-625.02
6520 · Maintenance, Wells	2,024.09	6,250.02	-4,225.93
6530 · Water Purchases	0.00	7,500.00	-7,500.00
Total 6500 · Supply	2,024.09	14,375.04	-12,350.95
6600 · Collection/Transmission			
6610 · Hydrants	0.00	2,500.02	-2,500.02
6620 · Maintenance, Water Mains	24,130.27	42,500.01	-18,369.74
6630 · Maintenance, Water Svc Lines	2,127.00	5,000.01	-2,873.01
6640 · Maintenance, Tanks	36.32	1,250.01	-1,213.69
6650 · Maint., Distribution General	1,443.75	3,750.00	-2,306.25
6670 · Meters	7,946.93	7,500.00	446.93
Total 6600 · Collection/Transmission	35,684.27	62,500.05	-26,815.78
6700 · Treatment			
6710 · Chemicals & Filtering	7,646.01	6,250.02	1,395.99
6720 · Maintenance, Treatment Equip.	3,605.37	3,750.00	-144.63
6730 · Treatment Analysis	10,330.83	8,750.01	1,580.82
Total 6700 · Treatment	21,582.21	18,750.03	2,832.18
6770 · Uniforms	1,469.71	625.02	844.69
6800 · Vehicles			
6810 · Fuel	1,914.06	3,000.00	-1,085.94
6820 · Truck Equipment, Expensed	732.74	500.01	232.73
6830 · Truck Repairs	93.23	1,250.01	-1,156.78
Total 6800 · Vehicles	2,740.03	4,750.02	-2,009.99
6890 · Other Operations	135.62		
Total 6000 · Operations	114,309.87	181,800.36	-67,490.49
Total Expense	498,897.79	566,754.54	-67,856.75
Net Ordinary Income	116,619.88	-58,604.49	175,224.37

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July through September 2023

	Jul - Sep 23	Water Budget	\$ Over Budget
Other Income/Expense			
Other Income			
7000 · Capital Account Revenues			
7100 · Connection Fees			
7110 · Connection Fees (New Constr)	60,317.58	46,250.01	14,067.57
7120 · Connection Fees (Remodel)	5,732.88		
7130 · Conn. Fees, PFP (New Constr)	61,712.50	13,750.02	47,962.48
7165 · Meter Pass Thru Costs	4,260.50		
Total 7100 · Connection Fees	132,023.46	60,000.03	72,023.43
7250 · CAMP Interest Income	46,094.52	15,000.00	31,094.52
7600 · Bond Revenues, G.O.	0.00	0.00	0.00
7650 · Water System Reliability	2,294.67	0.00	2,294.67
Total 7000 · Capital Account Revenues	180,412.65	75,000.03	105,412.62
Total Other Income	180,412.65	75,000.03	105,412.62
Other Expense			
8000 · Capital Improvement Program			
8100 · Water	65,793.25	966,250.02	-900,456.77
Total 8000 · Capital Improvement Program	65,793.25	966,250.02	-900,456.77
9000 · Capital Account Expenses			
9100 · Interest Expense - GO Bonds	4,967.53	29,805.00	-24,837.47
9125 · PNC Equipment Lease Interest	1,671.16	1,794.00	-122.84
9150 · SRF Loan	0.00	0.00	0.00
9210 · Conservation Program/Rebates	150.00	0.00	150.00
Total 9000 · Capital Account Expenses	6,788.69	31,599.00	-24,810.31
Total Other Expense	72,581.94	997,849.02	-925,267.08
Net Other Income	107,830.71	-922,848.99	1,030,679.70
Net Income	224,450.59	-981,453.48	1,205,904.07

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2023

	Sewer	Water	TOTAL
ASSETS			
Current Assets			
Checking/Savings			
Sewer - Bank Accounts			
Wells Fargo Operating - Sewer	4,295,441.35	0.00	4,295,441.35
LAIF Investment Fund			
Capital Reserve	4,215,941.10	0.00	4,215,941.10
Operating Reserve	524,507.00	0.00	524,507.00
Total LAIF Investment Fund	<u>4,740,448.10</u>	<u>0.00</u>	<u>4,740,448.10</u>
Total Sewer - Bank Accounts	9,035,889.45	0.00	9,035,889.45
Water - Bank Accounts			
CAMP Investment Fund			
Capital Reserve	0.00	3,029,695.42	3,029,695.42
Operating Reserve	0.00	441,252.33	441,252.33
Total CAMP Investment Fund	0.00	3,470,947.75	3,470,947.75
Wells Fargo Operating - Water	0.00	-355.14	-355.14
Restricted Cash			
2020 GO Bonds Fund - Chase	0.00	689,691.67	689,691.67
Total Restricted Cash	<u>0.00</u>	<u>689,691.67</u>	<u>689,691.67</u>
Total Water - Bank Accounts	0.00	4,160,284.28	4,160,284.28
Total Checking/Savings	9,035,889.45	4,160,284.28	13,196,173.73
Accounts Receivable			
Sewer - Accounts Receivable			
Lease Receivable	227,145.00	0.00	227,145.00
Accounts Receivable	-7,352.92	0.00	-7,352.92
Sewer - Accounts Receivable - Other	-10,061.79	0.00	-10,061.79
Total Sewer - Accounts Receivable	<u>209,730.29</u>	<u>0.00</u>	<u>209,730.29</u>
Water - Accounts Receivable			
Accounts Receivable	0.00	13,967.03	13,967.03
Accounts Rec. - Backflow	0.00	24,678.11	24,678.11
Accounts Rec. - Water Residents	0.00	209,496.70	209,496.70
Unbilled Water Receivables	0.00	243,766.73	243,766.73
Total Water - Accounts Receivable	<u>0.00</u>	<u>491,908.57</u>	<u>491,908.57</u>
Total Accounts Receivable	209,730.29	491,908.57	701,638.86
Other Current Assets			
Maint/Parts Inventory	0.00	42,656.32	42,656.32
Total Other Current Assets	<u>0.00</u>	<u>42,656.32</u>	<u>42,656.32</u>
Total Current Assets	9,245,619.74	4,694,849.17	13,940,468.91
Fixed Assets			
Sewer - Fixed Assets			
General Plant	9,149,397.80	0.00	9,149,397.80
Land	5,000.00	0.00	5,000.00
Other Capital Improv.			
Sewer-Original Cost	685,599.18	0.00	685,599.18
Other Cap. Improv.	2,564,810.39	0.00	2,564,810.39
Total Other Capital Improv.	<u>3,250,409.57</u>	<u>0.00</u>	<u>3,250,409.57</u>
Seal Cove Collection System	995,505.00	0.00	995,505.00
Sewage Collection Facility			
Collection Facility - Org. Cost	1,349,064.00	0.00	1,349,064.00
Collection Facility - Other	3,991,243.33	0.00	3,991,243.33
Total Sewage Collection Facility	<u>5,340,307.33</u>	<u>0.00</u>	<u>5,340,307.33</u>
Treatment Facility	244,539.84	0.00	244,539.84
Accumulated Depreciation	-10,872,874.00	0.00	-10,872,874.00
Total Sewer - Fixed Assets	<u>8,112,285.54</u>	<u>0.00</u>	<u>8,112,285.54</u>

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2023

Water - Fixed Assets			
General Plant	0.00	29,787,721.97	29,787,721.97
Land & Easements	0.00	734,500.00	734,500.00
Surface Water Rights	0.00	300,000.00	300,000.00
Water Meters	0.00	1,058,985.00	1,058,985.00
Fixed Assets - Other	0.00	48,171.78	48,171.78
Accumulated Depreciation	0.00	-15,809,611.00	-15,809,611.00
Total Water - Fixed Assets	0.00	16,119,767.75	16,119,767.75
Total Fixed Assets	8,112,285.54	16,119,767.75	24,232,053.29
Other Assets			
Sewer - Other Assets			
Def'd Amts Related to Pensions	93,759.00	0.00	93,759.00
Joint Power Authority			
SAM - Orig Collection Facility	981,592.00	0.00	981,592.00
SAM - Expansion	1,705,955.08	0.00	1,705,955.08
Total Joint Power Authority	2,687,547.08	0.00	2,687,547.08
Total Sewer - Other Assets	2,781,306.08	0.00	2,781,306.08
Water - Other Assets			
Def'd Amts Related to Pensions	0.00	208,689.00	208,689.00
Due from Sewer	0.00	1,391,848.36	1,391,848.36
Total Water - Other Assets	0.00	1,600,537.36	1,600,537.36
Total Other Assets	2,781,306.08	1,600,537.36	4,381,843.44
TOTAL ASSETS	20,139,211.36	22,415,154.28	42,554,365.64
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable - Sewer	-251,516.63	0.00	-251,516.63
Accounts Payable - Water	0.00	423,059.10	423,059.10
Total Accounts Payable	-251,516.63	423,059.10	171,542.47
Other Current Liabilities			
Water - Net Pension Liability	0.00	-137,836.00	-137,836.00
Sewer - Net Pension Liability	-61,926.00	0.00	-61,926.00
Sewer - Current Liabilities			
Accrued Vacations	10,926.30	0.00	10,926.30
Deposits Payable	45,074.17	0.00	45,074.17
PNC Equip. Loan - S/T	60,493.97	0.00	60,493.97
Total Sewer - Current Liabilities	116,494.44	0.00	116,494.44
Water - Current Liabilities			
Accrued Vacations	0.00	20,027.78	20,027.78
Construction Deposits Payable	0.00	-589.09	-589.09
Deposits Payable	0.00	-43,146.00	-43,146.00
GO Bonds - S/T	0.00	464,600.85	464,600.85
PFP Water Deposits	0.00	4,302.50	4,302.50
PNC Equip. Loan - S/T	0.00	60,493.97	60,493.97
SRF Loan Payable X109 - Current	0.00	184,654.44	184,654.44
Temporary Construction Meter	0.00	38,418.37	38,418.37
Total Water - Current Liabilities	0.00	728,762.82	728,762.82
Payroll Liabilities			
Employee Benefits Payable	-1,413.92	0.00	-1,413.92
Total Payroll Liabilities	-1,413.92	0.00	-1,413.92
Total Other Current Liabilities	53,154.52	590,926.82	644,081.34
Total Current Liabilities	-198,362.11	1,013,985.92	815,623.81
Long Term Liabilities			
Sewer - Long Term Liabilities			
Deferred Inflows (Sewer Leases)	221,325.00	0.00	221,325.00
Due to Water Fund	1,538,871.56	0.00	1,538,871.56
Accrued Vacations	29,339.03	0.00	29,339.03
I-Bank Loan	596,289.45	0.00	596,289.45
PNC Equip. Loan - L/T	199,511.05	0.00	199,511.05
Total Sewer - Long Term Liabilities	2,585,336.09	0.00	2,585,336.09

Montara Water & Sanitary District
Funds Balance Sheet
As of September 30, 2023

Water - Long Term Liabilities			
2020 GO Bonds	0.00	4,302,407.38	4,302,407.38
Accrued Vacations	0.00	37,678.17	37,678.17
PNC Equip. Loan - L/T	0.00	199,511.11	199,511.11
SRF Loan Payable - X109	0.00	2,333,514.62	2,333,514.62
	<hr/>		<hr/>
Total Water - Long Term Liabilities	0.00	6,873,111.28	6,873,111.28
Deferred Inflows (Pensions)			
Sewer	54,563.00	0.00	54,563.00
Water	0.00	121,446.00	121,446.00
	<hr/>		<hr/>
Total Deferred Inflows (Pensions)	54,563.00	121,446.00	176,009.00
Total Long Term Liabilities	<hr/>	<hr/>	<hr/>
	2,639,899.09	6,994,557.28	9,634,456.37
Total Liabilities	<hr/>	<hr/>	<hr/>
	2,441,536.98	8,008,543.20	10,450,080.18
Equity			
Sewer - Equity Accounts			
Capital Assets Net	3,408,252.20	0.00	3,408,252.20
Fund Balance - Unrestricted	8,646,292.87	0.00	8,646,292.87
Retained Earnings	91,726.60	0.00	91,726.60
	<hr/>		<hr/>
Total Sewer - Equity Accounts	12,146,271.67	0.00	12,146,271.67
Water - Equity Accounts			
Capital Assets Net	0.00	2,868,858.70	2,868,858.70
Restricted Debt Service	0.00	1,384,997.90	1,384,997.90
Unrestricted	0.00	-1,562,801.59	-1,562,801.59
Retained Earnings	0.00	-91,726.60	-91,726.60
	<hr/>		<hr/>
Total Water - Equity Accounts	0.00	2,599,328.41	2,599,328.41
Equity Adjustment Account	6,157,821.04	11,582,832.08	17,740,653.12
Net Income	-606,418.33	224,450.59	-381,967.74
	<hr/>		<hr/>
Total Equity	17,697,674.38	14,406,611.08	32,104,285.46
TOTAL LIABILITIES & EQUITY	<hr/> 20,139,211.36 <hr/>	<hr/> 22,415,154.28 <hr/>	<hr/> 42,554,365.64 <hr/>

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2023 through June 2024

													TOTAL			
	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense																
Income																
4220 · Cell Tower Lease	7,069.50	7,069.50	7,069.50										21,208.50	83,000.00	-61,791.50	25.55%
4400 · Fees																
4410 · Administrative Fee (New Constr)														4,000.00	-4,000.00	
4420 · Administrative Fee (Remodel)														1,000.00	-1,000.00	
4430 · Inspection Fee (New Constr)														4,000.00	-4,000.00	
4440 · Inspection Fee (Remodel)														1,000.00	-1,000.00	
4460 · Remodel Fees	1,496.00	1,244.00	622.00										3,362.00	8,000.00	-4,638.00	42.03%
4470 · Other Fees	160.00												160.00			
Total 4400 · Fees	1,656.00	1,244.00	622.00										3,522.00	18,000.00	-14,478.00	19.57%
4610 · Property Tax Receipts		102,896.55	286.44										103,182.99	300,000.00	-196,817.01	34.39%
4710 · Sewer Service Charges	2,950.88	1,352.45											4,303.33	3,883,231.00	-3,878,927.67	0.11%
4720 · Sewer Service Refunds, Customer														-10,000.00	10,000.00	
4760 · Waste Collection Revenues	1,227.28	3,786.17	1,351.59										6,365.04	30,000.00	-23,634.96	21.22%
4990 · Other Revenue		659.36	1,465.28										2,124.64			
Total Income	12,903.66	117,008.03	10,794.81										140,706.50	4,304,231.00	-4,163,524.50	3.27%
Gross Profit	12,903.66	117,008.03	10,794.81										140,706.50	4,304,231.00	-4,163,524.50	3.27%
Expense																
5000 · Administrative																
5190 · Bank Fees	1,281.04	325.63	337.06										1,943.73	6,000.00	-4,056.27	32.4%
5200 · Board of Directors																
5210 · Board Meetings		200.00	2,113.85										2,313.85	4,000.00	-1,686.15	57.85%
5220 · Director Fees		1,818.04	1,194.24										3,012.28	10,000.00	-6,987.72	30.12%
5230 · Election Expenses			7,500.00										7,500.00	15,000.00	-7,500.00	50.0%
Total 5200 · Board of Directors		2,018.04	10,808.09										12,826.13	29,000.00	-16,173.87	44.23%
5250 · Conference Attendance	415.00	337.50	392.53										1,145.03	10,000.00	-8,854.97	11.45%
5270 · Information Systems		779.88	1,355.25										2,135.13	6,000.00	-3,864.87	35.59%
5300 · Insurance																
5310 · Fidelity Bond														500.00	-500.00	
5320 · Property & Liability Insurance	12,109.75												12,109.75	10,000.00	2,109.75	121.1%
Total 5300 · Insurance	12,109.75												12,109.75	10,500.00	1,609.75	115.33%
5350 · LAFCO Assessment														3,000.00	-3,000.00	
5400 · Legal																
5430 · General Legal	8,598.00		17,231.15										25,829.15	200,000.00	-174,170.85	12.92%
5440 · Litigation	2,979.38		7,762.06										10,741.44			
Total 5400 · Legal	11,577.38		24,993.21										36,570.59	200,000.00	-163,429.41	18.29%
5510 · Maintenance, Office	130.00		992.19										1,122.19	25,000.00	-23,877.81	4.49%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2023 through June 2024

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL			
													Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
5530 · Memberships														5,000.00	-5,000.00	
5540 · Office Supplies	611.04	121.71	686.21										1,418.96	8,250.00	-6,831.04	17.2%
5550 · Postage														1,150.00	-1,150.00	
5560 · Printing & Publishing	468.75	55.21	374.36										898.32	2,250.00	-1,351.68	39.93%
5600 · Professional Services																
5610 · Accounting	3,650.00	3,927.50											7,577.50	39,000.00	-31,422.50	19.43%
5620 · Audit			2,500.00										2,500.00	13,500.00	-11,000.00	18.52%
5630 · Consulting	1,834.89	811.87	6,413.75										9,060.51	52,250.00	-43,189.49	17.34%
5640 · Data Services	1,199.50	9,213.23											10,412.73	10,000.00	412.73	104.13%
5650 · Labor & HR Support	427.00		213.50										640.50	2,500.00	-1,859.50	25.62%
5660 · Payroll Services	91.64	125.56	91.64										308.84	1,000.00	-691.16	30.88%
Total 5600 · Professional Services	7,203.03	14,078.16	9,218.89										30,500.08	118,250.00	-87,749.92	25.79%
5710 · San Mateo Co. Tax Roll Charges														2,500.00	-2,500.00	
5720 · Telephone & Internet	4,475.47	5,121.81	2,289.05										11,886.33	40,000.00	-28,113.67	29.72%
5730 · Mileage Reimbursement														2,000.00	-2,000.00	
5740 · Reference Materials														200.00	-200.00	
5790 · Other Administrative			337.66										337.66			
5800 · Labor																
5810 · CalPERS 457 Deferred Plan	1,681.16	1,885.79	5,067.93										8,634.88	21,486.00	-12,851.12	40.19%
5820 · Employee Benefits	8,438.94		4,219.47										12,658.41	52,135.00	-39,476.59	24.28%
5830 · Disability Insurance	152.55	152.55	152.55										457.65	2,271.00	-1,813.35	20.15%
5840 · Payroll Taxes	1,912.24	2,160.35	1,803.49										5,876.08	22,147.00	-16,270.92	26.53%
5850 · PARS	1,738.30	1,837.33	1,389.08										4,964.71		4,964.71	100.0%
5900 · Wages																
5910 · Management	9,567.78	9,567.78	21,271.59										40,407.15	122,617.00	-82,209.85	32.95%
5920 · Staff	15,224.71	16,901.35	15,741.43										47,867.49	205,767.00	-157,899.51	23.26%
5930 · Staff Certification	175.00	175.00	175.00										525.00	1,800.00	-1,275.00	29.17%
5940 · Staff Overtime	29.42	941.52	804.21										1,775.15	1,754.00	21.15	101.21%
5950 · Staff Standby		654.55											654.55			
Total 5900 · Wages	24,996.91	28,240.20	37,992.23										91,229.34	331,938.00	-240,708.66	27.48%
5960 · Worker's Comp Insurance														2,913.00	-2,913.00	
Total 5800 · Labor	38,920.10	34,276.22	50,624.75										123,821.07	432,890.00	-309,068.93	28.6%
Total 5000 · Administrative	77,191.56	57,114.16	102,409.25										236,714.97	901,990.00	-665,275.03	26.24%
6000 · Operations																
6170 · Claims, Property Damage														10,000.00	-10,000.00	
6195 · Education & Training														2,000.00	-2,000.00	
6200 · Engineering																
6220 · General Engineering	2,962.50	917.50	2,508.00										6,388.00	70,000.00	-63,612.00	9.13%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2023 through June 2024

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL				
													Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget	
Total 6200 · Engineering	2,962.50	917.50	2,508.00										6,388.00	70,000.00	-63,612.00	9.13%	
6330 · Facilities																	
6335 · Alarm Services	690.60	430.08	560.82											1,681.50	6,000.00	-4,318.50	28.03%
6337 · Landscaping															6,000.00	-6,000.00	
Total 6330 · Facilities	690.60	430.08	560.82											1,681.50	12,000.00	-10,318.50	14.01%
6400 · Pumping																	
6410 · Pumping Fuel & Electricity	3,549.85	3,553.27	3,590.30											10,693.42	50,000.00	-39,306.58	21.39%
6420 · Pumping Maintenance, Generators	2,260.00	1,885.46	1,885.46											6,030.92	15,000.00	-8,969.08	40.21%
Total 6400 · Pumping	5,809.85	5,438.73	5,475.76											16,724.34	65,000.00	-48,275.66	25.73%
6600 · Collection/Transmission																	
6660 · Maintenance, Collection System															10,000.00	-10,000.00	
Total 6600 · Collection/Transmission															10,000.00	-10,000.00	
6770 · Uniforms															200.00	-200.00	
6800 · Vehicles																	
6810 · Fuel	203.38	229.19	205.45											638.02	2,000.00	-1,361.98	31.9%
6820 · Truck Equipment, Expensed	202.73	41.52												244.25	200.00	44.25	122.13%
6830 · Truck Repairs	31.08													31.08	1,000.00	-968.92	3.11%
Total 6800 · Vehicles	437.19	270.71	205.45											913.35	3,200.00	-2,286.65	28.54%
6900 · Sewer Authority Midcoastside																	
6910 · SAM Collections	24,571.83	24,571.83	24,571.83											73,715.49	294,862.00	-221,146.51	25.0%
6920 · SAM Operations	118,801.91	118,801.91	118,951.91											356,555.73	1,806,452.00	-1,449,896.27	19.74%
6940 · SAM Maintenance, Collection Sys															45,000.00	-45,000.00	
6950 · SAM Maintenance, Pumping		13,861.24	2,211.68											16,072.92	130,000.00	-113,927.08	12.36%
Total 6900 · Sewer Authority Midcoastside	143,373.74	157,234.98	145,735.42											446,344.14	2,276,314.00	-1,829,969.86	19.61%
Total 6000 · Operations	153,273.88	164,292.00	154,485.45											472,051.33	2,448,714.00	-1,976,662.67	19.28%
Total Expense	230,465.44	221,406.16	256,894.70											708,766.30	3,350,704.00	-2,641,937.70	21.15%
Net Ordinary Income	-217,561.78	-104,398.13	-246,099.89											-568,059.80	953,527.00	-1,521,586.80	-59.58%
Other Income/Expense																	
Other Income																	
7000 · Capital Account Revenues																	
7100 · Connection Fees																	
7110 · Connection Fees (New Constr)	65,222.00													65,222.00	220,000.00	-154,778.00	29.65%
7120 · Connection Fees (Remodel)															55,000.00	-55,000.00	
7152 · Connection Fee Refunds															-20,000.00	20,000.00	
7153 · Add'l Fixture Units (New Const)	6,705.00	9,657.00												16,362.00	20,000.00	-3,638.00	81.81%
7155 · Add'l Fixture Units (Remodel)		8,154.00	17,595.00											25,749.00	20,000.00	5,749.00	128.75%
Total 7100 · Connection Fees	71,927.00	17,811.00	17,595.00											107,333.00	295,000.00	-187,667.00	36.38%
7200 · Interest Income - LAIF	36,929.21													36,929.21	60,000.00	-23,070.79	61.55%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Sewer
July 2023 through June 2024

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL			
	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget												
Total 7000 · Capital Account Revenues	108,856.21	17,811.00	17,595.00										144,262.21	355,000.00	-210,737.79	40.64%
Total Other Income	108,856.21	17,811.00	17,595.00										144,262.21	355,000.00	-210,737.79	40.64%
Other Expense																
8000 · Capital Improvement Program																
8075 · Sewer	16,731.70	81,261.36	81,355.19										179,348.25	3,999,285.00	-3,819,936.75	4.49%
Total 8000 · Capital Improvement Program	16,731.70	81,261.36	81,355.19										179,348.25	3,999,285.00	-3,819,936.75	4.49%
9000 · Capital Account Expenses																
9125 · PNC Equipment Lease Interest	1,015.55		655.59										1,671.14	7,176.00	-5,504.86	23.29%
9200 · I-Bank Loan	1,601.35												1,601.35	18,702.00	-17,100.65	8.56%
Total 9000 · Capital Account Expenses	2,616.90		655.59										3,272.49	25,878.00	-22,605.51	12.65%
Total Other Expense	19,348.60	81,261.36	82,010.78										182,620.74	4,025,163.00	-3,842,542.26	4.54%
Net Other Income	89,507.61	-63,450.36	-64,415.78										-38,358.53	-3,670,163.00	3,631,804.47	1.05%
Net Income	-128,054.17	-167,848.49	-310,515.67										-606,418.33	-2,716,636.00	2,110,217.67	22.32%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2023 through June 2024

												TOTAL				
	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense																
Income																
4400 · Fees																
4410 · Administrative Fee (New Constr)														4,000.00	-4,000.00	
4420 · Administrative Fee (Remodel)														600.00	-600.00	
4430 · Inspection Fee (New Constr)														4,000.00	-4,000.00	
4440 · Inspection Fee (Remodel)																
4450 · Mainline Extension Fees																
4470 · Other Fees	160.00												160.00			
Total 4400 · Fees	160.00												160.00	8,600.00	-8,440.00	1.86%
4610 · Property Tax Receipts	-0.01	102,896.55	286.43										103,182.97	300,000.00	-196,817.03	34.39%
4740 · Testing, Backflow	1,486.00	1,496.00	2,176.00										5,158.00	18,000.00	-12,842.00	28.66%
4760 · Waste Collection Revenues																
4810 · Water Sales, Domestic	142,714.49	205,441.91	156,717.66										504,874.06	2,014,000.00	-1,509,125.94	25.07%
4850 · Water Sales Refunds, Customer														-8,000.00	8,000.00	
4990 · Other Revenue	18.02	659.35	1,465.27										2,142.64			
Total Income	144,378.50	310,493.81	160,645.36										615,517.67	2,332,600.00	-1,717,082.33	26.39%
Gross Profit	144,378.50	310,493.81	160,645.36										615,517.67	2,332,600.00	-1,717,082.33	26.39%
Expense																
5000 · Administrative																
5190 · Bank Fees	1,281.04	325.63	337.05										1,943.72	5,500.00	-3,556.28	35.34%
5200 · Board of Directors																
5210 · Board Meetings		200.00	2,113.85										2,313.85	4,000.00	-1,686.15	57.85%
5220 · Director Fees		1,818.03	1,194.24										3,012.27	10,000.00	-6,987.73	30.12%
5230 · Election Expenses			7,500.00										7,500.00	15,000.00	-7,500.00	50.0%
Total 5200 · Board of Directors		2,018.03	10,808.09										12,826.12	29,000.00	-16,173.88	44.23%
5240 · CDPH Fees														18,000.00	-18,000.00	
5250 · Conference Attendance	415.00	337.50	1,048.49										1,800.99	15,000.00	-13,199.01	12.01%
5270 · Information Systems		779.87	1,355.25										2,135.12	6,500.00	-4,364.88	32.85%
5300 · Insurance																
5310 · Fidelity Bond														500.00	-500.00	
5320 · Property & Liability Insurance	13,159.75												13,159.75	10,000.00	3,159.75	131.6%
Total 5300 · Insurance	13,159.75												13,159.75	10,500.00	2,659.75	125.33%
5350 · LAFCO Assessment														3,000.00	-3,000.00	
5400 · Legal																
5430 · General Legal	8,598.00		17,211.16										25,809.16	75,000.00	-49,190.84	34.41%
5440 · Litigation	208.00		544.00										752.00			
Total 5400 · Legal	8,806.00		17,755.16										26,561.16	75,000.00	-48,438.84	35.42%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2023 through June 2024

													TOTAL			
	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
5510 · Maintenance, Office	139.34		1,262.23										1,401.57	25,000.00	-23,598.43	5.61%
5530 · Memberships														25,000.00	-25,000.00	
5540 · Office Supplies	611.03	121.71	686.18										1,418.92	6,250.00	-4,831.08	22.7%
5550 · Postage	1,589.08	2,283.68											3,872.76	14,750.00	-10,877.24	26.26%
5560 · Printing & Publishing	530.95	779.62	1,604.22										2,914.79	5,750.00	-2,835.21	50.69%
5600 · Professional Services																
5610 · Accounting	3,650.00	3,927.50											7,577.50	39,000.00	-31,422.50	19.43%
5620 · Audit			2,500.00										2,500.00	13,500.00	-11,000.00	18.52%
5630 · Consulting	1,834.88	811.88	6,413.75										9,060.51	67,250.00	-58,189.49	13.47%
5640 · Data Services	1,199.50												1,199.50	1,000.00	199.50	119.95%
5650 · Labor & HR Support	427.00		213.50										640.50	2,500.00	-1,859.50	25.62%
5660 · Payroll Services	91.66	125.58	91.66										308.90	1,000.00	-691.10	30.89%
Total 5600 · Professional Services	7,203.04	4,864.96	9,218.91										21,286.91	124,250.00	-102,963.09	17.13%
5710 · San Mateo Co. Tax Roll Charges														2,500.00	-2,500.00	
5720 · Telephone & Internet	4,834.41	5,850.00	2,997.09										13,681.50	50,000.00	-36,318.50	27.36%
5730 · Mileage Reimbursement	282.85												282.85	2,000.00	-1,717.15	14.14%
5740 · Reference Materials														500.00	-500.00	
5790 · Other Administrative	320.84	2,773.21	337.66										3,431.71			
5800 · Labor																
5810 · CalPERS 457 Deferred Plan	4,078.38	4,456.34	7,647.51										16,182.23	51,461.00	-35,278.77	31.45%
5820 · Employee Benefits	22,675.89		12,565.44										35,241.33	155,291.00	-120,049.67	22.69%
5830 · Disability Insurance	329.39	329.39	329.39										988.17	5,572.00	-4,583.83	17.74%
5840 · Payroll Taxes	4,563.59	4,982.88	4,656.38										14,202.85	59,514.00	-45,311.15	23.87%
5850 · PARS	3,731.96	4,020.87	3,427.57										11,180.40	47,101.00	-35,920.60	23.74%
5900 · Wages																
5910 · Management	9,567.80	9,567.80	21,271.61										40,407.21	122,617.00	-82,209.79	32.95%
5920 · Staff	42,121.16	46,357.89	42,735.32										131,214.37	554,440.00	-423,225.63	23.67%
5930 · Staff Certification	775.00	925.00	925.00										2,625.00	11,400.00	-8,775.00	23.03%
5940 · Staff Overtime	4,349.89	4,430.67	7,494.35										16,274.91	60,420.00	-44,145.09	26.94%
5950 · Staff Standby	2,840.75	3,854.13	2,858.70										9,553.58	29,086.00	-19,532.42	32.85%
Total 5900 · Wages	59,654.60	65,135.49	75,284.98										200,075.07	777,963.00	-577,887.93	25.72%
5960 · Worker's Comp Insurance														24,413.00	-24,413.00	
Total 5800 · Labor	95,033.81	78,924.97	103,911.27										277,870.05	1,121,315.00	-843,444.95	24.78%
Total 5000 · Administrative	134,207.14	99,059.18	151,321.60										384,587.92	1,539,815.00	-1,155,227.08	24.98%
6000 · Operations																
6160 · Backflow Prevention														1,000.00	-1,000.00	
6170 · Claims, Property Damage		393.15											393.15	10,000.00	-9,606.85	3.93%
6180 · Communications																

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2023 through June 2024

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL			
													Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
6185 · SCADA Maintenance													20,000.00	-20,000.00		
Total 6180 · Communications													20,000.00	-20,000.00		
6195 · Education & Training		125.00	39.99										164.99	5,000.00	-4,835.01	3.3%
6200 · Engineering																
6220 · General Engineering	825.00												825.00	10,000.00	-9,175.00	8.25%
6230 · Water Quality Engineering	9,085.00	5,165.00											14,250.00	115,000.00	-100,750.00	12.39%
Total 6200 · Engineering	9,910.00	5,165.00											15,075.00	125,000.00	-109,925.00	12.06%
6320 · Equipment & Tools, Expensed	600.97	1,363.48	309.93										2,274.38	10,000.00	-7,725.62	22.74%
6330 · Facilities																
6335 · Alarm Services	260.52		130.74										391.26	2,000.00	-1,608.74	19.56%
6337 · Landscaping	860.00		1,065.00										1,925.00	15,000.00	-13,075.00	12.83%
6330 · Facilities - Other																
Total 6330 · Facilities	1,120.52		1,195.74										2,316.26	17,000.00	-14,683.74	13.63%
6370 · Lab Supplies & Equipment		5,642.00	157.51										5,799.51	4,000.00	1,799.51	144.99%
6380 · Meter Reading														500.00	-500.00	
6400 · Pumping																
6410 · Pumping Fuel & Electricity	5,171.86	8,046.47	8,298.03										21,516.36	95,000.00	-73,483.64	22.65%
6420 · Pumping Maintenance, Generators	2,260.00												2,260.00	30,000.00	-27,740.00	7.53%
6430 · Pumping Maintenance, General		874.29											874.29	5,000.00	-4,125.71	17.49%
6440 · Pumping Equipment, Expensed														700.00	-700.00	
Total 6400 · Pumping	7,431.86	8,920.76	8,298.03										24,650.65	130,700.00	-106,049.35	18.86%
6500 · Supply																
6510 · Maintenance, Raw Water Mains														2,500.00	-2,500.00	
6520 · Maintenance, Wells	1,082.80	941.29											2,024.09	25,000.00	-22,975.91	8.1%
6530 · Water Purchases														30,000.00	-30,000.00	
Total 6500 · Supply	1,082.80	941.29											2,024.09	57,500.00	-55,475.91	3.52%
6600 · Collection/Transmission																
6610 · Hydrants														10,000.00	-10,000.00	
6620 · Maintenance, Water Mains		16,022.90	8,107.37										24,130.27	170,000.00	-145,869.73	14.19%
6630 · Maintenance, Water Svc Lines		2,127.00											2,127.00	20,000.00	-17,873.00	10.64%
6640 · Maintenance, Tanks			36.32										36.32	5,000.00	-4,963.68	0.73%
6650 · Maint., Distribution General		1,443.75											1,443.75	15,000.00	-13,556.25	9.63%
6670 · Meters		7,832.87	114.06										7,946.93	30,000.00	-22,053.07	26.49%
Total 6600 · Collection/Transmission		27,426.52	8,257.75										35,684.27	250,000.00	-214,315.73	14.27%
6700 · Treatment																
6710 · Chemicals & Filtering		7,646.01											7,646.01	25,000.00	-17,353.99	30.58%
6720 · Maintenance, Treatment Equip.		206.57	3,398.80										3,605.37	15,000.00	-11,394.63	24.04%
6730 · Treatment Analysis	283.15	2,479.00	7,568.68										10,330.83	35,000.00	-24,669.17	29.52%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
July 2023 through June 2024

													TOTAL			
	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
Total 6700 · Treatment	283.15	10,331.58	10,967.48										21,582.21	75,000.00	-53,417.79	28.78%
6770 · Uniforms	834.88	216.66	418.17										1,469.71	2,500.00	-1,030.29	58.79%
6800 · Vehicles																
6810 · Fuel	610.11	687.57	616.38										1,914.06	12,000.00	-10,085.94	15.95%
6820 · Truck Equipment, Expensed	608.19	124.55											732.74	2,000.00	-1,267.26	36.64%
6830 · Truck Repairs	93.23												93.23	5,000.00	-4,906.77	1.87%
Total 6800 · Vehicles	1,311.53	812.12	616.38										2,740.03	19,000.00	-16,259.97	14.42%
6890 · Other Operations	40.46	95.16											135.62			
Total 6000 · Operations	22,616.17	61,432.72	30,260.98										114,309.87	727,200.00	-612,890.13	15.72%
Total Expense	156,823.31	160,491.90	181,582.58										498,897.79	2,267,015.00	-1,768,117.21	22.01%
Net Ordinary Income	-12,444.81	150,001.91	-20,937.22										116,619.88	65,585.00	51,034.88	177.82%
Other Income/Expense																
Other Income																
7000 · Capital Account Revenues																
7100 · Connection Fees																
7110 · Connection Fees (New Constr)	52,196.00		8,121.58										60,317.58	185,000.00	-124,682.42	32.6%
7120 · Connection Fees (Remodel)		5,732.88											5,732.88			
7130 · Conn. Fees, PFP (New Constr)	37,299.00	24,413.50											61,712.50	55,000.00	6,712.50	112.21%
7160 · PFP Pass Thru																
7165 · Meter Pass Thru Costs	2,624.50	1,375.50	260.50										4,260.50			
Total 7100 · Connection Fees	92,119.50	31,521.88	8,382.08										132,023.46	240,000.00	-107,976.54	55.01%
7250 · CAMP Interest Income	14,999.34	15,646.86	15,448.32										46,094.52	60,000.00	-13,905.48	76.82%
7600 · Bond Revenues, G.O.														1,195,381.00	-1,195,381.00	
7650 · Water System Reliability	1,480.45	814.22											2,294.67	1,111,460.00	-1,109,165.33	0.21%
Total 7000 · Capital Account Revenues	108,599.29	47,982.96	23,830.40										180,412.65	2,606,841.00	-2,426,428.35	6.92%
Total Other Income	108,599.29	47,982.96	23,830.40										180,412.65	2,606,841.00	-2,426,428.35	6.92%
Other Expense																
8000 · Capital Improvement Program																
8100 · Water	11,518.75	48,683.25	5,591.25										65,793.25	3,865,000.00	-3,799,206.75	1.7%
Total 8000 · Capital Improvement Program	11,518.75	48,683.25	5,591.25										65,793.25	3,865,000.00	-3,799,206.75	1.7%
9000 · Capital Account Expenses																
9100 · Interest Expense - GO Bonds		4,967.53											4,967.53	56,977.00	-52,009.47	8.72%
9125 · PNC Equipment Lease Interest	1,015.56		655.60										1,671.16	7,176.00	-5,504.84	23.29%
9150 · SRF Loan														56,457.00	-56,457.00	
9210 · Conservation Program/Rebates		150.00											150.00		150.00	100.0%
Total 9000 · Capital Account Expenses	1,015.56	5,117.53	655.60										6,788.69	120,610.00	-113,821.31	5.63%
Total Other Expense	12,534.31	53,800.78	6,246.85										72,581.94	3,985,610.00	-3,913,028.06	1.82%
Net Other Income	96,064.98	-5,817.82	17,583.55										107,830.71	-1,378,769.00	1,486,599.71	-7.82%

Montara Water & Sanitary District
Revenue & Expenditures Budget vs. Actual - Water
 July 2023 through June 2024

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL			
	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget												
Net Income	83,620.17	144,184.09	-3,353.67										224,450.59	-1,313,184.00	1,537,634.59	-17.09%

Montara Water & Sanitary District Check Detail

October 25 - 27, 2023

Date	Num	Name	Paid Amount	
Warrants List for the Board of Directors Consent Agenda 11/2/2023				
SPLIT				
09/28/23	14248	Kai Zen Trust 57	-\$29,000.00	PAID
09/28/2023	14248	Kai Zen Trust 57	-\$29,000.00	VOIDED
10/02/2023	14253	ACWA/JPIA Workers Comp	-\$4,638.57	PAID
10/02/2023	14254	ACWA/JPIA	-\$16,784.91	PAID
10/02/2023	14255	CalPERS 457 Plan	-\$14,426.39	PAID
10/05/2023	14262	Employee Relations, Inc.	-\$57.64	PAID
10/02/2023	14257	Huntington National Bank	-\$14,590.90	PAID
10/02/2023	14258	IEDA	-\$427.00	PAID
10/02/2023	14259	RVE ACCOUNTING & ADVISORY SERVICES	-\$9,705.00	PAID
10/02/2023	14261	U.S. Bank PARS	-\$9,188.71	PAID
10/17/2023	14281	Bay Alarm Company	-254.04	PAID
10/16/2023	14277	Coastside Tree Service	-6,000.00	PAID
10/11/2023	14266	Comcast	-311.93	PAID
10/16/2023	14276	CROPPER	-10,000.00	PAID
10/11/2023	14267	Cruzio Internet	-94.91	PAID
10/16/2023	14279	ODP Business Solutions	-82.07	PAID
10/11/2023	14272	Tech Solutions	-508.75	PAID
10/25/2023	14282	A-B Communications	-172.45	
10/25/2023	14307	Anamaria Deac	-6.00	
10/25/2023	14290	Fitzgerald Law Offices	-14,525.30	
10/25/2023	14292	KBA Document Solutions	-74.57	
10/25/2023	14308	Kastama Strategic Consulting	-6,949.36	
10/25/2023	14297	Pacific Gas & Electric	-6,033.30	
10/25/2023	14298	PARS	-895.54	
10/25/2023	14299	Sandie Arnott S. M. County Tax Collector	-238.00	
10/25/2023	14304	Standard Insurance Co.	-497.82	
10/25/2023	14305	Techno Copier Systems	-199.69	

Montara Water & Sanitary District Check Detail

October 25 - 27, 2023

Date	Num	Name	Paid Amount	
WATER				
10/02/2023	14256	Hassett	-\$1,073.96	PAID
10/05/2023	14263	Pacific Gas & Electric	-\$2,834.39	PAID
10/02/2023	14260	SRT Consultants	-\$61,400.00	PAID
10/11/2023	14264	Badger Meter, Inc.	-114.48	PAID
10/11/2023	14265	BSK Lab	-1,088.98	PAID
10/11/2023	14268	Esbro Chemical	-1,176.91	PAID
10/11/2023	14269	Hach Company	-436.85	PAID
10/11/2023	14271	McMaster-Carr Supply Co.	-265.03	PAID
10/16/2023	14278	Occupational Health Centers of California	-242.00	PAID
10/16/2023	14280	Phil's Tire Pros & auto Care	-952.57	PAID
10/25/2023	14283	Andreini Brothers, Inc.	-107,374.26	
10/25/2023	14284	AT&T Mobility	-481.85	
10/25/2023	14285	Badger Meter, Inc.	-65,211.30	
10/25/2023	14286	BSK Lab	-43.00	
10/25/2023	14287	Calcon Systems, Inc.	-1,760.00	
10/25/2023	14288	CLA-VAL	-1,818.37	
10/25/2023	14289	Esbro Chemical	-524.30	
10/25/2023	14293	Montara Water and Sanitary District	-288.76	
10/25/2023	14294	North Coast County Water District	-415.00	
10/25/2023	14309	Pacific Gas & Electric	-1,453.72	
10/25/2023	14310	SRT Consultants	-63,530.00	
10/25/2023	14306	Wells Fargo Remittance Center	-5,619.16	

Montara Water & Sanitary District

Check Detail

October 25 - 27, 2023

Date	Num	Name	Paid Amount
SEWER			
10/11/2023	14270	Herc Rentals	-1,885.46
10/25/2023	14291	Hue & Cry Security Systems, Inc.	-430.08
10/25/2023	14295	Nute Engineering	-17,033.50
10/25/2023	14296	PAC MACHINE CO., INC.	-673.44
10/25/2023	14300	Sewer Authority Mid-Coastside	-51,805.20
10/25/2023	14301	Sewer Authority Mid-Coastside	-24,571.83
10/25/2023	14302	Sewer Authority Mid-Coastside	-118,801.91
10/25/2023	14303	Sewer Authority Mid-Coastside	-23,383.23

PAID



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 2, 2023**

TO: BOARD OF DIRECTORS

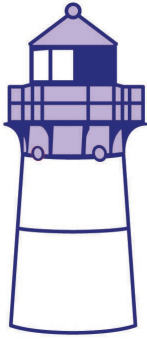
FROM: Clemens Heldmaier, General Manager

SUBJECT: SAM Flow Report for September 2023

The Sewer Authority Mid-Coastside (SAM) has not approved the September flows to date. The report will be submitted to this board in a subsequent meeting.

RECOMMENDATION:

For information only



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 2, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

SUBJECT: Review of Current Investment Portfolio

The District's Investment Policy and Guidelines requires that the Board review the status of the current investment portfolio. The following summarizes the status of these accounts:

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for September 2023 was 3.534%.
- The District has most of its idle water funds deposited in the California Asset Management Program (CAMP). The current 7 day yield for 10/27/23 was 5.55%.
- The District has one checking account with Wells Fargo Bank for Water and Sewer Funds that is largely backed by Federal securities.

RECOMMENDATION:


District staff attempts to cash manage idle funds in LAIF as long as possible before transferring to the Wells Fargo checking accounts for disbursements.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 2, 2023**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

SUBJECT: Connection Permit Applications Received

As of November 2, 2023 the following new Sewer Connection Permit application was received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of November 2, 2023 the following new Water (Private Fire Sprinkler) Connection Permit application was received since the last report:

Date of Application	Property Owner	Site Address	Home Size

As of November 2, 2023 the following new Water Connection Permit application was received since the last report:

Date of App.	Property Owner	Site Address	Home Size	Type of Connection
06-17-2022	Patrick Powers	393 Third St, Montara	MFD	2 nd Dom
10-23-23	Sundarraaj Palaniappan	155 Reef Point, Moss Beach	SFD	DOM

RECOMMENDATION:

No action is required. This is for Board information only.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of November 2nd, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'Clemens Heldmaier', located to the right of the 'FROM' line.

SUBJECT: Monthly Water Production Report

The attached two charts summarize the monthly water production for the District.

The first shows a consolidated from all sources by month. The second shows each water source the District uses, both wells and surface water. The production is shown in gallons of water produced.

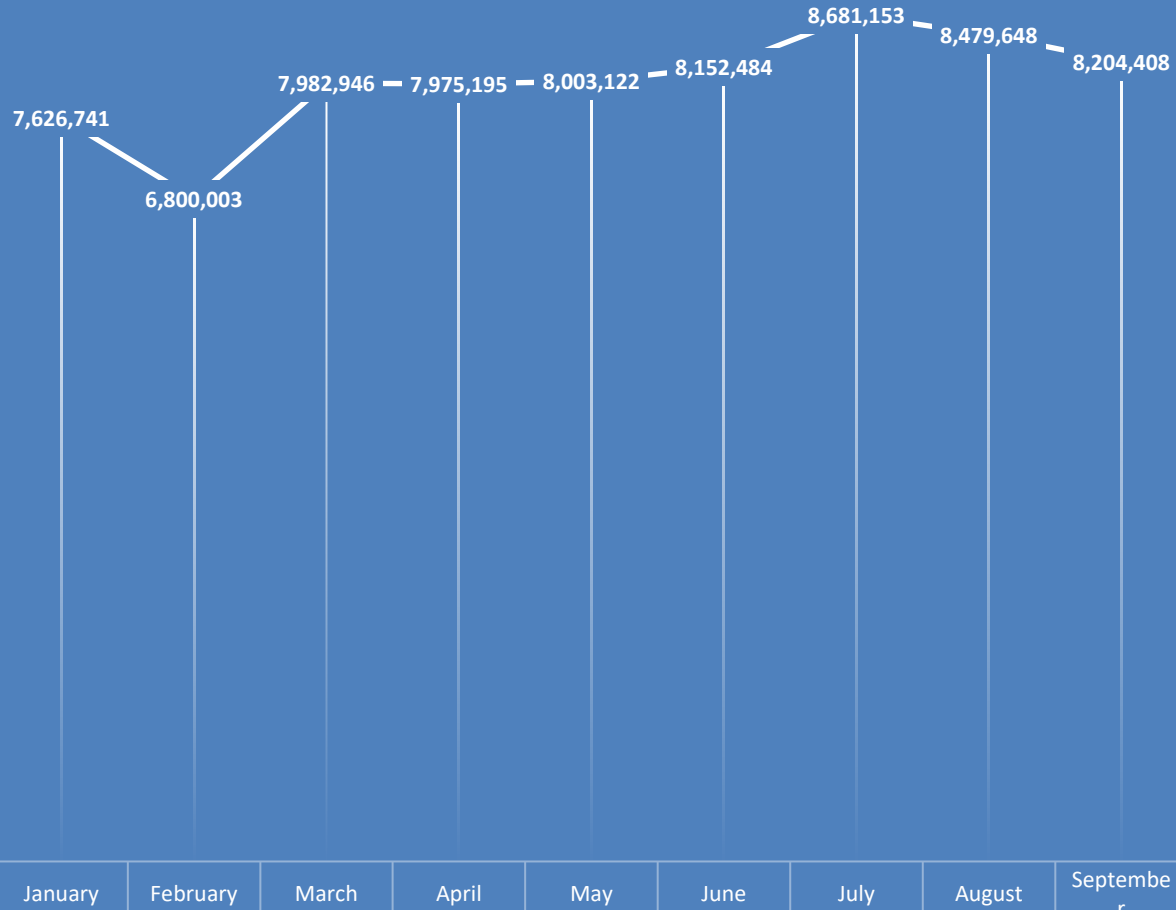
RECOMMENDATION:

No action is required. These reports are provided for the Board's information only.

Attachments: 2

TOTAL PRODUCTION 2023 (GALLONS)

GALLONS



	January	February	March	April	May	June	July	August	September	October	November	December
Total Production (Gallons)	7,626,741	6,800,003	7,982,946	7,975,195	8,003,122	8,152,484	8,681,153	8,479,648	8,204,408			

MONTH



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting of November 2nd, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'C Heldmaier'.

SUBJECT: Rain Report

The attached chart shows the monthly rainfall at Alta Vista Treatment Plant for the current and prior water years along with seven-year average rain fall.

RECOMMENDATION:

No action is required. These reports are provided for the Board's information only.

Attachments: 2

Monthly Cumulative Rainfall

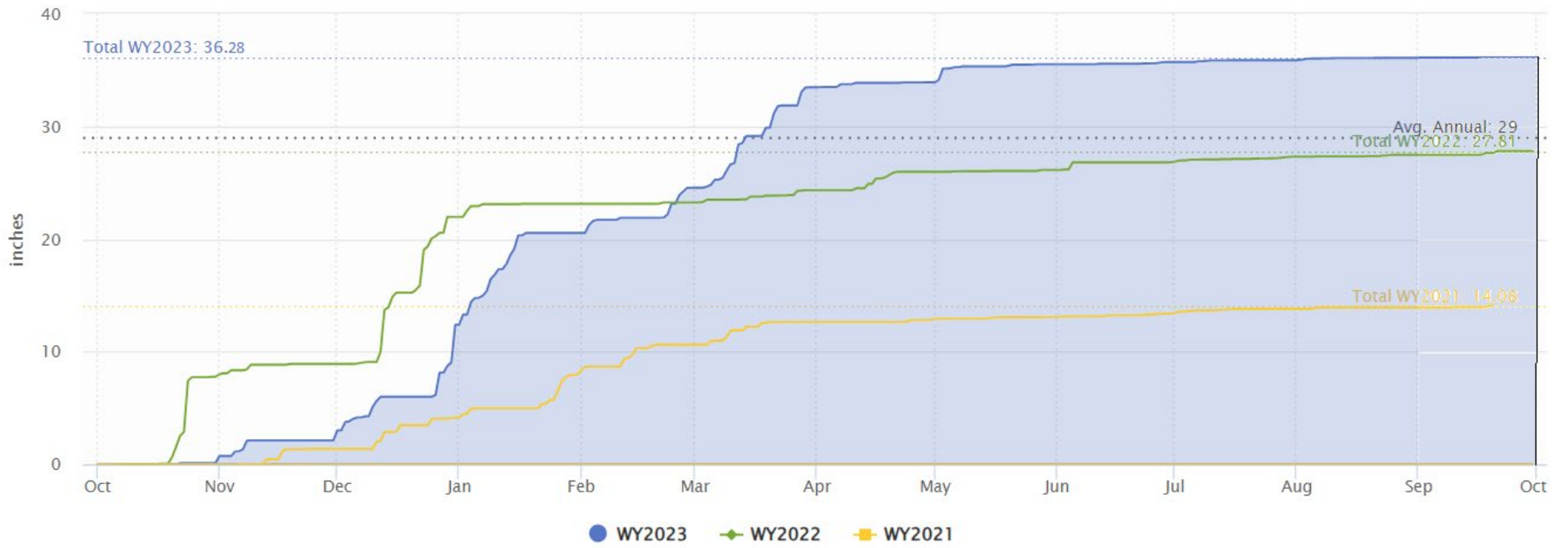
Monthly Rainfall for Current Water Year



2023 © Balance Hydrologics, Inc.

Annual Cumulative Rainfall

Cumulative Rainfall by Water Year





MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 2nd, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Monthly Solar Energy Report

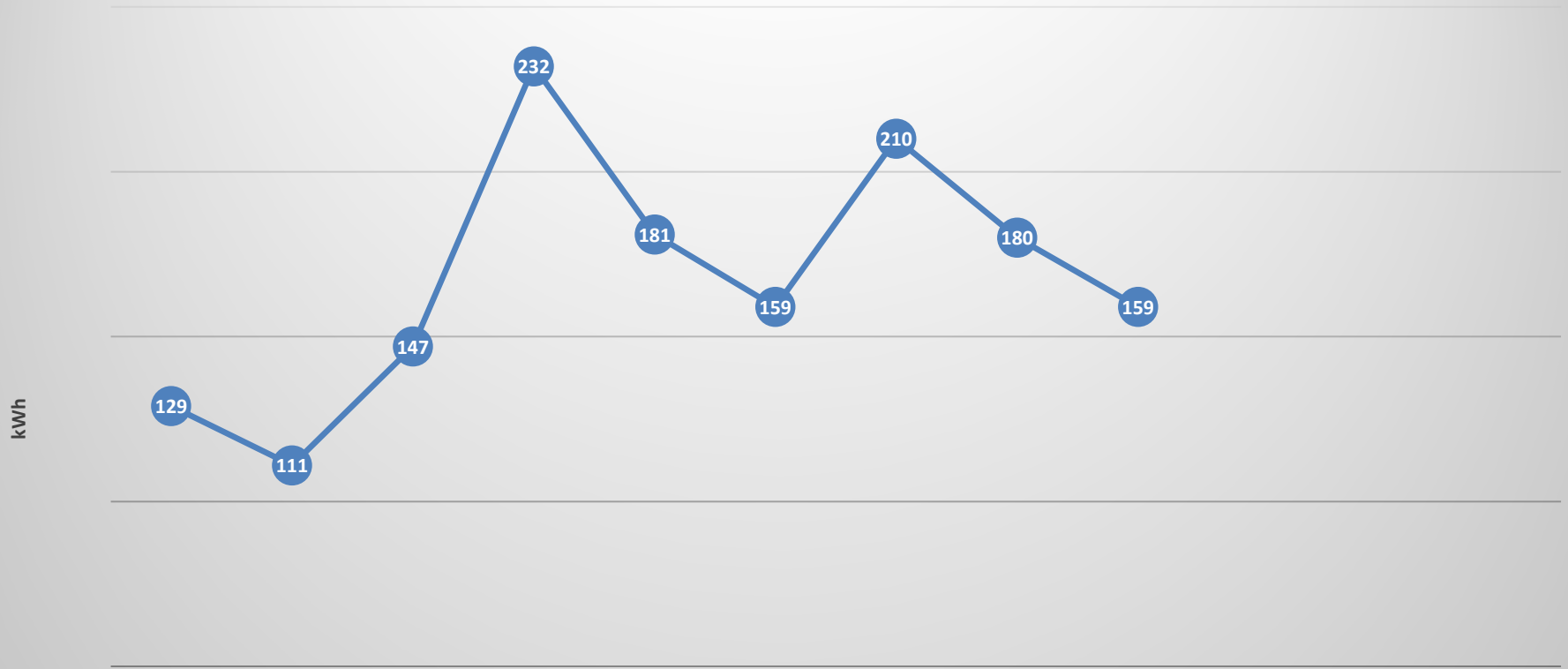
The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 50,749 kWh and saved 86,273 lbs of CO₂.

RECOMMENDATION:

No action is required. This information is provided for the Board's information only.

Attachments: 1

SOLAR ENERGY PRODUCED IN 2023 (kWh)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
total kWh	129	111	147	232	181	159	210	180	159			



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of **November 2, 2023**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Monthly Public Agency Retirement
Service Report for August 2023.**

The District has received the monthly PARS report for August 2023.

Contributions are calculated on a bi-weekly basis, and contributions are made on a monthly basis.

The following monthly reports are submitted as consent agenda items on a monthly basis.

RECOMMENDATION:

This is for Board information only.

Attachment

TRUSTED SOLUTIONS. LASTING RESULTS.

**Montara Water and Sanitary Dist
Retirement Enhancement Plan**

**Monthly Account Report for the Period
8/1/2023 to 8/31/2023**

Clemens H. Heldmaier
General Manager
Montara Water and Sanitary Dist
P.O. Box 370131
Montara, CA 94037

Plan ID: P7-REP15A

Account Summary

Source	Beginning Balance as of 8/1/2023	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 8/31/2023
Contributions	\$1,429,518.30	\$11,277.73	(\$31,486.88)	\$649.36	\$1,162.26	\$0.00	\$1,407,497.53
TOTAL	\$1,429,518.30	\$11,277.73	(\$31,486.88)	\$649.36	\$1,162.26	\$0.00	\$1,407,497.53

Investment Selection

PARS Capital Appreciation INDEX PLUS

Investment Objective

The primary goal of the Capital Appreciation objective is growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
GENERAL	-2.19%	4.92%	8.28%	5.39%	5.84%	-	03/08/16

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value.

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

August 2023 PARS Statement Detail

PARS beginning Balance as of August 1, 2023 \$ 1,429,518.30

Contributions:

July 15, 2023 Calculation

Wages paid	36,138.99		
Employer - 7.30%		\$ 2,638.15	
Employee - 7.75%		\$ 2,800.77	
Contribution subtotal		\$ 5,438.92	

Fund Impact - PARS Wages		
Sewer	Water	Total
11,567.10	24,571.90	36,138.99
844.40	1,793.75	2,638.15

July 31, 2023 Calculation

Wages paid	38,796.11		
Employer - 7.30%		\$ 2,832.12	
Employee - 7.75%		\$ 3,006.70	
Contribution Subtotal		\$ 5,838.81	

Fund Impact - PARS Wages		
Sewer	Water	Total
12,245.42	26,550.70	38,796.11
893.92	1,938.20	2,832.12

Total Contributions thru July \$ 11,277.73

Rounding

Earnings/(Losses) \$ (31,486.88)

Expenses \$ (649.36)

Distributions \$ (1,162.26)

PARS Ending Balance as of August 31, 2023 \$ 1,407,497.53



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of:

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning Receipt
of Fiscal Year 2022-23 Audit**

Cropper Accountancy completed the audit for Fiscal Year ending June 30, 2023. Bryce Rojas, Audit Partner, will be making a presentation on the audit and be available to answer any questions from the Board.

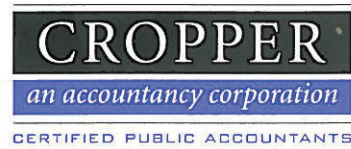
The District's accountant, Peter Medina, is also available to answer questions and discuss the audit process.

After review of the audit, the Board should acknowledge receipt and file with County, State, Standard & Poor's, I-Bank and Chase Bank.

RECOMMENDATION:

Acknowledge receipt of the annual audit for the period ending June 30, 2023. Direct the General Manager to send a copy to the County of San Mateo, The State Controller, Standard & Poor's, post on the District webpage and to make copies on file available to the public.

Attachment:



MONTARA WATER AND SANITARY DISTRICT
ANNUAL FINANCIAL STATEMENTS
JUNE 30, 2023

Montara Water and Sanitary District
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June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Montara Water and Sanitary District
Montara, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, of the Montara Water and Sanitary District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Montara Water and Sanitary District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Montara Water and Sanitary District, as of June 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Montara Water and Sanitary District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 Montara Water and Sanitary 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 Montara Water and Sanitary 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, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Plan Contributions on pages 5-9, 34, and 35 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2023, on our consideration of the Montara Water and Sanitary District's internal control over financial

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



CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California

October 25, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Montara Water and Sanitary District

Management's Discussion and Analysis

June 30, 2023

Our discussion and analysis of the Montara Water and Sanitary District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District financial statements and accompanying notes, which follow this section.

Highlights

District Financial Highlights

- The District's current assets increased by \$2,078,538 over the past year.
- The District's long-term liabilities decreased by \$1,241,800.
- District-wide revenues decreased \$40,119 from the prior year going from \$9,571,841 to \$9,531,722.
- District-wide expenses increased \$625,958 from the prior year going from \$6,303,164 to \$6,929,122.

The effect of the change in revenues and expenses and the prior period adjustment caused the District-wide change in net position to increase \$2,749,623 from the prior year. Some of the increase was invested in capital assets while some of the increase cause the unrestricted net position for the year ended June 30, 2023, to increase by \$1,780,455.

Using this Annual Report

This annual report consists of two parts: Management's Discussion and Analysis, and Financial Statements. The Financial Statements also include notes that explain in more detail the information contained in those statements.

Required Financial Statements

District financial statements report information about the District using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all District assets, deferred outflows of resources, liabilities and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It also provides the basis for computing rate of return; evaluating the capital structure of the District; and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about District cash receipts, cash disbursements and changes in cash resulting from operations, investing, and capital and non-capital financing activities. It provides answers to such questions as, "Where did the cash come from?", "For what was the cash used?", and "What was the change in cash balance during the reporting period?"

Financial Analysis of the District

One of the most important questions asked about District finances is whether or not the District's overall financial position has improved or deteriorated. The Statement of Net Position and the Statement of Revenues and Expenses and Changes in Net Position report information about District activities in a way that will help answer this question. These two statements report the net position of the District and changes. You can think of District net position, the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources, as one way to measure financial health or financial position. Over time, increases or decreases in District net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider include changes in economic conditions, population growth, and new or changed legislation.

Montara Water and Sanitary District
Management's Discussion and Analysis
June 30, 2023

Net Position Statement and Analysis

The District's total net position increased from \$29,855,317 to \$32,604,940, or \$2,749,623.

The following is the District's condensed statement of net position:

	Sewer		Water		Total	
	2023	2022	2023	2022	2023	2022
Current Assets	\$ 10,144,574	\$ 8,970,184	\$ 5,347,215	\$ 4,443,067	\$ 15,491,789	\$ 13,413,251
Capital Assets, Net of						
Accumulated Depreciation	10,799,833	10,742,962	16,119,768	16,519,401	26,919,601	27,262,363
Other Assets	70,666	210,832	1,158,394	1,261,814	1,229,060	1,472,646
Total Assets	21,015,073	19,923,978	22,625,377	22,224,282	43,640,450	42,148,260
Deferred Outflows of Resources	113,218	93,759	252,003	208,689	365,221	302,448
Total Assets and Deferred Outflows of Resources	21,128,291	20,017,737	22,877,380	22,432,971	44,005,671	42,450,708
Current Liabilities	1,788,580	1,856,014	1,703,459	1,361,161	3,492,039	3,217,175
Long-term Liabilities	837,798	928,438	6,901,284	8,052,444	7,739,082	8,980,882
Total Liabilities	2,626,378	2,784,452	8,604,743	9,413,605	11,231,121	12,198,057
Deferred Inflows of Resources						
Total Liabilities and Deferred Inflows of Resources	150,211	275,888	19,399	121,446	169,610	397,334
Net investment in Capital Assets Restricted for Debt Service	-	-	1,158,394	1,123,978	1,158,394	1,123,978
Unrestricted	8,461,475	7,230,872	5,001,786	4,451,934	13,463,261	11,682,806
Total Net Position	\$ 18,351,702	\$ 16,957,397	\$ 14,253,238	\$ 12,897,920	\$ 32,604,940	\$ 29,855,317

Revenues, Expenses and Changes in Net Position

For the fiscal year ended June 30, 2023 the sewer system generated operating revenue of \$3,847,501 and operating expenses of \$3,537,908 for a net operating gain of \$309,593. This is an increase from prior year's net operating gain of \$302,663 by \$6,930. Whereas operating revenue increased 5.6%. The revenue increase is attributed to the Sewer Service rate increase for FY 22-23 of 9%. As discussed in our proposition 218 letter, the additional funds are used to support operations and improve our infrastructure.

The Sewer Funds non-operating activities consisting of property taxes, investment income, connection fees and revenue from the lease of the cell phone tower experienced a decrease of \$56,065 mainly due to connection fee revenue decreasing by approximately \$135,500. Fortunately, due to the rise of interest rates, investment income increased by \$72,000.

For the fiscal year ended June 30, 2023 the water system generated operating revenue of \$1,816,586 and operating expenses of \$3,229,513 for a net operating loss of \$1,412,927. This is an increase from prior year's net operating loss of \$900,122 by \$512,805. For the fiscal year ended June 30, 2023 operating revenue decreased 3% and operating expense increased by \$449,992. The decrease in revenue is due to the decrease in water consumption. Operational expenditures increased due to the cost of replacement for meters which have been failing as well as an increase in employee wages.

The Water Funds non-operating activities revenues, consisting of property taxes, investment income and connection fees experienced a decrease of \$104,137 attributed mainly to the reduction in connection fees collected which reduced by \$234,966. As with the Sewer Fund, investment income increased by \$111,254.

Montara Water and Sanitary District
Management's Discussion and Analysis
June 30, 2023

For the fiscal year ended June 30, 2023, the District collected \$1,026,086 in water reliability charges, a decrease of \$1,613 over the previous fiscal year. The funds are held separately and utilized for capital improvement projects. The District also receives property tax revenue which was imposed specifically for payment of the General Obligation Bonds approved by the District rate payers. These revenues decreased by \$2,508. This is due to the District refinancing the 2012 series in 2020 at a lower interest rate.

Connection fees and other non-operating revenue for the Sewer Fund decreased from \$410,101 to \$274,534 whereas the connection fees and other non-operating revenue for the Water Fund decreased from \$3,023,260 to \$2,901,296. These funds are used to off-set capital needs for existing customers. This amount is expected to rise in the upcoming years as the moratorium on connections for residents within the District's service area has been repealed.

The following is the District's condensed statement of revenues, expenses, and changes in net position:

	Sewer		Water		Total	
	2023	2022	2023	2022	2023	2022
Operating Revenues	\$ 3,847,501	\$ 3,643,162	\$ 1,816,586	\$ 1,879,399	\$ 5,664,087	\$ 5,522,561
Tax Revenues	526,690	516,916	1,539,245	1,531,980	2,065,935	2,048,896
Interest and Investment Income	85,304	12,868	113,063	1,809	198,367	14,677
Connection Fees and Other Non-Operating Revenues	354,345	496,236	1,248,988	1,489,471	1,603,333	1,985,707
Total Revenues	4,813,840	4,669,182	4,717,882	4,902,659	9,531,722	9,571,841
Operating Expenses	3,537,908	3,340,499	3,229,513	2,779,521	6,767,421	6,120,020
Non-operating Expenses	28,650	32,266	133,051	150,878	161,701	183,144
Total Expenses	3,566,558	3,372,765	3,362,564	2,930,399	6,929,122	6,303,164
Change in Fund Net Position	1,247,282	1,296,417	1,355,318	1,972,260	2,602,600	3,268,677
Fund Net Position - Beginning, as restated	17,104,420	15,660,980	12,897,920	10,925,660	30,002,340	26,586,640
Total Net Position	\$ 18,351,702	\$ 16,957,397	\$ 14,253,238	\$ 12,897,920	\$ 32,604,940	\$ 29,855,317

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the District had \$26,919,601 (net of accumulated depreciation) invested in a variety of capital assets.

The assets include: land; capacity rights, sanitary sewer collection system subsurface lines and pump stations; water supply wells; surface water diversion and storage tank; water treatment plant; treated water storage tanks; water distribution system subsurface lines, valves, hydrants, and pumps; administration building; and vehicles. The District's capital assets balance as of June 30, 2023, decreased by \$342,762 or 1.3% above the prior year. This is due to capitalized expenses in regard to the District's Water and Sewer facilities plant and other capital improvements reduced by current year depreciation expense.

Major capital assets events during the fiscal year included the following:

- Capital improvements to the water system
- Sewer pipeline replacement

Montara Water and Sanitary District
Management's Discussion and Analysis
June 30, 2023

The following summarizes District capital assets for fiscal year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
<u>Capital Assets Not Being Depreciated</u>				
Land and easement	\$ 739,500	\$ -	\$ -	\$ 739,500
Capacity rights	2,687,547	-	-	2,687,547
Total capital assets not being depreciated	<u>3,427,047</u>	<u>-</u>	<u>-</u>	<u>3,427,047</u>
<u>Capital Assets Being Depreciated</u>				
Sewage collection facilities	5,340,307	-	-	5,340,307
Sewage treatment facilities	244,540	-	-	244,540
General plant and administration facilities	8,552,710	596,688	-	9,149,398
Seal cove collection system	995,505	-	-	995,505
Other capital improvements	4,357,566	-	-	4,357,566
Water facilities plant	28,768,953	609,186	-	29,378,139
Water general plant	409,584	-	-	409,584
Surface water rights	300,000	-	-	300,000
Total capital assets being depreciated	<u>48,969,165</u>	<u>1,205,874</u>	<u>-</u>	<u>50,175,039</u>
Accumulated depreciation	<u>(25,133,849)</u>	<u>(1,548,636)</u>	<u>-</u>	<u>(26,682,485)</u>
Net Capital Assets Being Depreciated	<u>23,835,316</u>	<u>(342,762)</u>	<u>-</u>	<u>23,492,554</u>
Property Plant and Equipment, Net	<u>\$ 27,262,363</u>	<u>\$ (342,762)</u>	<u>\$ -</u>	<u>\$ 26,919,601</u>

Additional information on capital assets can be found in notes #1F and #4 to the financial statements of this report.

Long Term Obligations

On November 13, 2020, the District issued General Obligation Bonds Series 2020 in the amount of \$7,524,000. The bonds were issued to fully refinance the General Obligation Bonds Series 2012 and to finance improvements to the District's water system.

The District entered into a finance purchase agreement for approximately \$1.8 million in October of 2006, to finance the acquisition of capital assets for the water operations. The financing was originally provided by Citibank at a rate of 4.56% for a 20 year term and is now held by PNC Equipment Finance (PNCEF). Effective March 15, 2013, the District refinanced the Citibank agreement with PNCEF at a rate of 2.95%.

On July 10, 2012, the District entered into an agreement with the State of California Department of Health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District. The purpose of the funding is to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the District to meet safe drinking water standards.

Montara Water and Sanitary District
Management's Discussion and Analysis
June 30, 2023

The following is a summary of long-term obligations activity for the year:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion	Long-Term Portion
General Obligation Bonds, 2020 Series	\$ 6,145,071	\$ -	\$ (916,095)	\$ 5,228,976	\$ 926,568	\$ 4,302,408
PCEF Financed Purchase	707,291	-	(148,161)	559,130	160,108	399,022
CIEDB loan - Direct borrowing	662,783	-	(32,742)	630,041	33,751	596,290
SRF Loan - Direct borrowing	2,698,685	-	(180,516)	2,518,169	184,655	2,333,514
Totals	<u>\$ 10,213,830</u>	<u>\$ -</u>	<u>\$ (1,277,514)</u>	<u>\$ 8,936,316</u>	<u>\$ 1,305,082</u>	<u>\$ 7,631,234</u>

Additional information on the long-term obligations can be found in Note 6 of the notes to the financial statements of this report.

Economic Factors, Rates, and Budgetary Control

The District is a California Special District including a sewer and water enterprise fund. As a Special District, charges to customers are made only to those who receive services. The District is not typically subject to general economic conditions such as increases or declines in property tax values or other types of revenues that vary with economic conditions such as sales taxes. However, it does receive property tax which is dependent on property tax valuations. Accordingly, the District sets its rates to its users to cover the costs of operation, maintenance and recurring capital replacement and debt financed capital improvements, plus any increments for known or anticipated changes in program costs.

The District and its Board adopt an annual budget to serve as its approved financial plan. The Board sets all fees and charges required to fund the District's operations and capital programs. The budget is used as a key control device (1) to ensure Board approval for amounts set for operations and capital projects, (2) to monitor expenses and project progress and (3) as compliance that approved spending levels have not been exceeded. All operating activities and capital activities of the District are included within the approved budget. The budget and capital expenditures are within the Gann limits established by State law.

Request for Information

This financial report is designed to provide our customers and creditors with a general overview of District finances, and demonstrate District accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the General Manager at 8888 Cabrillo Highway, Montara, CA 94037 or (650) 728-3545.

FINANCIAL STATEMENTS

Montara Water and Sanitary District
Statement of Net Position
June 30, 2023

	Sewer	Water	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 9,993,780	\$ 3,374,534	\$ 13,368,314
Accounts receivable	72,555	506,654	579,209
Deposits receivable	-	31,523	31,523
Leases receivable	78,239	-	78,239
Inventory	-	42,656	42,656
Due from sewer fund	-	1,391,848	1,391,848
Total current assets	10,144,574	5,347,215	15,491,789
Noncurrent assets			
Capital assets			
Nondepreciable			
Land and easement	5,000	734,500	739,500
Capacity rights	2,687,547	-	2,687,547
Depreciable, net	8,107,286	15,385,268	23,492,554
Total capital assets	10,799,833	16,119,768	26,919,601
Other assets			
Restricted cash and cash equivalents	-	1,158,394	1,158,394
Leases receivable	70,666	-	70,666
Total other assets	70,666	1,158,394	1,229,060
Total noncurrent assets	10,870,499	17,278,162	28,148,661
Total assets	21,015,073	22,625,377	43,640,450
Deferred Outflows of Resources			
Related to pensions	113,218	252,003	365,221
Total deferred outflows of resources	113,218	252,003	365,221

The accompanying notes are an integral part of these financial statements.

Montara Water and Sanitary District
Statement of Net Position
June 30, 2023

	Sewer	Water	Total
Liabilities			
Current liabilities			
Accounts payable	224,457	423,059	647,516
Due to water fund	1,391,848	-	1,391,848
Deposits	40,616	4,303	44,919
Interest payable	6,928	25,181	32,109
Other current liabilities	-	39,611	39,611
Accrued compensated absences, current	10,926	20,028	30,954
Current portion of long-term debt	113,805	1,191,277	1,305,082
Total current liabilities	1,788,580	1,703,459	3,492,039
Long-term liabilities			
Accrued compensated absences, net of current	29,339	37,678	67,017
General obligation bonds	-	4,302,407	4,302,407
Other long-term obligations	795,801	2,533,026	3,328,827
Net pension liability	12,658	28,173	40,831
Total long-term liabilities	837,798	6,901,284	7,739,082
Total liabilities	2,626,378	8,604,743	11,231,121
Deferred Inflows of Resources			
Related to leases	141,496	-	141,496
Related to pensions	8,715	19,399	28,114
Total deferred inflows of resources	150,211	19,399	169,610
Net Position			
Net investments in capital assets	9,890,227	8,093,058	17,983,285
Restricted	-	1,158,394	1,158,394
Unrestricted	8,461,475	5,001,786	13,463,261
Total net position	\$ 18,351,702	\$ 14,253,238	\$ 32,604,940

The accompanying notes are an integral part of these financial statements.

Montara Water and Sanitary District
Statement of Net Position
June 30, 2023

	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
Operating Revenues			
Sales and service charges	\$ 3,847,501	\$ 1,816,586	\$ 5,664,087
Total operating revenues	<u>3,847,501</u>	<u>1,816,586</u>	<u>5,664,087</u>
Operating Expenses			
General and administrative	878,517	1,443,070	2,321,587
System maintenance and repairs	2,119,573	777,625	2,897,198
Depreciation and amortization	539,818	1,008,818	1,548,636
Total operating expenses	<u>3,537,908</u>	<u>3,229,513</u>	<u>6,767,421</u>
Operating income (loss)	<u>309,593</u>	<u>(1,412,927)</u>	<u>(1,103,334)</u>
Nonoperating Revenues (Expenses)			
Taxes - District share of one percent	526,690	526,690	1,053,380
Taxes - Ad valorem for general obligation bonds	-	1,012,555	1,012,555
Investment income	85,304	113,063	198,367
Interest expense	(28,650)	(133,051)	(161,701)
Other revenues (expenses)	79,811	1,022,182	1,101,993
Total nonoperating revenues (expenses)	<u>663,155</u>	<u>2,541,439</u>	<u>3,204,594</u>
Income before Contributions	972,748	1,128,512	2,101,260
Capital contributions - connection fees	<u>274,534</u>	<u>226,806</u>	<u>501,340</u>
Change in net position	1,247,282	1,355,318	2,602,600
Net Position, beginning of year - as originally stated	16,957,397	12,897,920	29,855,317
Prior period adjustment	<u>147,023</u>	<u>-</u>	<u>147,023</u>
Net Position, beginning of year - as restated	<u>17,104,420</u>	<u>12,897,920</u>	<u>30,002,340</u>
Net Position, end of year	<u>\$ 18,351,702</u>	<u>\$ 14,253,238</u>	<u>\$ 32,604,940</u>

The accompanying notes are an integral part of these financial statements.

Montara Water and Sanitary District
Statement of Net Position
June 30, 2023

	Sewer	Water	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 4,384,775	\$ 2,779,403	\$ 7,164,178
Payments to suppliers - other	(3,075,863)	(1,907,881)	(4,983,744)
Payments to employees	(403,077)	(979,721)	(1,382,798)
Net cash provided by operating activities	<u>905,835</u>	<u>(108,199)</u>	<u>797,636</u>
Cash Flows from Non-Capital Activities			
Property taxes collected	526,690	1,539,245	2,065,935
Interfund advances	33,942	(33,942)	-
Net cash provided by non-capital activities	<u>560,632</u>	<u>1,505,303</u>	<u>2,065,935</u>
Cash Flows from Capital and Related Activities			
Principal paid on long term debt	(106,831)	(1,170,683)	(1,277,514)
Interest paid on long term debt	(29,161)	(137,494)	(166,655)
Acquisition and construction of capital assets	(596,689)	(609,185)	(1,205,874)
Connection fees	274,534	226,806	501,340
Water reliability charges and other nonop rev	78,222	1,022,182	1,100,404
Net cash used in capital and related activities	<u>(379,925)</u>	<u>(668,374)</u>	<u>(1,048,299)</u>
Cash Flows from Investing Activities			
Investment income	85,304	113,063	198,367
Net cash provided by investing activities	<u>85,304</u>	<u>113,063</u>	<u>198,367</u>
Net change in cash	1,171,846	841,793	2,013,639
Cash and cash equivalents, beginning	8,821,934	3,691,135	12,513,069
Cash and cash equivalents, ending	<u>\$ 9,993,780</u>	<u>\$ 4,532,928</u>	<u>\$ 14,526,708</u>
Amounts as they appear on the Statement of Net Position			
Cash and cash equivalents	\$ 9,993,780	\$ 3,374,534	\$ 13,368,314
Restricted cash and cash equivalents	-	1,158,394	1,158,394
	<u>\$ 9,993,780</u>	<u>\$ 4,532,928</u>	<u>\$ 14,526,708</u>

The accompanying notes are an integral part of these financial statements.

Montara Water and Sanitary District
Statement of Net Position
June 30, 2023

	Sewer	Water	Total
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income	\$ 309,593	\$ (1,412,927)	\$ (1,103,334)
Depreciation and amortization	539,818	1,008,818	1,548,636
Pension related amounts	9,277	20,648	29,925
Changes in assets and liabilities	-	-	-
Accounts and notes receivable	(2,544)	(46,001)	(48,545)
A/P and other current liabilities	36,656	327,959	364,615
Deposits	1,384	(31,291)	(29,907)
Prepaid expenses	-	14,695	14,695
Compensated absences	11,651	9,900	21,551
Total adjustments	596,242	1,304,728	1,900,970
Net cash provided by operating activities	\$ 905,835	\$ (108,199)	\$ 797,636

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Note 1 - Summary of Significant Accounting Policies

A. General

Montara Water and Sanitary District (the District), a governmental entity legally constituted as a special district under California law, is located on the coast in northwestern San Mateo County. The District was formed in 1958 to provide sanitary sewer services and franchise solid waste collection for the unincorporated areas known as Montara and Moss Beach. On May 2003 an agreement to acquire Cal-Am Montara Water District was reached with operations beginning as of August 1, 2003.

B. Basis of Accounting

The District is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs and expenses, including depreciation, and providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges.

An enterprise fund is used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its statement of net position, and under the full accrual basis of accounting, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred.

A major fund is a fund whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all funds, or that management deems significant.

The District reports the following major Proprietary Funds:

Water Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the water system which is funded by user charges and other fees.

Sewer Enterprise – This enterprise accounts for the operation, maintenance and capital improvement projects of the sewer system. These activities are funded by user charges and other fees.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

C. Measurement Focus

Enterprise funds are accounted for on a cost of services or *economic resources* measurement focus, which means that all assets and all liabilities associated with their activities are included on their statement of net position. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for services. Operating expenses for the District include the cost of goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Investment in the State Investment Pool and California Asset Management Program (Pools)

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California and is not registered with the SEC. Investment with California Asset Management Program (CAMP) are under the oversight of CAMP's treasurer. The fair value of the District's investment in the Pools are reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by Pools (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by Pools, which is recorded on the amortized cost basis.

E. Inventory

Inventory is held for consumption and is recorded at cost using the first-in-first-out (FIFO) basis.

F. Capital Assets

Capital assets, which include property, plant, and equipment are recorded at historical costs or estimated historical cost, if actual cost is not available. Contributed assets are recorded at estimated acquisition cost on the date of contribution.

The District defines capital assets as assets with an initial, individual cost of \$2,500 and an estimated useful life in excess of one year.

Depreciation is computed by the straight-line method based on the estimated useful lives of related asset classifications of 3 to 50 years.

G. Cash Flows Defined

For purpose of the statement of cash flows the District defines cash and cash equivalents to include all cash in deposit accounts, highly liquid investments, investment in LAIF, CAMP, and cash on hand.

H. Accounts Receivable

The District bills its water consumption and sewer usage on a cycle billing method. Cycle billing results in an amount of services rendered but not yet billed at year-end. The District has recorded this revenue by estimating the unbilled amount. The estimate was calculated by using the billing subsequent to the balance sheet date (June 30) and calculating the amount of service provided prior to June 30. This calculated amount is included in accounts receivable.

The delinquent water and sewer charges for services and facilities furnished by the District's water and sewage system, and all the penalties or delinquent charges accrued thereon shall constitute a lien upon the real property served. The District is allowed to place such charges and fees on the property tax rolls annually as of July 1.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

I. Accrued Compensated Absences

The liability for vested vacation pay is calculated and accrued on an annual basis. The amount is computed using current employee accumulated vacation hours at current pay rates.

J. Budgets and Budgetary Accounting

Budgets are prepared on a basis consistent with generally accepted accounting principles. A general budget is adopted annually by the Board of Directors which includes operations, maintenance, and administration.

K. Property Taxes

Secured property taxes attach an enforceable lien on property as of January 1. Taxes are payable in two installments due November 1 and February 1 and become delinquent on December 10 and April 10.

Unsecured property taxes, if any, are payable in one installment on or before August 15. The County of San Mateo bills and collects the taxes for the District. Tax revenues are recognized by the District when received. The sewer service charges are included in secured property tax bills.

L. Contract Services

The District contracted out the operation and maintenance of its sewer facilities to the Sewer Authority Mid- Coastside (SAM).

M. Estimates

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

N. Deferred Outflows and Inflows of Resources

Deferred outflows of resources are a consumption of net position that is applicable to a future reporting period and deferred inflows of resources are in acquisition of net assets that is applicable to a future reporting period. A deferred outflow of resources has a positive effect on net assets, similar to assets, and a deferred inflows of resources has a negative effect on net position, similar to liabilities. The District has one items that qualify for reporting in as deferred outflows of resources: the deferred outflows related to pension. The District has two deferred inflows of resources: the deferred inflows related to pension and leases.

O. 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 Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Public Agency Retirement Services (PARS). 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.

P. Leases

The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Q. New Accounting Principles from the Governmental Accounting Standards Board (GASB)

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The objectives of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021, or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statement.

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objectives of this Statement is to address those and other accounting and reporting implications resulting from the replacement of an IBOR by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced and providing clarification to the hedge accounting termination provisions, removing LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap and providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The objectives of this Statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

R. New Accounting Pronouncements – Effective in Future Fiscal Years

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

Certain requirements of this statement have been implemented as of June 30, 2022. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023 or FY 2023/2024, and all reporting periods thereafter. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 100 – In June 2022, GASB Issued Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 or FY 2023/2024 and all reporting periods thereafter. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 101 – In June 2022, GASB Issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, or FY 2024/2025 and all reporting periods thereafter. The District is evaluating the impact of this Statement on the financial statements.

Note 2 - Cash and Investments

A. Cash and Investment Summary

The following is a summary of the cash and investments as of June 30, 2023:

Cash Deposits	\$ 6,500,009
Investments with California Asset Management Program	3,323,180
Investments with Local Agency Investment Fund	<u>4,703,519</u>
	<u>\$ 14,526,708</u>
Restricted cash and cash equivalents	1,158,394
Unrestricted cash and cash equivalents	<u>13,368,314</u>
	<u>\$ 14,526,708</u>

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

B. General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S Agency Obligations	5 years	None	None
U.S. Treasury Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Certificate of Deposit	N/A	30%	None
California Asset Management Program	N/A	None	None

C. 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. The District manages its exposure to interest rate risk by depositing the majority of its funds with the State Local Agency Investment Fund, which is short term investment.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

Investment Type	Fair Value	Average Maturity
LAIF	\$ 4,703,519	260 days
CAMP	3,323,180	26 days
	<u>\$ 8,826,699</u>	

D. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. Investment in LAIF are not rated on June 30, 2023.

E. Custodial Credit Risk - Deposits

For deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's Investment Policy addresses custodial credit risk, which follows the Government Code. Any uninsured bank balance is collateralized by the pledging financial institutions at 110% of the deposits, in accordance with the State of California Government Code. At June 30, 2023, balances in

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

financial institutions, omitting reconciling items, were \$6,803,999. Of the balance in financial institutions, \$500,000 was covered by federal depository insurance and \$6,303,999 was collateralized as required by State law (*Government Code* Section 53630), by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

Note 3 - Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

- Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.
- Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.
- Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.
- Uncategorized - Investments in the Local Agency Investment Funds/State Investment Pools are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's investments in LAIF and CAMP are not subject to the fair value measurement.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Note 4 - Capital Assets

Changes in capital assets accounts are summarized below:

Water Fund

Category	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Sewer Fund				
Capital assets not being depreciated				
Land	\$ 5,000	\$ -	\$ -	\$ 5,000
Capacity rights	2,687,547	-	-	2,687,547
Total capital assets not being depreciated	<u>2,692,547</u>	<u>-</u>	<u>-</u>	<u>2,692,547</u>
Capital assets being depreciated				
Sewage collection facilities	5,340,307	-	-	5,340,307
Sewage treatment facilities	244,540	-	-	244,540
General plant and administration facilities	8,552,710	596,689	-	9,149,399
Seal Cove collection system	995,505	-	-	995,505
Other capital improvements	3,250,409	-	-	3,250,409
Total capital assets being depreciated	18,383,471	596,689	-	18,980,160
Accumulated depreciation	(10,333,056)	(539,818)	-	(10,872,874)
Net capital assets being depreciated	8,050,415	56,871	-	8,107,286
Property, plant and equipment, net	<u>\$ 10,742,962</u>	<u>\$ 56,871</u>	<u>\$ -</u>	<u>\$ 10,799,833</u>

Water Fund

Capital assets not being depreciated				
Land and easement	\$ 734,500	\$ -	\$ -	\$ 734,500
Total capital assets not being depreciated	<u>734,500</u>	<u>-</u>	<u>-</u>	<u>734,500</u>
Capital assets being depreciated				
Water meters	1,058,985	-	-	1,058,985
Water general plant	29,178,537	609,185	-	29,787,722
Other capital assets	48,172	-	-	48,172
Surface water rights	300,000	-	-	300,000
Total capital assets being depreciated	30,585,694	609,185	-	31,194,879
Accumulated depreciation	(14,800,793)	(1,008,818)	-	(15,809,611)
Net capital assets being depreciated	15,784,901	(399,633)	-	15,385,268
Property, plant and equipment, net	<u>\$ 16,519,401</u>	<u>\$ (399,633)</u>	<u>\$ -</u>	<u>\$ 16,119,768</u>

Capacity Rights in Sewer Authority Mid-Coastside

The District has capacity rights in the Sewer Authority Mid-Coastside (SAM), a public entity created February 3, 1976 by a Joint Exercise of Powers Agreement pursuant to the provisions of Title 1, Division 7, and Chapter 5 of the Government code of the State of California. Other joint power members include the City of Half Moon Bay and the Granada Community Services District. The District reports these capacity rights in SAM on cost basis.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Under this agreement, SAM is granted the power of the member agencies to construct, maintain, and operate facilities for the collection, transmission, treatment and disposal of wastewater for the benefit of the lands and inhabitants within their respective boundaries.

Each member agency has the power to appoint two representatives of their own governing body to SAM's Board of Directors. Budgets prepared by SAM are subject to approval by the member agencies and expenditures in excess of the budgeted amounts require unanimous consent and approval of SAM's Board of Directors.

SAM provides sewage collection and treatment services, for which the District pays a monthly fee. The District paid \$1,983,369 for these collection and treatment services for the year.

The Sewer Authority Mid-Coastside complete audited financial statements are available at 1000 Cabrillo Hwy N, Half Moon Bay, CA 94019.

Note 5 - Leases

The District has multiple contracts for leases of District property wireless communications facilities. The leases expire between fiscal years 2024 through 2026. The discount rates were between 1.91% and 3.00%. As of June 30, 2023, the District's receivable for lease payments was \$148,905. The District also has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$141,496.

Note 6 - Long Term Obligations

Following is a summary of the changes in long term obligations for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long-term Portion
General Obligation Bonds, 2020 Series	\$ 6,145,071	\$ -	\$ 916,095	\$ 5,228,976	\$ 926,569	\$ 4,302,407
PNCEF Financed Purchase	707,285	-	148,157	559,128	160,108	399,020
CIEDB loan - Direct borrowing	662,803	-	32,753	630,050	33,751	596,299
SRF loan - Direct borrowing	2,698,671	-	180,509	2,518,162	184,654	2,333,508
Totals	<u>\$ 10,213,830</u>	<u>\$ -</u>	<u>\$ 1,277,514</u>	<u>\$ 8,936,316</u>	<u>\$ 1,305,082</u>	<u>\$ 7,631,234</u>

A. General Obligation Bonds, Series 2020

On November 13, 2020, the District issued General Obligation Bonds Series 2020 in the amount of \$7,524,000. The bonds were issued to fully refund the General Obligation Bonds Series 2012, which the District issued for the acquisition and improvements of a domestic water supply, treatment, and fire protection system serving the entire District service area, and to finance improvements to the District's water system. The District therefore recognized an economic gain of \$360,600 and future cash saving of \$419,027. These bonds are payable from the levy of ad valorem taxes on all property within the District. Interest on the bonds is 1.4 percent and is payable on February 1 and August 1 of each year, commencing February 1, 2021.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Principal is due semi-annually beginning February 1, 2021, in amounts ranging from \$473,189 to \$488,986, with a final payment of \$488,986 due August 1, 2028. Below is a summary schedule of future payments on the bonds:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 926,569	\$ 56,977	\$ 983,546
2025	937,160	46,384	983,544
2026	947,876	35,670	983,546
2027	958,712	24,833	983,545
2028	969,673	13,873	983,546
2029	488,986	2,787	491,773
Total	\$ 5,228,976	\$ 180,524	\$ 5,409,500

B. Finance Purchase

On November 7, 2006, the District entered into a purchase agreement with a financial institution in the amount of \$1,854,443 at a fixed interest rate of 4.56 percent annually. The agreement matures on October 7, 2026. The agreement was to finance the acquisition, construction and installation of energy conservation capital facilities for the District's water system with the expectation that the cost thereof will be offset through reductions in future energy costs created by the facilities. As security for its obligation under this lease the District has pledged to the Lessor a security interest in the net revenue of both the water and sewer enterprises.

The financing was originally provided by Citibank at a rate of 4.56 percent for a 20-year term and is now held by PNC Equipment Finance (PNCEF). Effective March 15, 2013, the District refinanced the capital lease with PNCEF at a rate of 2.95 percent.

Below is a summary schedule of future payments on the financing:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 160,108	\$ 14,352	\$ 174,460
2025	167,593	9,522	177,115
2026	172,794	4,506	177,300
2027	58,633	361	58,994
Total	\$ 559,128	\$ 28,741	\$ 587,869

C. CIEDB Loan

On October 1, 2008, the District entered into an enterprise fund installment sale agreement with California Infrastructure and Economic Development Bank (CIEDB) in the amount of \$1,010,000. The agreement was to purchase a facility in order to renovate and upgrade two sewer pump stations. The agreement matures on December 3, 2037 with principal amounts due August 1, and interest payments due on February 1 and August 1 of each year. The interest rate is 3.05 percent per annum.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Below is a summary schedule of future payments on the loan:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 33,751	\$ 19,716	\$ 53,467
2025	34,781	17,656	52,437
2026	35,841	16,579	52,420
2027	36,935	15,470	52,405
2028	38,061	14,326	52,387
2029 – 2033	208,443	49,522	257,965
2034 – 2038	242,238	21,593	263,831
Total	\$ 630,050	\$ 154,862	\$ 784,912

D. State Revolving Fund Loan

On July 10, 2012, the District entered into an agreement with the State of California Department of Health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the District to meet safe drinking water standards. Under this agreement, the State will lend the District an amount not to exceed \$500,000, payable in five years from the first principal and interest invoice. On November 14, 2012, the District entered into an additional agreement with the State of California Department of Health under the Safe Drinking Water Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan made by the State to the District to assist in financing the construction of the preliminary activities noted above.

The District will make semiannual payments for the principal and any interest amounts due January 1 and July 1 of each year until the loan is repaid in full at an interest rate of 2.28 percent per annum.

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 184,654	\$ 56,457	\$ 241,111
2025	188,895	52,216	241,111
2026	193,234	47,878	241,112
2027	197,671	43,440	241,111
2028	202,211	38,900	241,111
2029 – 2033	1,082,887	122,669	1,205,556
2034 – 2038	468,610	13,450	482,060
Total	\$ 2,518,162	\$ 375,010	\$ 2,893,172

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Note 7 - Deferred Contribution Plan

The District's defined contribution, IRS code section 457 pension plan, provides deferred compensation retirement benefits to plan members and beneficiaries. Under this plan participants may defer a portion of their compensation and are not taxed on the deferred portion until it is distributed to them. Distribution may be made only at termination, retirement, death, or in an emergency as defined by the plan. The District has contracted with a third party to provide administration and management of the plan's assets which are to be held for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under this plan are not the District's property and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

Note 8 - Defined Benefit Plan

A. Plan Description

The District has adopted, through the Public Agency Retirement Services (PARS), a tax qualified governmental defined benefit plan for the benefit of eligible District employees to provide retirement benefits. PARS is a private agent-multiple employer agency specializing in retirement services. The plan conforms to the requirements of Internal Revenue Code Section 401(a) tax-qualified multiple employer retirement system and therefore is entitled to favorable tax treatment.

Members are eligible to receive benefits under the PARS plan if they:

- a) Were a full-time employee of the District on or after July 1, 2015;
- b) Are at least sixty-two years of age;
- c) Have completed at least five or more years of full-time service with the District;
- d) Have applied for benefits under the Plan; and
- e) Have terminated employment with the District.

B. Benefits Provided

Members are paid benefits equal to an amount equal to one-twelfth (1/12) of the number of full and partial years of full-time continuous employment with the District completed as of the member's retirement times the member's final pay times 2%. Upon death of a member, the member's monthly allowance will automatically continue to an eligible survivor. No preretirement disability benefits are provided. Pre-retirement death benefits are provided for employees who have at least five years of full-time employment with the District.

Employees who terminate employment or are terminated whether voluntarily, involuntarily, by death, disability or in any other manner prior to completing five (5) years of full-time service with the Employer, will receive one hundred percent (100%) of their Employee contributions made to the Plan plus three percent (3%) interest per annum.

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

Formula	2% @62
Benefit vesting schedule	5 years of service
Benefit payments	Monthly for life
Retirement age	62
Required employee contribution rates	7.75%
Required employer contribution rates	7.30%

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

C. Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms for the Plan:

	PARS Plan
Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	-
Active employees*	8
Total	10

* Plan is closed to new entrants

D. Contributions

The District contributed the actuarially determined contribution to the PARS plan. For the year ended June 30, 2023, the employer contributions were \$74,601.

E. Net Pension Liability

The District’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation date of June 30, 2022. A summary of principal assumptions and methods used to determine the net pension liability is shown below:

Actuarial Assumptions - The total pension liabilities in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Valuation Date • Contribution Policy • Discount Rate and Long-Term Expected Rate of Return on Assets • General Inflation • Mortality, Retirement, Disability, Termination • Mortality Improvement • Salary Increases | <ul style="list-style-type: none"> • June 30, 2021 • District contributes full ADC • 6.25% at June 30, 2022 • 6.25 at June 30, 2021 • Expected District contributions projected to keep sufficient plan assets to pay all benefits from trust • 2.50% annually • CalPERS 2000-2019 Experience Study • Mortality projected fully generational with Scale MP-2021 • Aggregate – 2.75% annually • Merit – CalPERS 2000-2019 Experience Study |
|--|---|

F. Discount Rate

The best estimate for the long-term rate of return of 6.25% is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The table below reflects discount rate development. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

Asset Class Component	Target Allocation PARS-Capital Appreciation	Expected Real Rate of Return
Global equity	75%	4.56%
Fixed income	20%	0.78%
Cash	5%	(0.50%)
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return, rounded		6.25%

G. Changes in Net Pension Liability (Asset)

The changes in the Net Pension Liability (Asset) for the Plan are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
Balance at 6/30/22 (6/30/21 measurement date)	\$ 1,034,099	\$ 1,233,861	\$ (199,762)
Service cost	114,116	-	114,116
Interest	71,339	-	71,339
Changes of benefit terms	-	-	-
Actual vs. expected experience	-	-	-
Assumption changes	-	-	-
Contributions – employer	-	68,381	(68,381)
Contributions – employee	-	54,638	(54,638)
Net investment income	-	(168,052)	168,052
Benefit payments	(13,552)	(13,552)	-
Administrative expenses	-	(10,105)	10,105
Net Changes	171,903	(68,690)	240,593
Balance at 6/30/23 (6/30/22 measurement date)	\$ 1,206,002	\$ 1,165,171	\$ 40,831

Sensitivity of the Net Pension Asset (Liability) to Changes in the Discount Rate - The following presents the net pension asset (liability) of the District, calculated using the plan discount rate, as well as what the District's net pension asset (liability) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Discount Rate		
	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net Pension Liability (Asset)	\$ 307,453	\$ 40,831	\$ (169,879)

H. Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued PARS financial report.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

I. Pension Expense (Revenue) and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended June 30, 2023, the District recognized actuarial pension expense of \$104,525. At June 30, 2023, the District reported deferred outflows and inflows of resources as follows:

	June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,552	\$ 24,491
Changes in assumptions	24,873	3,623
Net difference between projected and actual earnings on plan investments	90,195	-
Employer contributions made subsequent to the measurement date	<u>74,601</u>	<u>-</u>
Total	<u>\$ 365,221</u>	<u>\$ 28,114</u>

Of the \$365,221 reported as deferred outflows of resources, \$74,601 relates to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

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

Year ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 45,600
2025	44,916
2026	37,602
2027	78,849
2028	17,605
Thereafter	37,934

Note 9 – Risk Management

The District is exposed to various risks of loss related to torts: theft, damage, and destruction of assets; errors and omissions; injuries to employees and natural disaster. The District joined together with other entities to form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool currently operating as a common risk management and insurance program for 54-member entities. The purpose of CSRMA is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost. The District pays annual premiums to CSRMA for its general, liability, property damage and monthly premiums to State Fund for its workers compensation insurance.

CSRMA is governed by a Board composed of one representative from each member agency. The Board controls the operations of CSRMA including selection of management and approval of operating budgets, independent of any influence by member entities.

Montara Water and Sanitary District

Notes to Financial Statements

June 30, 2023

The following is a summary of the insurance policies carried by the District as of June 30, 2023:

Type of Coverage	Coverage Limits
General Liability	\$ 15,500,000
Workers' Compensation	2,000,000

Claims and judgments, including provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the District has coverage for such claims, but it had retained the risk for the deductible or uninsured portion of these claims.

The District has not exceeded its insurance coverage limits in any of the last three years. Any District liability is included in accrued expenses on the financial statements.

Note 10 - Commitments and Contingent Liabilities

The District has an agreement with Sewer Authority Mid-Coastside (SAM), Granada Community Services District, and City of Half Moon Bay for the purchase of additional plant sewer capacity on an as needed basis. The District may purchase additional capacity in the SAM plant, if such additional capacity is available, at a cost per Equivalent Residential Unit (ERU) in effect. The future price would be an average current cost per ERU charged a property in the City of Half Moon Bay and Granada Community Services District plus accrued interest as stipulated in the agreement. At this time the District needs no additional capacity.

The District is a plaintiff or defendant in a number of lawsuits, which have arisen in the normal course of business. In the opinion of the District, these actions when finally adjudicated will not have a material adverse effect on the financial position of the District.

Note 11 - Restatement of Beginning Net Position

During the fiscal year ended June 30, 2020, the District overstated expenses by \$147,023. The issue derived due to a capitalized expense discovered through the audit process. The accrued expense was not reversed until fiscal year end June 30, 2023. The reversal was recorded as an adjustment to prior period net position, see the Statement of Revenues, Expenses, and Changes in Net Position.

REQUIRED SUPPLEMENTARY INFORMATION

Montara Water and Sanitary District
Schedule of Changes in the Net Pension Liability and Related Ratios
Last 10 Years

Fiscal Year Ended	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Total Pension Liability								
Service cost	\$ 114,116	\$ 92,326	\$ 89,637	\$ 93,834	\$ 91,101	\$ 83,063	\$ 80,448	\$ 80,448
Interest on total pension liability	71,339	58,354	49,961	41,731	34,674	30,574	10,064	10,064
Difference between expected and actual experience	-	68,833	-	(9,020)	-	(37,021)	297,568	-
Changes in assumptions	-	15,798	-	17,159	-	(7,271)	-	-
Benefit payments, including refunds of employee contributions	(13,552)	(13,286)	(13,026)	(12,770)	(27,105)	(1,527)	-	-
Net change in total pension liability	171,903	222,025	126,572	130,934	98,670	67,818	388,080	-
Total Pension Liability - beginning	1,034,099	812,074	685,502	554,568	455,898	388,080	-	-
Total Pension Liability - ending (a)	\$ 1,206,002	\$ 1,034,099	\$ 812,074	\$ 685,502	\$ 554,568	\$ 455,898	\$ 388,080	\$ 388,080
Plan fiduciary net position								
Contributions - employer	\$ 68,381	\$ 67,434	\$ 61,266	\$ 46,775	\$ 45,411	\$ 44,093	\$ 37,027	\$ 37,027
Contributions - employee*	54,638	53,616	48,981	44,969	47,075	50,429	344,564	344,564
Net investment income	(168,052)	265,968	16,099	41,201	45,838	55,329	6,520	6,520
Benefit payments	(13,552)	(13,286)	(13,026)	(12,770)	(27,105)	(1,527)	-	-
Administrative expense	(10,105)	(9,947)	(10,297)	(110)	(110)	(117)	(439)	(439)
Net change in plan fiduciary net position	(68,690)	363,785	103,023	120,065	111,109	148,207	387,672	387,672
Plan fiduciary net position - beginning	1,233,861	870,076	767,053	646,988	535,879	387,672	-	-
Plan fiduciary net position - ending (b)	\$ 1,165,171	\$ 1,233,861	\$ 870,076	\$ 767,053	\$ 646,988	\$ 535,879	\$ 387,672	\$ 387,672
Net pension asset (liability)	\$ (40,831)	\$ 199,762	\$ 58,002	\$ 81,551	\$ 92,420	\$ 79,981	\$ (408)	\$ (408)
Plan fiduciary net position as a percentage of the total pension liability	96.61%	119.32%	107.14%	111.90%	116.67%	117.54%	99.89%	99.89%
Covered employee payroll*	\$ 830,829	\$ 825,421	\$ 736,554	\$ 675,929	\$ 680,306	\$ 626,786	\$ 620,243	\$ 620,243
Net pension asset (liability) as a percentage of covered employee payroll	4.91%	-24.20%	-7.87%	-12.07%	-13.59%	-12.76%	0.07%	0.07%

* Measurement year 2016 includes employee purchases of past service contributions of \$297,568 in March 2016

Fiscal year 2015/16 was the first year of implementation for GASBS No. 68. Future periods will continue to be added until 10 years' data is presented.

Montara Water and Sanitary District
 Schedule of Plan Contributions
 Last 10 Years

For the fiscal year ended June 30,

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 74,601	\$ 68,382	\$ 67,434	\$ 50,970	\$ 46,774	\$ 45,862	\$ 40,741	\$ 40,316
Contribution in relation to the actuarially determined contribution	(74,601)	(68,382)	(67,434)	(50,970)	(46,774)	(45,862)	(40,741)	(40,316)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 887,027	\$ 830,829	\$ 825,421	\$ 736,554	\$ 675,929	\$ 680,306	\$ 626,786	\$ 620,243
Contributions as a percentage of covered payroll	8.41%	8.23%	8.17%	6.92%	6.92%	6.74%	6.50%	6.50%

Methods and assumptions for 2022/23 actuarially determined contribution

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal, level % of pay
Amortization method	N/A
Asset valuation method	N/A
Discount rate	Investment gains and losses spread over 5-year fixed period
General inflation	6.25%
Salary increases	2.50%
Mortality	CalPERS 2000 - 2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021

Fiscal year 2015/16 was the first year of implementation for GASBS No. 68. Future periods will continue to be added until 10 years' data is presented.

OTHER REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Montara Water and Sanitary District
Montara, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Montara Water and Sanitary District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Montara Water and Sanitary District's basic financial statements, and have issued our report thereon dated October 25, 2023.

Report on Internal Control over Financial Reporting

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

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

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

We consider the following deficiency to be a significant deficiency:

- **Reconciliations of Accounts Payable:** During fiscal year ended June 30, 2020, the District overstated expenses by \$147,023. The issue arose due to a capitalized expense discovered through the audit process of that same year. The overstated accrued expenses balance was discovered by District staff before the audit of the June 30, 2023, financial statements began. A prior period adjustment was made to correct the financial statements for the year ended June 30, 2023. We recommend that the District implement procedures to review and reconcile and regular monitoring. The District can accomplish this by establishing a system for regular monitoring by

conducting thorough reviews and reconciliation of all accounts payable transactions to identify and remove any duplicated items. To ensure accuracy, this process should include examining invoices, payment records, and vendor statements.

We have noted the following deficiencies that do not rise to the level of significant deficiency or material weaknesses.

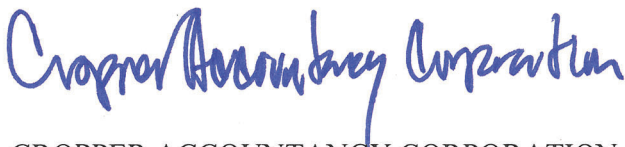
- **Accounting Manual:** The District lacks a comprehensive manual outlining written accounting procedures and responsibilities for accounting personnel. Establishing a well-documented accounting manual is essential for providing clear guidelines, ensuring consistency in financial reporting, and promoting accountability within the finance department and will assist in cases of transition and employee turnover. We recommend developing and implementing an accounting manual that covers key financial processes and internal controls.
- **Payroll Approvals:** For our walk-through procedures to gain an understanding of internal controls at the District, we reviewed one pay-period. We noted that the examined timecards were not properly reviewed and approved by management. Proper review and approval of timecards are essential to ensure accuracy in payroll processing. We recommend the District adhere to and not bypass the implemented internal controls over payroll, which includes a review and approval process to validate the accuracy of all payroll transactions, reducing the risk of errors and potential discrepancies.
- **Code of Conduct:** We also observed that the Board of Directors does not have a formal Code of Conduct. A Code of Conduct is crucial in establishing ethical standards, promoting transparency, and ensuring integrity in decision-making processes. We recommend the Board to develop and adopt a Code of Conduct that outlines the expected behavior, responsibilities, and ethical principles for all Board members, setting a strong example for the entire organization.

Report on Compliance and Other Matters

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

Purpose of This Report

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



CROPPER ACCOUNTANCY CORPORATION
Walnut Creek, California
October 25, 2023

October 25, 2023

To management and the Board of Directors
Montara Water and Sanitary District
Montara, California

We have audited the financial statements of the business-type activities of Montara Water and Sanitary District for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 17, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Montara Water and Sanitary District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Montara Water and Sanitary District changed accounting policies by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 91, No. 93, No. 94, and No. 96 in fiscal year 2022-2023. Accordingly, the cumulative effect of the adoption of these statements did not have a material effect on the financial statements (see Note 1 for additional information on the new accounting principles from the Governmental Accounting Standards Board). We noted no transactions entered into by Montara Water and Sanitary 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 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 estimate affecting the Montara Water and Sanitary District's financial statements was:

Management's estimate of the pension liability and related deferred inflows and outflows is based on CalPERS discount rates, market rates, member contributions, and other actuarial inputs. We evaluated the methods, assumptions, and data used to develop the pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Deferred Benefit Plan in Note 8 to the financial statements which describes the pension liability, the related deferred inflows and outflows, and the sensitivity of inputs and estimates that went into the liability.

The disclosure of the Long Term Obligations in Note 6 to the financial statements which describes each of the long term obligations held by the Montara Water and Sanitary District.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 25, 2023.

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 Montara Water and Sanitary District's financial statements or a determination of the type of auditor's 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.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Montara Water and Sanitary District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, schedule of changes in net pension liability and related ratios, and schedule of plan contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of board of directors and management of Montara Water and Sanitary District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



CROPPER ACCOUNTANCY CORPORATION
Walnut Creek, California

MONTARA WATER AND SANITARY DISTRICT
JUNE 30, 2023
CORRECTED MISSTATEMENTS

Account	Description	Debit	Credit	Net Income Effect
Client #1 Record Lease Amortization				
4220	4220 Cell Tower Lease	83,359	-	
1226	Sewer - Accounts Receivable:Lease Receivable Noncurrent	-	78,240	
7200	7000 Capital Account Revenues:7200 Interest Income - LAIF	-	5,119	
Total		<u>83,359</u>	<u>83,359</u>	<u>(78,240)</u>
Client #2 Record Deferred Inflow Amortization				
2903	Sewer - Long Term Liabilities:Deferred Inflows (Sewer Leases)	79,829	-	
4220	4220 Cell Tower Lease	-	79,829	
Total		<u>79,829</u>	<u>79,829</u>	<u>79,829</u>
Client #3 Record Sewer GASB 68 Adjustment.				
2800	Sewer - Net Pension Liability	-	74,584	
1901	Sewer - Other Assets:Def'd Amts Related to Pensions	19,459	-	
2901	Deferred Inflows (Pensions):Sewer	45,848	-	
5820	5000 Administrative:5800 Labor:5820 Employee Benefits	9,277	-	
Total		<u>74,584</u>	<u>74,584</u>	<u>(9,277)</u>
Client #4 Record Water GASB 68 Adjustment.				
2801	Water - Net Pension Liability	-	166,009	
1902	Water - Other Assets:Def'd Amts Related to Pensions	43,314	-	
2902	Deferred Inflows (Pensions):Water	102,047	-	
5820	5000 Administrative:5800 Labor:5820 Employee Benefits	20,648	-	
Total		<u>166,009</u>	<u>166,009</u>	<u>(20,648)</u>
Client #5 Beginning Fund Balance adjustment - correction of PY error - Erroneous Sewer A/P.				
2600	Sewer - Long Term Liabilities:Due to Water Fund	147,023	-	
3100	Sewer - Equity Accounts:Fund Balance - Unrestricted	-	147,023	
Total		<u>147,023</u>	<u>147,023</u>	<u>-</u>
GRAND TOTAL		<u>550,804</u>	<u>550,804</u>	<u>(28,336)</u>



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: November 2, 2023

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

SUBJECT: Alta Vista Groundwater Monitoring Update

For the initial 5 years of operation of the District's Alta Vista Well, MWSD was charged with the implementation of a groundwater monitoring program. MWSD chose to extend the groundwater monitoring beyond the required term and expanded the program to include other scientific measures that increase the understanding of the aquifer.

The Alta Vista Well is drilled deep into solid bedrock of granitic type unlike most drinking water wells in California that are in non-consolidated sediments. Therefore, usual draw down and recovery tests are not suited to evaluate production rates and pumping sustainability.

Mark Woysner with Balance Hydrologics will be available to present the most recent monitoring results. The attached slide show containing the information was presented at the most recent Groundwater Resources Association of California.

RECOMMENDATION:

Receive presentation about the District's management of the underlying granitic aquifer in Montara.

Attachment

WESTERN GROUNDWATER CONGRESS

THE SIXTH
ANNUAL

SEPTEMBER 12-14, 2023 | BURBANK



Groundwater
Resources
Association
of California
EST. 1992

Welcome!

TRACK 2 – GROUNDWATER QUALITY

Sustainable Management of a Fractured Granitic
Aquifer in Coastal California

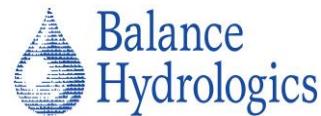
Sustainable Management of a Fractured Granitic Aquifer in Coastal California

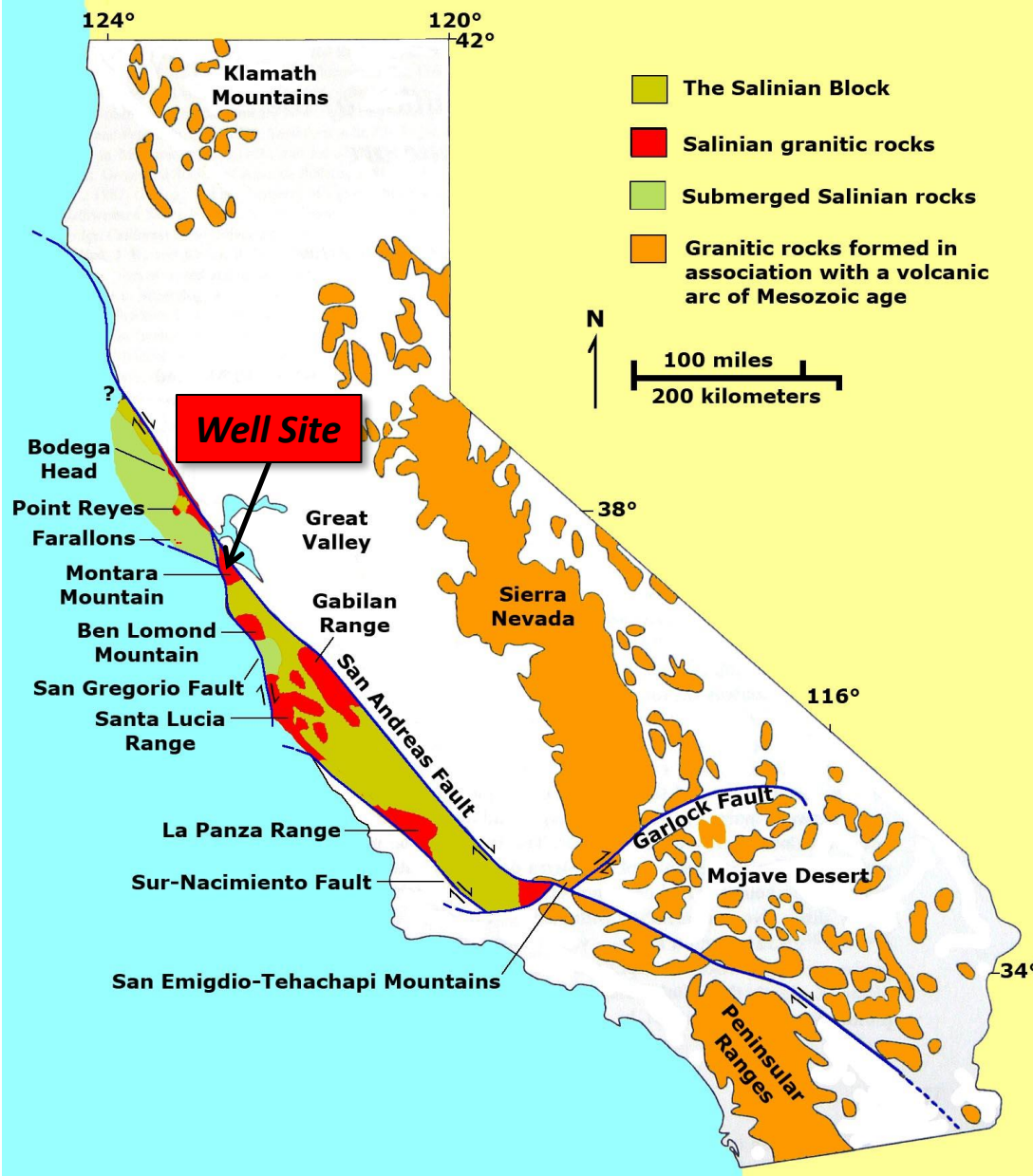
Mark Woyshner, Clemens Heldmaier, Barry Hecht,
Emma Goodwin, and Jason Parke



Methods to Evaluate Sustainability

- ✓ **Geologic framework** of aquifer: Fracture orientation and boundaries
- ✓ **Hydrologic monitoring** across a cycle of major recharge and drought years
- ✓ **General mineral**: Piper diagram
- ✓ **Groundwater age techniques**:
 - Modern water (Tritium-helium, CFCs, SF6)
 - Pre-modern water (Radiogenic helium, 14C)
 - Paleoclimate indicators (18O and 2H, Noble-gas recharge temperature)
- ✓ **Groundwater modeling**: Water balance and recharge area estimates
- ✓ **Historical records / Indigenous traditions**





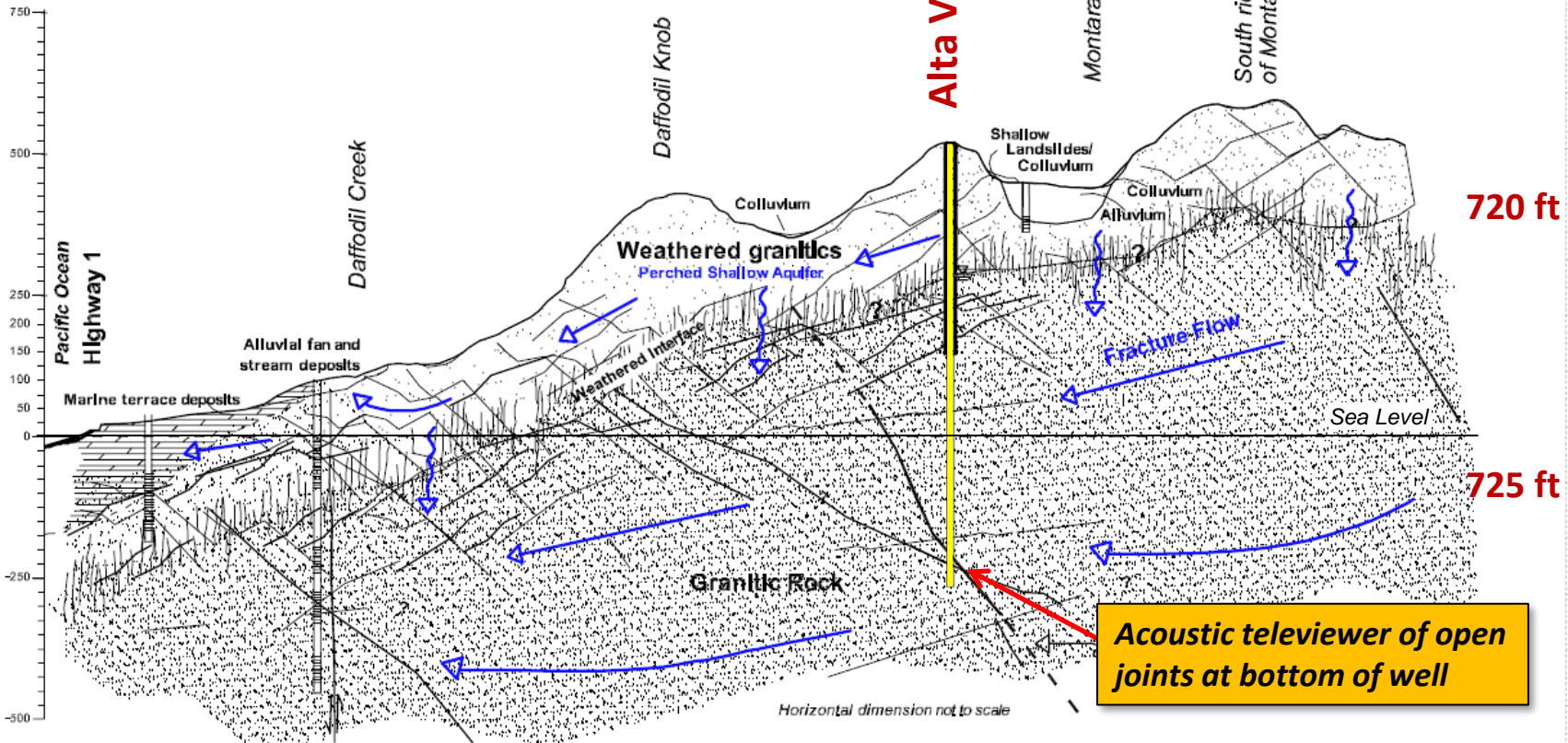
**Non-glaciated,
deeply weathered
granitic rock
promotes recharge,
provides storage and
sustains baseflows.**



West

East

Alta Vista Well



Following well completion in 2004: a 5-day test at 300 gpm,
 a 60-day test at 40 gpm. Specific Capacity = 1.4 gpm/ft

715 ft

720 ft

725 ft

730 ft

735 ft



*Air-rotary hammer drilling
 after intersecting open joints*



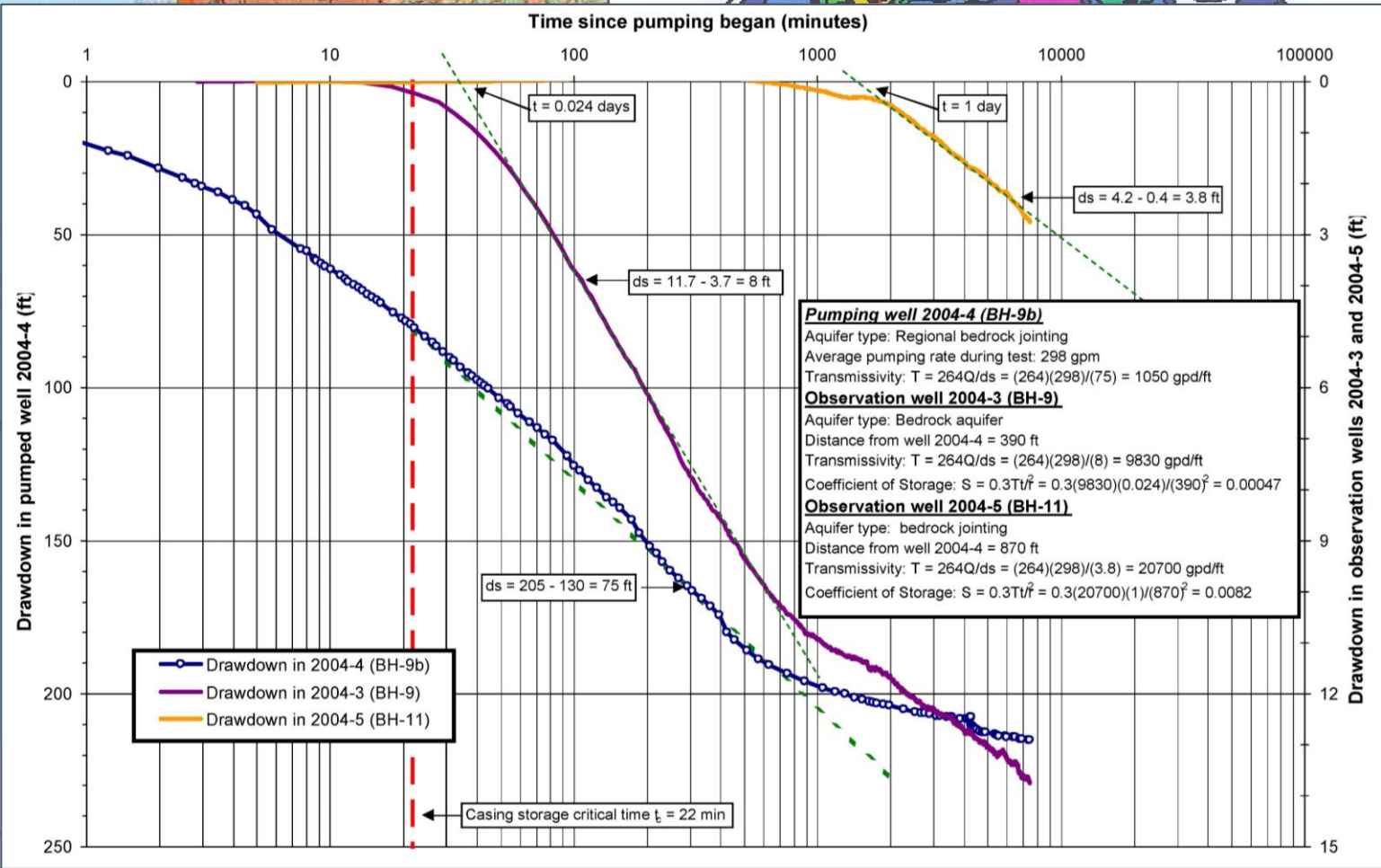
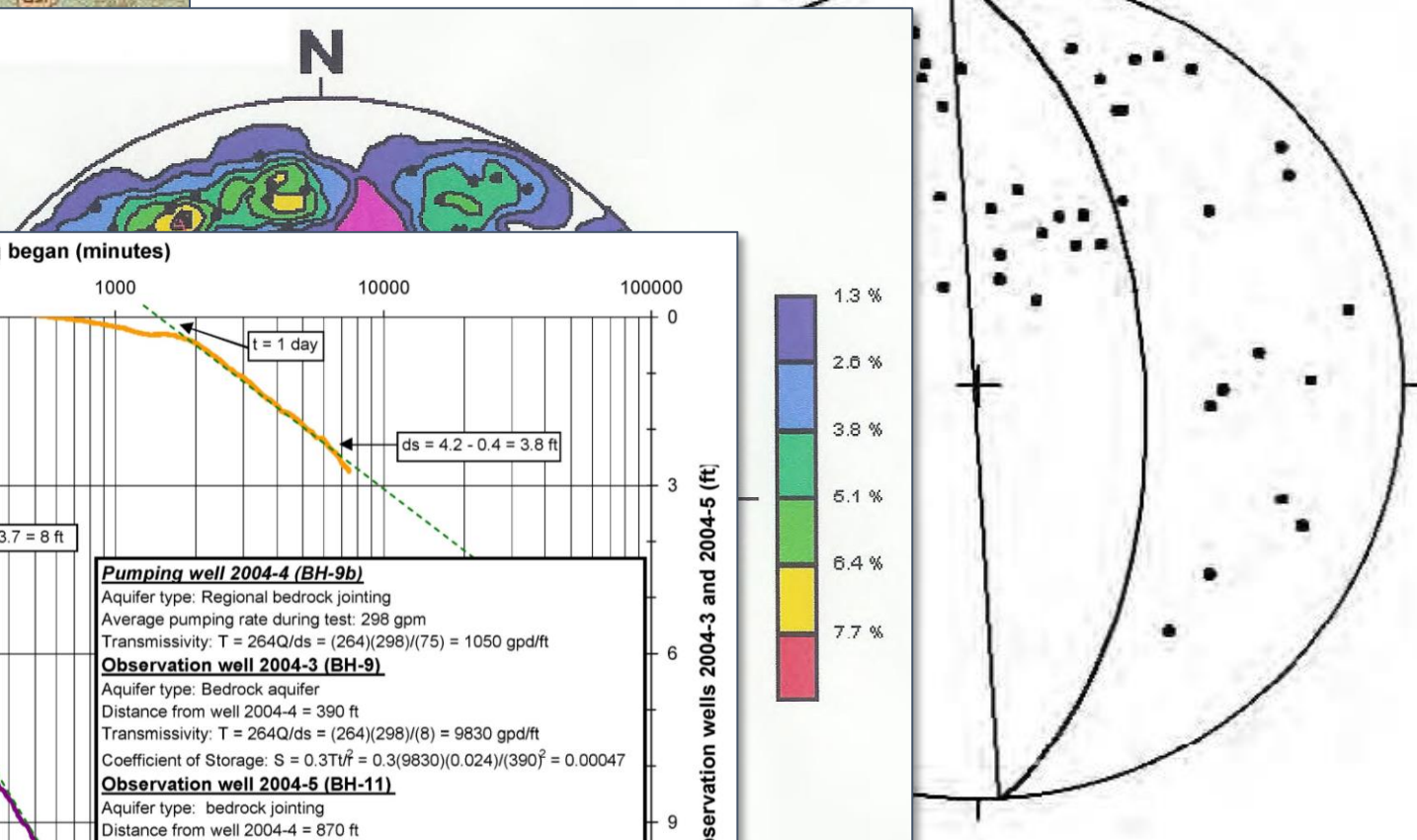
*2-ft open joint
 dip 58 deg N003W*

*1-ft open joint
 dip 40 deg N021E*





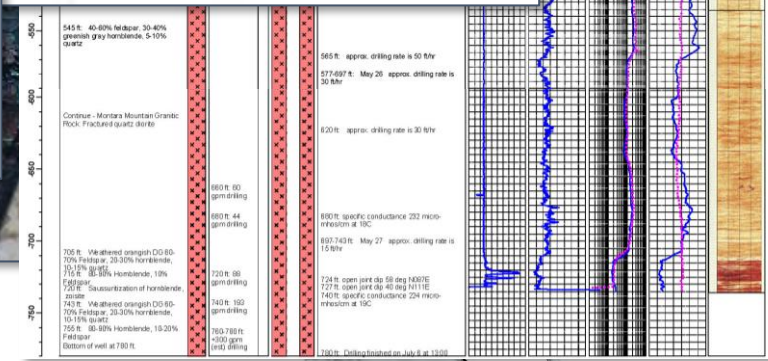
Schmidt-net plot of discontinuities

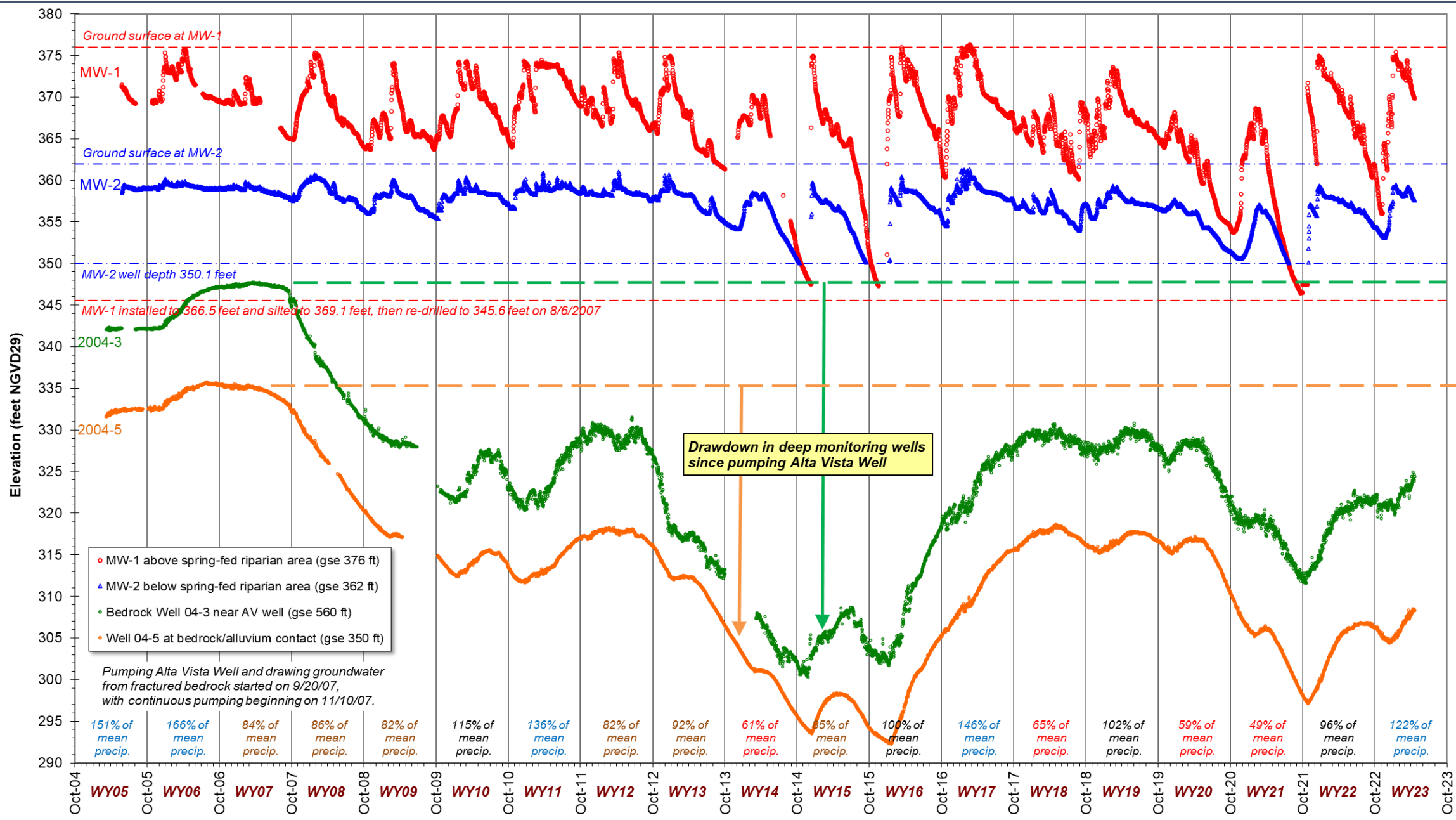


Pumping well 2004-4 (BH-9b)
 Aquifer type: Regional bedrock jointing
 Average pumping rate during test: 298 gpm
 Transmissivity: $T = 264Q/ds = (264)(298)/(75) = 1050 \text{ gpd/ft}$

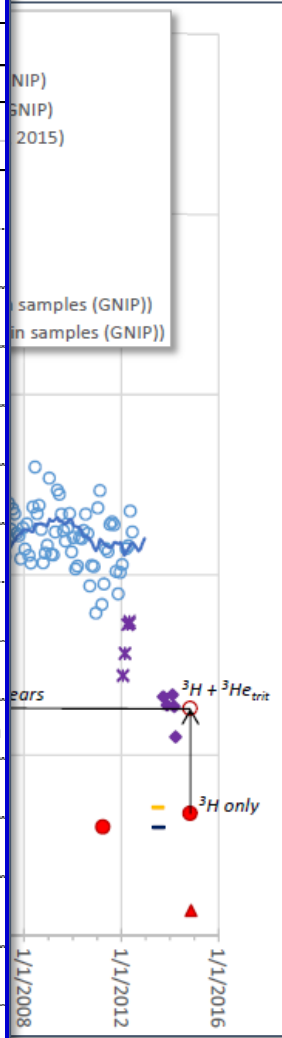
Observation well 2004-3 (BH-9)
 Aquifer type: Bedrock aquifer
 Distance from well 2004-4 = 390 ft
 Transmissivity: $T = 264Q/ds = (264)(298)/(8) = 9830 \text{ gpd/ft}$
 Coefficient of Storage: $S = 0.3Tt/t^2 = 0.3(9830)(0.024)/(390)^2 = 0.00047$

Observation well 2004-5 (BH-11)
 Aquifer type: bedrock jointing
 Distance from well 2004-4 = 870 ft
 Transmissivity: $T = 264Q/ds = (264)(298)/(3.8) = 20700 \text{ gpd/ft}$
 Coefficient of Storage: $S = 0.3Tt/t^2 = 0.3(20700)(1)/(870)^2 = 0.0082$





CONDITIONS					RESPONSES					INDICATORS					
Water Year	Rainfall at Alta Vista Gage			AV Well	Discharge at Stream Gages			Dry-Season Minimum ^[1]		Alta Vista Well Groundwater Age ^[2]					
	Water Type ^[3]	Annual Total (inches)	Percent of Mean	Volume Pumped (ac-ft)	Martini Cr (unimpaired) (ac-ft)	Daffodil Cyn (unimpaired) (ac-ft)	Montara Cr (impaired) (ac-ft)	MW-1 Elevation (ft NGVD29)	MW-2 Elevation (ft NGVD29)	Sample Date	Modern Water Recharge Year ^[4]	Modern Water Method	Pre-Modern Water Result (P/A)	Pre-Modern Water Methods	
2005	Wet	43.9	152%	0	678	not gaged	not gaged	369	359	--	--	--	--	--	
2006	Extremely Wet	48.5	168%	0	1116	not gaged	not gaged	369	359	--	--	--	--	--	
2007	Drought	Dry	24.5	85%	0	411	not gaged	not gaged	365	358	--	--	--	--	
2008		Dry	25.0	87%	87.5	361	not gaged	not gaged	364	356	--	--	--	--	
2009		Dry	23.8	83%	112	partial record	15	1	364	355	--	--	--	--	
2010	Above Average	33.6	117%	97.4	408	37	138	364	357	--	--	--	--	--	
2011	Wet	39.6	138%	99.2	partial record	127	325	367	358	3/28/11	Inconclusive but present	³ H- ³ He	Absent	Carbon-14 Radiogenic helium	
2012	Drought	Dry	24.0	83%	84.7	partial record	27	71	366	358	--	--	--	--	--
2013		Dry	26.8	93%	151	356	50	40	361	354	--	--	--	--	--
2014		Extremely Dry	17.6	61%	186	226	30	0	347	< 350 (well dry)	10/30/14	1991 ± 4 yrs	³ H- ³ He	Absent	Radiogenic helium
2015	Dry	24.7	86%	141	213	27	23	347	< 350 (well dry)	10/27/15	1966 to 1972	CFCs	Present	Carbon-14	
2016	Average	29.2	102%	113	410	57	151	360	354	10/20/16	1975 to 1989	CFCs	Absent	Carbon-14	
2017	Wet	42.5	148%	81.0	965	127	542	366	357	8/23/17	1975 to 1988	CFCs, SF ₆ , ³ H- ³ He	Absent	Carbon-14 Radiogenic helium	
2018	Extremely Dry	19.0	66%	99.1	352	30	77	360	354	--	--	--	--	--	
2019	Average	29.7	103%	86.5	479	66	92	364	356	--	--	--	--	--	
2020	Drought	Extremely Dry	17.1	59%	104	272	7.6	13	354	351	--	--	--	--	--
2021		Extremely Dry	14.2	49%	123	167	8.0	0.9	346	< 350 (well dry)	10/19/21	2011	³ H- ³ He	Absent	Carbon-14
2022	Average	27.8	97%	90.4	419	107	163	356	354	--	--	--	--	--	
2023	Wet	pending	pending	pending	pending	pending	pending	pending	pending	pending	pending	CFCs, SF ₆	pending	Carbon-14	
Mean	--	28.8	100%	110	513	52	134	--	--	--	--	--	--	--	



Qualitative Check

- ✓ Since start of pumping in 2007, the Alta Vista well has been pumped at an average (continuous) rate of 68 gpm or 110 acre-feet per year.
- ✓ Recharge area estimates

Average annual recharge	8	6	4	inches
Average annual groundwater pumping	110	110	110	acre-feet
Estimated recharge area needed	165	221	331	acres
Percent of 360-acre topographic watershed upstream of the well	46%	61%	92%	percent

The guidelines for the Honorable Harvest are not written down, or even consistently spoken of as a whole—they are reinforced in small acts of daily life. But if you were to list them, they might look something like this:

Geologic framework and monitoring across a cycle of wet and dry years

Know the ways of the ones who take care of you, so that you may take care of them.

Introduce yourself. Be accountable as the one who comes asking for life.

Ask permission before taking. Abide by the answer.

Adaptive management

Never take the first. Never take the last.

Take only what you need.

Master plan update

Take only that which is given.

Never take more than half. Leave some for others.

Recharge area estimate

Harvest in a way that minimizes harm.

CEQA compliance

Use it respectfully. Never waste what you have taken.

Conservation programs

Share.

Give thanks for what you have been given.

65th anniversary celebration

Give a gift, in reciprocity for what you have taken.

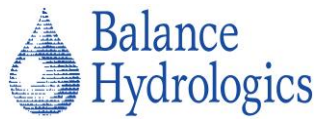
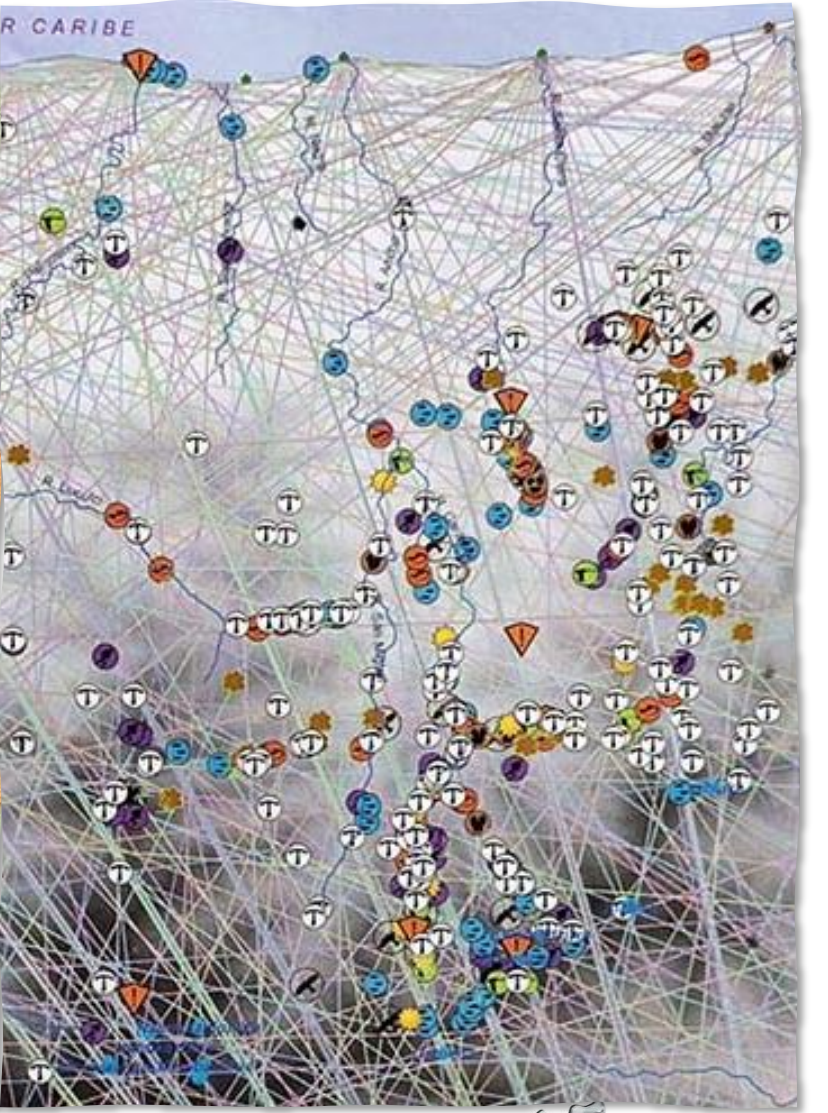
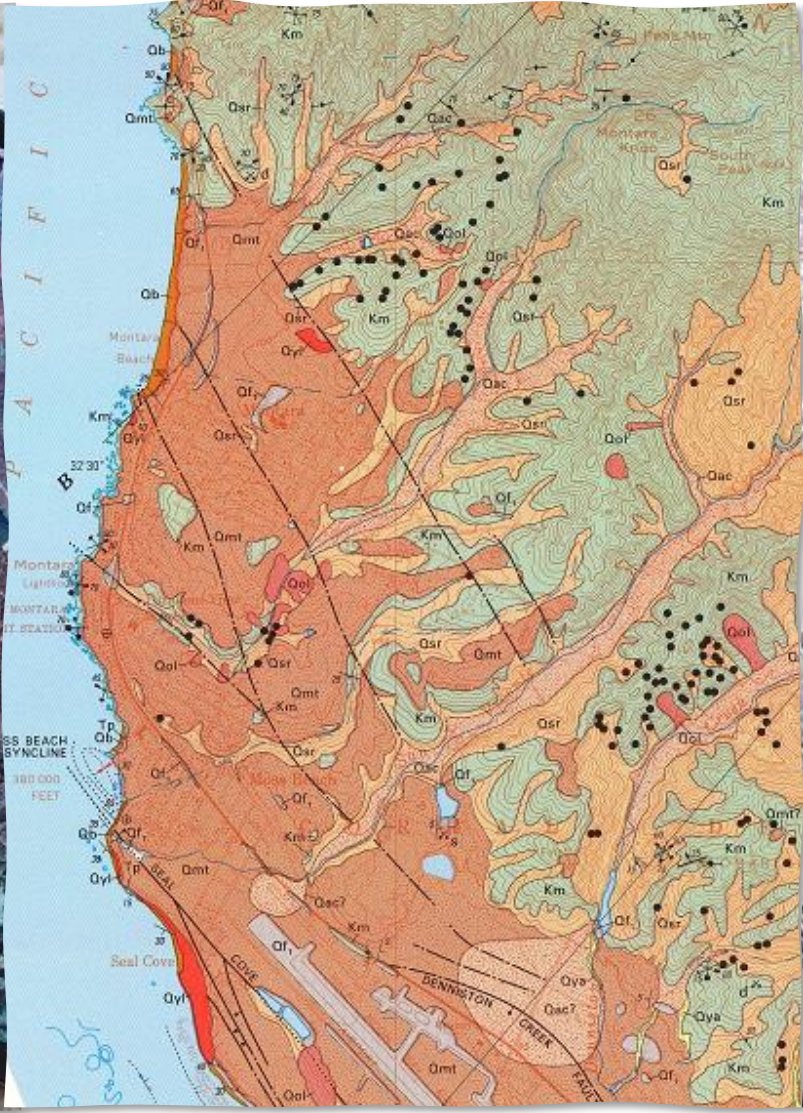
Sustain the ones who sustain you and the earth will last forever.



Thank You!

We believe this is a successful habitat-responsible adaptive-management approach to managing a complex fractured bedrock aquifer.







MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 2, 2023**

FROM: Clemens Heldmaier, General Manager

SUBJECT: General Manager's Report

Operations Report October

811 Dig Alerts

- 10/2/23- 687 Stetson. Utility work. Marked main and service line.
 - Christine Rd. Not in district
- 10/9/23- 898 San Ramone. Installation of new water facilities. Marked with blue flag.
 - 1040 Park Way. Pipe Bursting. Marked mains with blue paint.
 - 175 Marine Blvd. Pipe Bursting. Marked mains with blue paint.
 - 1040 Park Way. Pipe Bursting. Marked mains with blue paint.
 - 151 Alton Ave. Pipe Bursting. Marked mains with blue paint.
- 10/12/23 – 10th St, Sign install, Main and service line marked.
 - 286 11th. Sign install, Main and service line marked.
 - Main St. Sign install, mains and service line marked.
 - Hwy 1. Sign install, mains and service line marked.
 - 200 9th. Sign install, mains and service line marked.
- 10/17/23 – 911 Harte. Installation of new communication facilities. Mains and service lines marked
- 10/19/23 – 279 California, Residential sewer lateral repair, marked main and service line.
 - 1020 Alta Vista, no water in USA zone
- 10/20/23- 60 Wylvale Ave. Comms distribution maintenance, marked main, blowoff and service line.
- 10/23/23- 468 4th. Residential property work for landscaping. Marked meter box and service line.
 - Farallone View School. Work for non-residential property work. No MWSD distribution lines within USA marks.
 - 945 Etheldore. Work for residential property work, tree removal. Marked mains and service lines within USA.



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 2, 2023**

FROM: Clemens Heldmaier, General Manager

Work Orders

- 9/29/23-502 Vermont. The customer requested water be turned off at meter to perform a plumbing job. Water shut off at meter and the customer was able to make repairs quickly enough for operator to turn water back on and test the customer's system.
 - 824 Stetson. The customer is concerned about high water bill and requests a profile be taken. Profile taken and finding sent to the customer.
- 10/2/23- 825 Franklin. MOVO. Final read taken and water left on.
- 10/5/23- 370 2nd. The customer is complaining about the water tasting strange in their house and would like the water tested inside and out. His question is whether it is MWSD system water or the plumbing in the new house. Cl2 residual 0.07, white bucket test shows clear water with no odor.
 - 508 8th. MOVO. Final read taken and water turned off at meter, door tag left.
- 10/6/23- 1894 SVR. MOVO. Final read taken and water left on.
 - 508 8th. MOVI. Start read taken and water turned on.
- 10/12/23- 1360 Cedar. The customer is concerned about high usage and requests a profile and leak adjustment if applicable. Visual inspection revealed no indication of a leak or active flow while monitoring. A profile was pulled and emailed findings to the customer.
 - 575 4th. The customer has questions about the door tag that was left at his house. MWSD operator spoke with customer and clarified that they have a leak somewhere on their property and to please notify MWSD when repairs are made so we can pull a follow up profile.
- 10/19/23- 531 Lancaster. The homeowner is upset about sewer service charge based on January usage. Profile pulled but only able to retrieve information back to July when new register and endpoint were installed. The customer was emailed available information and past usage history as a reference.

After Hours Call Outs



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **November 2, 2023**

FROM: Clemens Heldmaier, General Manager

Repairs and Leaks

- Leaking meter stop replacement at 610 Harte.
- Leaking meter stop replacement at 2355 Carlos.

Miscellaneous

- Operation Dead Endpoint Absent Reads.
O.D.E.A.R.
 - 453 missed reads.
 - 10 High Usages
 - 5 MIA meters located.

Maintenance

- 203 dead meters replaced.
- Training of 2 Temps for meter register head and endpoint replacement.
- Cleaning of Aerator and Settling Tank at PRTP.

Gm Leave: The General Manager will be out of the office from November 13-17.

RECOMMENDATION:

This is for Board information only.

Attachment