

## NOTICE OF MEETING

### FINANCE & ADMINISTRATION COMMITTEE/BOARD OF DIRECTORS (FINANCE & ADMINISTRATION)

(Per paragraph 3 on page 10 under subsection *Committee Meetings* of the Board Handbook: The Board, as a practice, generally does not take final action on items during committee meetings, unless District staff determines the urgency of the item requires immediate action that cannot be delayed until a subsequent regular bi-monthly Board meeting.)

**MEETING DATE:** 02-24-2022

**TIME:** Meeting begins at **9:30 a.m. (Public)**

**LOCATION:** This meeting will be held virtually, pursuant to Assembly Bill (AB) 361.

To participate online, go to <https://us06web.zoom.us/j/82628096691>. You can also participate by phone by calling **1-669-900-6833** and entering the **webinar ID#: 826 2809 6691**.

**PARTICIPATION DURING MEETINGS:** During the public comment periods, the public may comment by clicking the “raise hand” button on the bottom of the Zoom screen; if you are joining by phone and would like to comment, press \*9 and we will call on you as appropriate.

**EMAILED PUBLIC COMMENTS:** You may submit your comments in advance of the meeting by emailing them to [BoardComment@MarinWater.org](mailto:BoardComment@MarinWater.org). All emailed comments received by 7:30 a.m. on the day of the meeting will be provided to the Board of Directors prior to the meeting. All emails will be posted on our website. (Please do not include personal information in your comment that you do not want published on our website such as phone numbers and home addresses.)

AGENDA ITEMS	RECOMMENDATIONS
Call to Order and Roll Call	
Adopt Agenda	Approve
<b>Public Comment</b> <i>Members of the public may comment on any items not listed on the agenda during this time. Comments will be limited to three minutes per speaker, and time limits may be reduced by the Committee Chair to accommodate the number of speakers and ensure that the meeting is conducted in an efficient manner.</i>	

**MARIN WATER BOARD OF DIRECTORS:** LARRY BRAGMAN, JACK GIBSON, CYNTHIA KOEHLER, LARRY RUSSELL AND MONTY SCHMITT

AGENDA ITEMS	RECOMMENDATIONS
<b>Calendar</b>	
1. Minutes of the Finance & Administration Committee/Board of Directors (Finance & Administration) Meeting of January 27, 2022 (Approximate Time 1 Minute)	<i>Approve</i>
2. Review of Ordinance No. 418 – Requiring Voter Approval Prior to District Construction of or Financing Construction of a Desalination Facility (Approximate Time 20 Minutes)	<i>Review &amp; Refer for Board Approval</i>
3. Monthly Financial Update – January 2022 (Approximate Time 15 Minutes)	<i>Information</i>
<b>Adjournment (10:06 a.m.- Time Approximate)</b>	

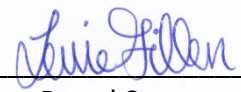
#### ADA NOTICE AND HEARING IMPAIRED PROVISIONS:

In accordance with the Americans with Disabilities Act (ADA) and California Law, it is Marin Water's policy to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are a person with a disability and require a copy of a public hearing notice, an agenda, and/or agenda packet in an appropriate alternative format, or if you require other accommodations, please contact Board Secretary Terrie Gillen at 415.945.1448, at least two days in advance of the meeting. Advance notification will enable the Marin Water to make reasonable arrangements to ensure accessibility.

INFORMATION PACKETS ARE AVAILABLE FOR REVIEW AT THE CIVIC CENTER LIBRARY, CORTE MADERA LIBRARY, FAIRFAX LIBRARY, MILL VALLEY LIBRARY, MARIN WATER OFFICE, AND ON THE MARIN WATER WEBSITE (MARINWATER.ORG)

#### FUTURE BOARD MEETINGS:

- ❖ Tuesday, March 1, 2022  
Board of Directors' Regular Meeting  
7:00 p.m.
- ❖ Friday, March 11, 2022  
Operations Committee/Board of Directors (Operations) Meeting  
9:30 p.m.



Board Secretary



**Item Number:** 01  
**Meeting Date:** 02-24-2022  
**Meeting:** Finance &  
Administration Committee/  
Board of Directors (Finance &  
Administration)

## Approval Item

### TITLE

Minutes of the Finance & Administration Committee/Board of Directors (Finance & Administration) Meeting of January 27, 2022

### RECOMMENDATION

Approve the adoption of the minutes

### SUMMARY

On January 27, 2022, the Finance & Administration Committee/Board of Directors (Finance & Administration) held its regularly scheduled meeting. The minutes of that meeting are attached.

### DISCUSSION

None

### FISCAL IMPACT

None

### ATTACHMENT(S)

1. Minutes of the January 27, 2022, Meeting of the Finance & Administration Committee/Board of Directors (Finance & Administration)

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Communications & Public Affairs Department	 Terrie Gillen Board Secretary	 Ben Horenstein General Manager

**MARIN MUNICIPAL WATER DISTRICT  
FINANCE & ADMINISTRATION COMMITTEE /BOARD OF DIRECTORS  
(FINANCE & ADMINISTRATION) MEETING**

**MINUTES**

**Thursday, January 27, 2022**

**Via teleconference**

(In accordance with Assembly Bill 361)

**DIRECTORS PRESENT:** Monty Schmitt, Jack Gibson, and Cynthia Koehler

**DIRECTORS ABSENT:** Larry Bragman and Larry Russell

**CALL TO ORDER:** Chair Koehler called the meeting to order at 9:31 a.m.

**ADOPT AGENDA:**

On motion made by Director Gibson and seconded by Schmitt, the board approved the adoption of the agenda. The following was the roll call vote.

Ayes: Directors Schmitt, Gibson, and Koehler

Noes: None

Absent: Directors Bragman and Russell

There was one public comment on the adopted agenda.

**PUBLIC COMMENT:**

There were no public comments.

**CALENDAR ITEMS:**

**Item 1 Minutes of the Finance & Administration Committee/Board of Directors (Finance & Administration) Meeting of January 27, 2022**

On motion made by Vice Chair Gibson and seconded by Director Schmitt, the board approved the minutes by the following roll call vote:

Ayes: Directors Schmitt, Gibson, and Koehler

Noes: None

Absent: Directors Bragman and Russell

There were no public comments.

## **Item 2 2020 Census Data & Adjustment of Director Division Boundaries (Redistricting)**

Staff Attorney Jerrad Mills provided a presentation on the results of the 2020 Census Data and how that could affect the directors' districts. Director Larry Russell arrived during the presentation.

There were neither board comments nor public comments.

This was an informational item. The board took no formal action.

## **Item 3 Board Policy or Resolution on Water Supply**

Operations Division Director Paul Sellier presented a draft resolution setting forth water supply policies for consideration and discussion. He presented approaches taken by other water districts on similar issues including level of service and goals on water supply resiliency. Discussion ensued and the directors asked staff to bring this item back to a future meeting for further consideration.

There were two (2) public comments.

This was an informational item. The board did not take any formal action.

## **Item 4 Monthly Financial Update – December 2021**

Administration Division Manager McBride presented the latest report on the District's finances. Discussion followed between the directors and staff.

There was one (1) public comment. The board did not make any further comments.

This was an informational item. The board did not take formal action.

## **Item 5 Quarterly Investment Updated for December 2021**

Mr. McBride also brought forth this item. Brief conversation between staff and Director Russell occurred.

There were no public comments.

This was an informational item. The board did not take formal action.

## **Item 6 Annual Review of Policy #33 Investment Policy**

This was the last item Mr. McBride presented to the committee and the last item at the meeting. There were neither board nor public comments following the verbal report.

**ADJOURNMENT**

There being no further business, the Finance & Administration Committee/Board of Directors (Finance & Administration) meeting adjourned at 10:44 a.m.

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Board Secretary

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## Review and Refer for Board Approval

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**TO:** Finance & Administrative Committee/Board of Directors (Finance & Administrative)

**FROM:** Ben Horenstein, General Manager 

**ITEM:** Review of Ordinance No. 418 – Requiring Voter Approval Prior to District Construction of or Financing Construction of a Desalination Facility

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### SUMMARY

Ordinance No. 418, adopted by District voters in 2010, requires that the District seek majority voter approval prior to financing or construction of a desalination facility to produce potable water. Complying with Ordinance No. 418 introduces additional complexity and risk into the assessment of desalination as an alternative for a supplemental water supply, both long-term and on an emergency basis. To facilitate consideration of desalination as a supplemental water supply, staff recommends that the Committee review and consider referring to a regular Board meeting a District sponsored initiative to ask the voters to repeal Ordinance No. 418.

### DISCUSSION

On November 2, 2010, District voters approved a ballot measure that requires the approval of a majority of the voters in the District's service area prior to the District approving construction, or financing construction, of a desalination facility. This prohibition is codified in Title 10 of the District Code.

The restriction presents uncertainty that a desalination facility could be developed, and calls into question the extent to which desalination can be considered a viable option for the District as part of the Water Supply Assessment. Even if initial studies indicate that desalination is a viable option for the District's long term water resiliency, without a prior vote it is problematic to invest in further evaluation and planning, as these investments could ultimately turn out to be futile. Further, in the recent drought emergency, staff was developing temporary emergency desalination as a possible option to sustain water deliveries to our customers. Complying with Ordinance No. 418 would likely have required holding an election to seek voter approval for the proposed facility. This would have resulted in almost three months of delay and uncertainty in a schedule that was already highly constrained. In addition, the District would have had to bear the cost of holding the election at a time when there were no other measures to share the cost of the ballot process; potentially incurring costs that could have been as high as \$2.3M.

Repealing Ordinance No. 418 will facilitate a clearer consideration of desalination as a long term water supply option and ensure temporary emergency desalination would be a viable drought relief measure.

The District will need to clearly communicate to our customers to ensure there is an understanding that repealing Ordinance No. 418 will not indicate a preference nor commit the District to pursue a desalination project, but would simply remove a barrier to an "apples-to-apples" assessment of the alternatives.

In order to repeal Ordinance 418, the District must submit a ballot measure to voters in accordance with Elections Code sections 9222, et seq. This process allows the Board to submit a proposition for the repeal of any ordinance, and if the proposition submitted to voters receives a majority of the votes cast in that election cycle, the prior ordinance is repealed or amended accordingly.

To place a measure on the June 2022 ballot, the District would need to provide a Board resolution including the ballot measure question and a copy of the ordinance for voter approval to the County Elections Department no later than 88 days before the election, or by March 11, 2022. Based on recent experience during the drought, as well as the need to pursue the most effective options for water supply resiliency, staff is recommending that the Committee review and refer to the next regular meeting of the Board the approval of a District sponsored initiative to ask the voters to repeal Ordinance No. 418 by placing an item on the June 2022 ballot.

#### **FISCAL IMPACT**

The next scheduled election that could accommodate this process is June 7, 2022. The exact cost of placing the item on the June ballot will depend on how many other measures, placed by towns and cities, are on the ballot as the election costs are distributed among the various jurisdictions, but the current estimate of cost to the District for placing such an initiative on the June ballot is \$260,000.

#### **ATTACHMENT(S)**

1. Ordinance 418

## **MMWD Ordinance 418**

The people of the Marin Municipal Water District (MMWD) do ordain as follows:

### **Section 1. Purpose**

This ordinance requires that MMWD may construct a desalination facility to produce potable (drinking) water only if the voters approve that decision.

### **Section 2. Policy**

MMWD shall not approve construction, or financing for construction, of a desalination facility unless such construction is approved by a majority of voters of MMWD voting in an election held within MMWD's service area for that purpose.

### **Section 3. Severability**

If any provision or provisions of this ordinance are found to be in conflict with California law or with the California Constitution, or with federal law, or with the United States Constitution, that provision shall be implemented to the maximum extent allowable by the limiting statute or constitutional provision. The people of MMWD hereby warrant and declare that they intended to vote for each and every provision of this measure independent of each other provision of this measure, and that any provision held invalid shall be severable from the remaining portions of this ordinance.

### **Section 4. Competing Ballot Measure**

In the event that another measure ("competing measure") appears on the same election ballot for MMWD and addresses a subject matter that overlaps with the subject matter of this measure, the measures shall be deemed to be in conflict. If this measure receives a greater number of affirmative votes than the competing measure, the provisions of this measure shall prevail in their entirety, and the competing measure shall be null and void. The "Initiative to Require Voter Approval Before the Marin Municipal Water District Authorizes, Expends or Appropriates Any Revenue, or Plans, Permits, Engineers or Constructs a Desalination Facility to Augment Water Supplies for District Customers" is a competing measure.

### **Section 5. Retroactive Application**

In the event that this measure is adopted by voters, its provisions shall apply retroactively to June 18, 2010.

## Informational Item

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**TO:** Finance & Administration Committee/Board of Directors (Finance & Administration)

**FROM:** Charles McBride, Finance Director *CM*

**THROUGH:** Ben Horenstein, General Manager *BH*

**DIVISION NAME:** Administrative Services Division

**ITEM:** Monthly Financial Update – January 2022

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### SUMMARY

The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of January 2022, the fiscal year-to-date total revenue is \$57.6 million, or 51.6 percent, of budgeted revenue and total expenditure is \$66.3 million, or 49.6 percent, of budgeted expenditure. It is notable that water sales, including fixed charges, are down by approximately 23.9 percent compared to the prior year as conservation efforts are realized. The unrestricted/operating fund balance is \$24.3 million, which is 3.2 months of annualized operating budget.

### DISCUSSION

#### Budget to Actual Comparison – All Funds

Attached is the budget to actual comparison for fiscal year 2021-22 as of January 31, 2022. The budget to actual comparison is prepared by fund and includes revenues, expenditures and reserve balances.

For the Operating Fund, total revenues, including other operating revenue, as of January 31, 2022 are \$45.5 million, or 51.3 percent, of budget. Total operating expenditures of \$52.8 million, not including depreciation and amortization, are 58.0 percent of budget. For reference, if revenues and expenses tracked linearly, we would expect them to be at 58.3 percent of fiscal year budget at the end of January.

For the Capital and Fire Flow Funds, total revenues are \$12.0 million, or 53.1 percent of budget, and are comprised primarily of CMF funds of \$8.9 million. Spending on capital and fire flow projects is \$13.6 million, or 31.8 percent, of budget as of January 31, 2022, as CIP projects

typically do not follow smooth trends in expenditures. As noted in Attachment 5, an additional \$11.6 million is encumbered, bringing total expenditures with encumbrances to \$25.1 million, or 58.8 percent of budget.

### **Water Sales and Consumption**

The fiscal year to date water sales through January 31, 2022 were \$27.4 million, which is 46.8 percent of the annual water sales forecast. Billed water consumption (in CCFs) through January 31, 2022 was 11,376 AF, which is 29 percent lower than this time last year.

Year-to-date water sales and fixed charges (Service and Watershed Fees) through January 31, 2022 were \$41.8 million, which is 48.7 percent of total annual revenue forecast of \$85.9 million. Compared to the same period for the previous fiscal year water sales and fixed charges decreased by \$13,127,929, or 23.9 percent.

### **Fund Balances**

Per the attached Fund Balance Summary, as of January 31, 2022, the unrestricted/undesignated - operating fund balance is \$24.3 million, or 3.2 months of annualized projected operating expenses for FY 2021-22. As of January 31, 2022, the Rate Stabilization fund balance is \$2.25 million, a decrease of \$7.15 million since the beginning of the fiscal year due to funding of the emergency drought projects and conservation related costs.

### **FISCAL IMPACT**

None

### **ATTACHMENT(S)**

1. Total Water Sales and Fixed Charges & Fees 2020/21 – 2021/22
2. Billed Water Consumption in AFs FY 2010/11 – 2021/22
3. Budget to Actual Comparison for 2021/22 as of January 31, 2022
4. Fund Balance Summary as of January 31, 2022
5. CIP Budget to Actual Comparison for 2021/22 as of January 31, 2022

Total Water Sales and Fixed Charges & Fees  
Fiscal Years 2020/21 - 2021/22

Month	Fixed Charges											
	Water Sales			Service Charges			Watershed Fee			Total Water Sales and Fixed Charges		
	20/21 Actual	21/22 Budget	21/22 Actual	20/21 Actual	21/22 Budget	21/22 Actual	20/21 Actual	21/22 Budget	21/22 Actual	20/21 Actual	21/22 Budget	21/22 Actual
July	5,148,860	\$4,840,348	3,893,634	1,408,195	1,541,834	1,432,576	322,117	352,676	332,636	6,879,172	\$ 6,734,858	5,658,846
August	7,895,649	\$8,155,135	5,886,593	2,003,578	2,193,720	2,073,781	439,045	480,697	455,121	10,338,272	10,829,551	8,415,496
September	5,919,811	\$5,825,972	4,294,168	1,410,919	1,544,817	1,481,863	321,199	351,671	342,640	7,651,930	7,722,460	6,118,671
October	7,930,465	\$7,823,307	5,453,336	1,999,518	2,189,274	2,192,766	437,931	479,477	477,827	10,367,913	10,492,057	8,123,928
November	4,977,568	\$4,816,404	2,661,532	1,416,720	1,551,168	1,492,957	321,799	352,328	347,561	6,716,088	6,719,900	4,502,050
December	6,216,270	\$5,794,180	3,497,360	2,013,149	2,204,199	2,027,828	441,057	482,900	440,834	8,670,476	8,481,278	5,966,022
January	2,624,605	\$2,544,160	1,666,968	1,405,078	1,538,421	1,136,626	318,852	349,101	255,849	4,348,535	4,431,682	3,059,443
February	3,594,233	\$3,566,451		1,992,768	2,181,884		437,055	478,518		6,024,056	6,226,853	-
March	1,978,100	\$2,097,854		1,400,299	1,533,189		319,385	349,685		3,697,784	3,980,727	-
April	3,972,353	\$3,930,424		2,047,123	2,241,396		441,798	483,711		6,461,274	6,655,531	-
May	3,367,351	\$3,059,352		1,382,615	1,513,826		320,761	351,191		5,070,727	4,924,370	-
June	6,153,533	\$6,029,493		2,052,718	2,247,523		451,028	493,817		8,657,279	8,770,833	-
<b>TOTAL</b>	<b>59,778,799</b>	<b>\$58,483,079</b>	<b>27,353,591</b>	<b>20,532,680</b>	<b>\$22,481,250</b>	<b>11,838,398</b>	<b>4,572,027</b>	<b>\$5,005,772</b>	<b>2,652,468</b>	<b>\$84,883,506</b>	<b>\$85,970,101</b>	<b>\$41,844,457</b>

Original Budget-to-Actual Basis **-24.48%**  
Actual-to-Actual Basis **-23.88%**  
% of total budget received **48.67%**

**Billed Water Consumption In AF  
Fiscal Year 2010/11 - 2020/21**

<u>Month</u>	<u>10/11 Actual</u>	<u>11/12 Actual</u>	<u>12/13 Actual</u>	<u>13/14 Actual</u>	<u>14/15 Actual</u>	<u>15/16 Actual</u>	<u>16/17 Budget</u>	<u>16/17 Actual</u>	<u>17/18 Actual</u>	<u>18/19 Actual</u>	<u>19/20 Actual</u>	<u>2021 Actual</u>	<u>21/22 Budget</u>	<u>21/22 Actual</u>	<u>Monthly Budget Variance</u>	<u>Actual to % Change</u>
July	1,968	1,852	2,160	2,205	1,969	1,628	1,825	1,876	1,931	1,975	1,834	2,022	1,940	1,642	-15.36%	-18.77%
August	3,457	3,154	3,564	3,407	3,186	2,620	2,945	3,012	3,206	3,245	3,112	3,215	3,194	2,500	-21.74%	-22.24%
Septem	2,309	2,175	2,333	2,244	1,973	1,775	1,906	1,939	2,027	2,145	2,112	2,205	2,122	1,604	-24.41%	-27.24%
Octobe	3,286	3,045	3,163	3,215	2,778	2,583	2,729	2,767	3,140	2,951	3,058	3,124	3,068	2,298	-25.10%	-26.44%
Novem	1,628	1,585	1,586	1,931	1,454	1,490	1,503	1,340	1,705	1,664	1,837	1,882	1,772	1,153	-34.94%	-38.73%
Decem	1,784	1,986	1,911	2,433	1,984	1,935	1,998	1,646	1,914	2,169	2,295	2,418	2,199	1,444	-34.32%	-40.27%
Januar	1,071	1,200	1,005	1,342	1,065	991	1,047	910	942	993	1,186	1,157	1,070	735	-31.31%	-36.49%
Februa	1,625	1,858	1,680	1,996	1,651	1,450	1,576	1,392	1,754	1,525	1,556	1,625	1,615	-		
March	958	1,079	1,054	1,042	1,048	832	953	846	992	879	1,105	970	986	-		
April	1,640	1,676	2,016	1,627	1,910	1,467	1,710	1,375	1,612	1,427	1,883	1,775	1,674	-		
May	1,321	1,266	1,655	1,308	1,379	1,067	1,239	1,092	1,240	1,224	1,378	1,459	1,325	-		
June	2,568	2,789	3,161	2,642	2,344	2,478	2,463	2,416	2,516	2,349	2,711	2,559	2,533	-		
<b>TOTAL</b>	<b>23,614</b>	<b>23,666</b>	<b>25,290</b>	<b>25,390</b>	<b>22,742</b>	<b>20,316</b>	<b>21,894</b>	<b>20,611</b>	<b>22,978</b>	<b>22,546</b>	<b>24,065</b>	<b>24,410</b>	<b>23,500</b>	<b>11,376</b>		
															<b>Budget-to-Actual Basis</b>	<b>-25.96%</b>
															<b>Actual-to-Actual Basis</b>	<b>-29.00%</b>
															<b>% of total budget</b>	<b>48.41%</b>

**Marin Municipal Water District**  
**Budget to Actual Comparison for 2021/22 - All Funds**  
**Actual as of January 31, 2022**  
**Unaudited**

<b>Revenues and Expenditures</b>	<b>2021/22 Adjusted Budget</b>	<b>Actual as of January 31, 2022</b>	<b>% of Budget</b>
<b>Revenues:</b>			
<i>Water Sales and Service Charge:</i>			
Water Sales	\$ 58,483,079	\$ 27,353,591	46.8%
Service Charge	22,481,250	11,838,398	52.7%
Watershed Management Fee	5,005,772	2,652,468	53.0%
<b>Total Water Sales and Service Charge</b>	<b>85,970,101</b>	<b>41,844,457</b>	<b>48.7%</b>
<i>Other Revenues:</i>			
Rents	666,903	411,441	61.7%
Grants	-	2,144,461	
Watershed Rents	939,166	555,230	59.1%
Watershed Payments	365,116	257,694	70.6%
Late Payment and Special Read Charges	120,133	78,748	65.6%
Interest	336,497	100,838	30.0%
Miscellaneous	350,647	121,347	34.6%
<b>Total Other Revenues</b>	<b>2,778,462</b>	<b>3,669,759</b>	<b>132.1%</b>
<b>Total Operating Revenues</b>	<b>88,748,563</b>	<b>45,514,216</b>	<b>51.3%</b>
<b>Expenditures:</b>			
Personnel services	54,107,177	30,512,280	56.4%
Materials and supplies	3,224,336	1,347,436	41.8%
Operations	8,609,673	3,038,126	35.3%
Water conservation rebate program	1,092,323	1,082,096	99.1%
Electrical power	5,475,922	3,213,937	58.7%
Water purchased	8,100,000	6,161,873	76.1%
Insurance, including claims	1,425,500	1,648,884	115.7%
General and administrative	4,030,621	2,752,892	68.3%
Debt service - interest and principal	10,184,004	5,940,669	58.3%
Overhead cost allocated to capital	(5,197,000)	(2,931,280)	56.4%
<b>Total Operating Expenditures</b>	<b>91,052,555</b>	<b>52,766,913</b>	<b>58.0%</b>
<b>Transfer out to Capital Fund (PayGo)</b>	<b>-</b>	<b>-</b>	
<b>Net Operating Fund Increase(Decrease)</b>	<b>\$ (2,303,992)</b>	<b>\$ (7,252,697)</b>	
<b>Operating Fund Balance</b>			
<b>Opening Fund Balance</b>	<b>\$ 32,619,471</b>	<b>\$ 32,619,471</b>	
Net Operating Fund Increase(Decrease)	(2,303,992)	(7,252,697)	
Transfer (to)/from Rate Stabilization Fund		1,496,000	
Accrual adjustments	398	(2,594,974)	
<b>Ending Fund Balance</b>	<b>\$ 30,315,877</b>	<b>\$ 24,267,800</b>	

## Capital and Fire Flow Funds

Revenues and Expenditures	Budget	Actual as of January 31, 2022	% of Budget
<b>Revenues:</b>			
Customer Reimbursement Project	\$ 710,182	\$ 256,442	36.1%
Interest Income	15,000	1,688	11.3%
<b>Transfer-in from Operating (PayGo)</b>	-	-	
<b>Contributed Capital:</b>			
Fire Flow	4,500,000	2,509,280	55.8%
Capital Maintenance Fee	17,370,793	8,910,364	51.3%
Capital Connection Fee	100,000	188,137	188.1%
Capital Grants & Contribution		178,081	
<b>Total Revenues and Contributed Capital</b>	<b>22,695,975</b>	<b>12,043,991</b>	<b>53.1%</b>
<b>Capital Expenditures:</b>			
Capital Projects - District	32,785,108	11,198,681	34.2%
Capital Projects - Fire Flow	7,660,774	1,717,058	22.4%
Capital equipment purchases	2,272,805	655,860	28.9%
<b>Total Capital and Fire Flow Expenditures</b>	<b>42,718,687</b>	<b>13,571,600</b>	<b>31.8%</b>
<b>Net Capital and Fire Flow Fund Increase(Decrease)</b>	<b>\$ (20,022,712)</b>	<b>\$ (1,527,609)</b>	<b>7.6%</b>
<b>Capital Fund Balance</b>			
<b>Capital Fund</b>			
<b>Opening Fund Balance</b>	<b>\$ 21,061,136</b>	<b>\$ 21,061,136</b>	
Net Capital Fund Increase(Decrease)	(16,861,938)	(1,663,971)	
Transfer (to)/from Rate Stabilization Fund		5,650,000	
Capital equipment purchases		(655,860)	
Accrual adjustments	3,809,223	(123,505)	
<b>Ending Fund Balance</b>	<b>\$ 8,008,421</b>	<b>\$ 24,267,800</b>	
<b>Fire Flow Fund</b>			
<b>Opening Fund Balance</b>	<b>\$ 3,139,821</b>	<b>\$ 3,139,821</b>	
Net Fire Flow Fund Increase(Decrease)	(3,160,774)	792,222	
Accrual adjustments	-	-	
<b>Ending Fund Balance</b>	<b>\$ (20,953)</b>	<b>\$ 3,932,043</b>	

## Fund Balance Summary

	Audited			Projected
	6/30/2019	6/30/2020	6/30/2021	1/31/2022
Restricted	\$ 7,653,646	\$ 6,959,570	\$ 4,418,546	\$ 4,223,760
Board Designated	6,643,705	14,239,307	15,468,957	15,468,957
Watershed Fund	-	-	-	-
Rate Stabilization Fund	9,400,000	9,400,000	9,400,000	2,254,000
Pension Reserve Fund	2,000,000	2,000,000	2,000,000	2,000,000
Fire Flow Fund	(1,363,318)	2,021,206	3,139,821	3,932,044
Capital Fund	23,957,026	25,255,175	21,061,135	24,335,302
<b>Unrestricted/undesignated - Operating</b>	<b><u>27,359,341</u></b>	<b><u>26,162,068</u></b>	<b><u>32,619,471</u></b>	<b><u>24,267,800</u></b>
<b>Total</b>	<b><u>\$ 75,650,400</u></b>	<b><u>\$ 86,037,326</u></b>	<b><u>\$ 88,107,930</u></b>	<b><u>\$ 76,481,862</u></b>

**Months Operating Fund  
Unrestricted - Operating to  
Annualized Actual Expenditure**

	4.19	3.69	3.69	3.19
<b>Debt Coverage Ratio</b>	<b>1.39</b>	<b>2.10</b>	<b>2.81</b>	<b>1.40</b>

As of January 31, 2022	Principal	Interest	Total
<b>2012 Bond</b>	<b>74,415,000</b>	<b>61,612,140</b>	<b>136,027,140</b>
<b>2016 Bond</b>	<b>31,380,000</b>	<b>20,660,288</b>	<b>52,040,288</b>
<b>2017 Bond</b>	<b>33,500,000</b>	<b>25,254,375</b>	<b>58,754,375</b>
<b>Total Bond Debt</b>	<b>139,295,000</b>	<b>107,526,803</b>	<b>246,821,803</b>
<b>CREB</b>	<b>366,750</b>		<b>366,750</b>
<b>AEEP</b>	<b>1,930,238</b>	<b>328,268</b>	<b>2,258,506</b>
<b>LGVSD</b>	<b>4,573,719</b>	<b>1,828,551</b>	<b>6,402,270</b>
<b>Total Other Debt</b>	<b>6,870,707</b>	<b>2,156,819</b>	<b>9,027,526</b>
<b>Total Outstanding Debt</b>	<b>146,165,707</b>	<b>109,683,622</b>	<b>255,849,329</b>

CIP Projects	FY2021/22 Adjusted Budget	Capital Projects YTD Actual Expenditures As of 1/31/22	Encumbered for Contracts As of 1/31/22	Total Capital & Fire Flow As of 1/31/22
District Pipeline Replacement / Improvement	\$ 11,478,382	\$ 5,625,066	\$ 2,044,546	\$ 7,669,612
Replacements - Tank Maintenance & Replacement	\$ 2,822,792	\$ 594,098	\$ 809,021	\$ 1,403,119
Replacements - Treatment Plant Facilities	\$ 7,685,822	\$ 792,270	\$ 4,046,593	\$ 4,838,862
Replacements - Dam/Pump/Control System/Meters	\$ 3,979,054	\$ 2,340,819	\$ 584,245	\$ 2,925,064
Fire Chief's Fund	\$ 143,855	\$ -	\$ -	\$ -
Program Management- Asset Mangement	\$ 1,108,569	\$ 115,509	283,482	\$ 398,992
System Improvements	\$ 200,000	\$ 21,703	\$ -	\$ 21,703
Watershed - Minor Structures I/R/R	36,088	23,695	4,288	\$ 27,983
Watershed - Ranger Residence & Minor Structure Improvement	-	-	-	\$ -
Watershed - Trail Repair and Improvement	100,000	-	100,000	\$ 100,000
Watershed - Road Repair & Improvement	791,970	60,122	38,931	\$ 99,053
Watershed - Natural Resource Project	2,121,563	901,199	687,630	\$ 1,588,830
Reimbursable Grant Projects	1,196,351	207,510	188,220	\$ 395,730
Reimbursable Customer Projects	\$ 779,908	\$ 509,660	\$ 6,061	\$ 515,721
Information Technology - Capital Equipments/Projects	\$ 340,755	\$ 7,030	\$ 66,434	\$ 73,464
Fire Flow Replacement	\$ 7,660,774	\$ 1,717,058	\$ 2,142,315	\$ 3,859,373
Capital Equipment Purchases	\$ 2,272,805	\$ 655,860	\$ 563,528	\$ 1,219,388
Total Capital Projects	\$ 42,718,687	\$ 13,571,600	\$ 11,565,295	\$ 25,136,894