



NOTICE OF FINANCE & ADMINISTRATION COMMITTEE MEETING/ SPECIAL MEETING OF THE 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: June 22, 2023

TIME: 9:30 a.m.

LOCATIONS: This meeting will be held remotely and in-person.
(Director Jed Smith will be participating remotely at another location.)

Open Session	Outside Location for Director Smith
Marin Water Board Room 220 Nellen Avenue Corte Madera, CA 94925	103 Herring Pond Road Plymouth, MA 02360
Remote	
URL: https://us06web.zoom.us/j/81110533069	
Webinar ID: 811 1053 3069 Phone Call: 1-669-444-9171	

EMAILED PUBLIC COMMENTS: Submit your comments in advance of the meeting to 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. 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.

PARTICIPATION DURING THE MEETING:

In-person Attendee: Fill out a speaker card prior and place it next to the Board Secretary. List the number of the agenda item(s), for which you would like to provide a comment. Once you're called, proceed to the lectern to make your comment.

Virtual Attendee: Click on 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 staff will call on you by the last four digits of your phone number.

(Note: The board president may shorten the amount of time for public comment due to large numbers of both in-person and virtual attendees.)

AGENDA ITEMS	RECOMMENDATIONS
Call to Order and Roll Call	
Adoption of Agenda	<i>Approve</i>
Public Comment - Items Not on the Agenda	
<p>Members of the public may comment on any items not listed on the agenda during this time. Comments will be limited to three (3) minutes per speaker, and time limits may be reduced by the board president to accommodate the number of speakers and ensure that the meeting is conducted in an efficient manner.</p>	
Calendar (9:40 a.m. – Time Approximate)	
1. Fiscal Year 2023/24 Annual Insurance Renewal <i>(Approximate Time 20 Minutes)</i>	<i>Review and Refer to Board for Approval</i>
2. Annual Review of Policy No. 33 Investment Policy <i>(Approximate Time 20 Minutes)</i>	<i>Information</i>
3. Monthly Financial Update – May 2023 <i>(Approximate Time 20 Minutes)</i>	<i>Information</i>
4. Adoption of the Proposed Fiscal Year 2023/24 and Fiscal Year 2024/25 <i>(Approximate Time 30 Minutes)</i>	<i>Approve</i>
Adjournment (11:10 a.m. – Time Approximate)	<p>This item was removed from the agenda, because the budget was adopted on 6/20/2023.</p>

ADA NOTICE AND HEARING IMPAIRED PROVISIONS:

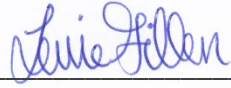
In accordance with the Americans with Disabilities Act (ADA) and California Law, it is Marin Water’s policy to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are an individual with a disability and require 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 Marin Water to make reasonable arrangements to ensure accessibility.

INFORMATION AGENDAS 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)

***MARIN WATER BOARD OF DIRECTORS ORDER OF ROLL CALL:** RANJIV KHUSH, LARRY RUSSELL, MATT SAMSON, MONTY SCHMITT, AND JED SMITH

FUTURE BOARD AND COMMITTEE MEETINGS:

Dates	Meetings
Tuesday, July 11, 2023 6:30 p.m.	<ul style="list-style-type: none">• Board of Directors' Regular Bi-Monthly Meeting



Board Secretary



Item Number: 01
Meeting Date: 06-22-2023
Meeting: Finance &
Administration Committee/
Board of Directors (Finance &
Administration)

Review and Refer to Board

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

FROM: Bret Uppendahl, Finance Director *BU*

THROUGH: Paul Sellier for Ben Horenstein, General Manager *PS*

DIVISION NAME: Administrative Services Division

ITEM: Fiscal Year 2023/24 Annual Insurance Renewal

SUMMARY

The FY 2023/24 annual overall cost for all insurance policies is estimated not to exceed \$1,635,387, an increase of approximately \$268,000 or 20% from last year. All policies except for Excess Workers' Compensation experienced an increase in premium from last year. The largest premium amounts are for Property and Liability insurance, which increased by 41% and 12%, respectively, and account for \$266,613 of the overall increase in premium costs.

The premium for Liability, including Excess Liability for total coverage limit of \$25 million, is quoted to be \$846,376, an increase of \$93,746. The premium for the Property Insurance is expected to be \$596,888, an increase of \$172,868, as California continues to face an unprecedented increase in wildfire losses as fires continue to increase in size and frequency.

DISCUSSION

All of the District's existing insurance policies are due for renewal on July 1, 2023.

The recommended coverage was developed with staff utilizing the expertise of the District's insurance broker, Alliant Insurance Services Inc. (Alliant). Alliant obtained quotes from underwriters and negotiated the premium and coverage on behalf of the District. For the brokerage services provided by Alliant, the District will pay an annual fee of \$67,250. Our contract with Alliant requires that they fully disclose and rebate to the District on any commissions they may earn from purchased policies.

The draft summary comparison of the premium and coverage from FY 2022/23 to FY2023/24 is attached to the report and some terms and conditions are to be determined once the District receives formal quotes.

Excess Liability

The recommended insurance policies include Terrorism Risk Insurance Act (TRIA) coverage, which covers foreign and domestic terrorist acts, and coverage for liabilities related to dam failure, inverse condemnation, employment practices, automobile accidents, public officials and law enforcement.

The proposed 2023/24 premium for a \$10 million policy limit with SIR amount of \$500,000 from Great American Insurance Company, the current incumbent carrier, is \$579,757, an increase of \$63,427 or 12% from the previous year. The 2nd layer of \$5 million in Excess Liability limit is from a new carrier, Starstone Specialty Insurance Company, with a proposed premium of \$140,816, an increase of \$16,018 or 13% from the previous year. The 3rd layer of \$10 million in Excess Liability limit is from the current incumbent, Gemini Insurance, with a proposed premium of \$125,804, an increase of \$14,301 or 13% from the previous year.

The premium costs are significantly increasing as the market has been experiencing a dramatic increase in claims over the past 3 to 5 years, and some of carriers are no longer doing businesses in California.

Excess Workers' Compensation

This policy provides Workers' Compensation insurance up to \$1 million for the employer's liability and coverage per State of California statutory limits. The proposed coverage is from the current incumbent, Arch Insurance Company and the quoted premium is \$108,923, a decrease of \$2,867 or -3% from the previous year. This policy has a self-insured retention (SIR) of \$750,000 for workers compensation claims for all employees except claims related to District rangers and the vanpool program. The SIR for claims for District rangers and the vanpool program is \$1.5 million.

All Risk Property

The types of losses covered under this policy are for physical loss or damage to real and personal property from fire, theft, vandalism, and equipment breakdowns. The policy provides coverage for replacement cost for insured events. Due to the nature of the District facilities, this type of insurance is limited in the number of underwriters who will offer coverage.

The recommended premium for FY 2023/24 is \$596,888, which is an increase of \$172,868 or 41% from the prior year. The policy provides All Risk limit of \$200 million, boiler and machinery limit of \$100 million and a flood limit of \$10 million. The policy does not provide earthquake coverage, and has limits on flood losses based on flood zones. The proposed premium is from the current incumbent, Alliant Property Insurance Program (APIP) a licensed California carrier.

Automobile Physical Damage

This coverage is for physical damage to automobiles and equipment owned and or used for District operations. The policy will provide replacement cost of a like kind and quality automobile or equipment with a total coverage limit of \$11.2 million with a deductible amount of \$25,000. The 2023/24 proposed premium is \$32,431 from Hanover Insurance, an increase of \$2,191 or 7% from the policy cost last year.

Aviation Insurance Policy

The policy is to cover the District's five drone operations. The coverage is up to \$1 million with a 5% deductible. The FY 2023/24 proposed premium is \$3,031, an increase of \$23 or 1% from the prior year.

Cyber and Privacy Liability

The coverage for the 2023/24 is from the current incumbent, Cowbell Underwriting Managers with a proposed premium of \$23,355, an increase of \$1,094 or 5% from last year. The policy covers losses due to privacy or security breaches, privacy regulatory claims related to customer and employee confidential information, cyber threats and or extortion, digital asset restoration, and business income loss. The policy would pay claims and recovery costs after the self-retention amount of \$50,000 per claim.

Pollution Policy

The current incumbent, Indian Harbor Insurance Company, proposed premium is \$20,487, an increase of \$583 or 3% from last year. The policy will have a deductible amount of \$25,000 and \$1 million coverage.

Crime Policy

The current incumbent, National Union Fire Insurance Company proposed premium is \$3,896, an increase of \$186 or 5% from last year. The policy's \$3 million coverage includes employee theft, forgery or alterations, theft of money and securities, computer fraud, funds transfer fraud and money order and counterfeit money and has a deductible amount of \$2,500.

FISCAL IMPACT

The FY 2023/24 cost for the annual insurance premiums is estimated to be \$1,635,387. The budgeted amount for insurance premiums for FY 2023/24 is \$1,748,000.

ATTACHMENT(S)

1. Summary Comparison of Premium and Coverage FY 2022/23 to FY 2023/24
2. Insurance Proposal for FY 2023/24

MARIN MUNICIPAL WATER DISTRICT 7/1/2023-2024 INSURANCE PROGRAM PREMIUM

LINE OF COVERAGE / LIMITS	LIMITS	SIR / DEDUCTIBLE	INSURANCE COMPANY	22/23 EXPIRING PREMIUM	23/24 RENEWAL PREMIUM
Liability - 1st Layer	\$10,000,000	\$500,000 SIR	ANML/ Great American	\$516,330	\$579,757
Excess Liability - 2nd Layer	\$5,000,000	\$5M Underlying	Starstone Specialty	\$124,798	\$140,816
Excess Liability - 3rd Layer	\$10,000,000	\$15M Underlying	Berkley/ Gemini Ins. Co.	\$111,503	\$125,804
Excess Workers' Compensation	Statutory Workers Compensation Limits \$1,000,000	\$750,000 Each Accident \$750,000 Disease, Each Employee \$1,500,000 Vanpooling \$1,500,000 Presumptive Claims	Arch Insurance Company	\$111,790	\$108,923
Property	\$200,000,000 Per Occurrence Fully Appraised Values Full Total Insured Value (TIV) = \$502,191,464	\$1M	Alliant Property Ins. Program (APIP)	\$424,020	\$596,888
Inland Marine - Equipment and Auto Physical Damage	Per Scheduled Values	\$25,000 Ded	Hanover	\$30,240	\$32,431
Aviation Unmanned Aircraft Systems (UAS) Drone Liability and Physical Damage	\$1,000,000 Per Schedule - \$18,246 Total	5% In Motion 5% Not in Motion	American Alternative Ins National Indemnity Co Tokio Marine America Ins Co	\$3,008	\$3,031
Cyber	\$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$50,000 Each Claim	Cowbell Underwriting Managers/ Obsidian Specialty Ins. Co.	\$22,261	\$23,355
Pollution	\$1,000,000 \$500,000	\$25,000 Ded	Indian Harbor Insurance Company	\$19,904	\$20,487
Crime	\$3,000,000	\$2,500 Ded	National Union Fire Insurance Co	\$3,710	\$3,896

\$1,367,563 \$1,635,387



Marin Municipal Water District



Property and Liability Insurance Proposal

Presented by Seth Cole
 Senior Vice President

 Matt McManus
 Senior Vice President

 Fred Godfrey
 Assistant Vice
 President

Date Presented June 16, 2023

Alliant Insurance Services, Inc.
560 Mission Street, 6th Floor
San Francisco, CA 94105
O 415 403 1400

CA License No. 0C36861

www.alliant.com

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Alliant Advantage

	Alliant	Competition
90 years of leadership in meeting the insurance needs of businesses and public entities across the US.	✓	
National presence with best-in-class resources and expertise.	✓	
Privately owned and operated.	✓	
Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship.	✓	
A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health.	✓	
A diverse team of industry specialists who understand the unique needs of your business.	✓	
Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing	✓	
State-licensed support staff.	✓	
A full-service approach that includes risk management services to help identify hazards and present options.	✓	
Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

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Senior Vice President

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Named Insured

Marin Municipal Water District

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Premium Summary

Coverage	Expiring Premium*		Renewal Premium*	
ANML Excess Liability – \$10M	\$	516,329.56	\$	579,756.65
Excess Liability Coverage - \$5M xs \$10M	\$	124,798.28	\$	140,815.94
Excess Liability Coverage - \$10M xs \$15M	\$	111,502.58	\$	125,803.58
Excess Workers Compensation and Employers Liability	\$	111,790.00	\$	108,923.00
Property	\$	424,020.38	\$	596,887.77
Inland Marine	\$	30,240.00	\$	32,431.00
Cyber Liability	\$	22,260.78	\$	23,355.98
Crime	\$	3,710.00	\$	3,896.00
Pollution Liability	\$	19,903.50	\$	20,486.72
Drone & Hull Liability	\$	3,008.00	\$	3,031.00
TOTAL	\$	1,367,136.08	\$	1,635,387.64

*Includes charges for Terrorism and Tax & Fees where applicable.

Payment Terms

- Premium is due within 30 days of policy inception
- Agency Bill
- Payment Plan: Annual

ANML Excess Liability Coverage – \$10M

	Present Coverage	Proposed Coverage
Insurance Company	Alliant National Municipal Liability Program (ANML) - Great American E&S Insurance Company	Alliant National Municipal Liability Program (ANML) - Great American E&S Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 3, 2021	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 16, 2022
Standard & Poor's Rating	A+ (Strong) as of February 17, 2022	A+ (Strong) as of February 23, 2023
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	2480081-01	TBD

Coverage Form	Special Excess Liability Policy For the Alliant National Municipal Liability Program (ANML) - PSD PEL 001 05/18 - Occurrence	Special Excess Liability Policy For the Alliant National Municipal Liability Program (ANML) - PSD PEL 001 04/23 - Occurrence
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Limits

Each Occurrence Limit	\$ 10,000,000	\$ 10,000,000
Personal & Advertising Injury Limit	\$ 10,000,000	\$ 10,000,000
Damages to Premises Rented to You	\$ Included	\$ Included
General Aggregate Limit	\$ 40,000,000 Other than Prod/Comp Ops	\$ 40,000,000 Other than Prod/Comp Ops
Products/Completed Operations Aggregate	\$ 10,000,000	\$ 10,000,000
Employee Benefits Liability	Included	Included
Auto Liability	Included	Included
Public Officials & Employment Practices	Included	Included
Law Enforcement Liability	Included	Included

ANML Excess Liability Coverage – \$10M - Continued

	Present Coverage	Proposed Coverage
Self-Insured Retention	\$ 500,000	\$ 500,000
Defense Inside/Outside the Limit	Inside the Limit / Inside the Retention	Inside the Limit / Inside the Retention
Who has the Duty to Defend	Insured	Insured
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Surplus Lines Notification • Blanket Additional Insured Endorsement (Primary/ Non-contributory) • Dam Exclusion Removed for Scheduled Dams: <ul style="list-style-type: none"> • Lagunitas Dam • Phoenix Dam • Alpine Dam • Bon Tempe Dam • Peters (Kent) Dam • Seeger (Nicasio) Dam • Soulajule Dam • Defense of Employment Practices Liability Claims Endorsement • Amended Employment Practices Liability Condition (Claim notice for EPL claim/ suit that has entered civil litigation) • Subsidence Exclusion Removed • Cap on Losses from Certified Acts of Terrorism • Inverse Condemnation - Exclusion Removed • Blanket Waiver of Subrogation Endorsement (where required by contract) 	<ul style="list-style-type: none"> • Surplus Lines Notification • Blanket Additional Insured Endorsement (Primary/ Non-contributory) • Dam Extension <ul style="list-style-type: none"> • Lagunitas Dam • Phoenix Dam • Alpine Dam • Bon Tempe Dam • Peters (Kent) Dam • Seeger (Nicasio) Dam • Soulajule Dam • Defense Cost Endorsement – Employment Practices Liability Claims • Amended Employment Practices Liability Condition (Claim notice for EPL claim/ suit that has entered civil litigation) • Subsidence Exclusion Removed • Cap on Losses from Certified Acts of Terrorism • Eminent Domain and Inverse Condemnation Coverage • Blanket Waiver of Subrogation Endorsement (where required by contract)

ANML Excess Liability Coverage – \$10M - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions – Continued (including but not limited to)	<ul style="list-style-type: none"> • Organic Pathogen Exclusion • PFAS (Perfluoralkyl or Polyfluoroalkyl Substances) Exclusion • Silica Exclusion • War Exclusion • Condemnation Exclusion • Exclusion - Access of Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception • \$5,000,000 Any One Occurrence / \$5,000,000 Annual Aggregate sublimit shall apply to any liability arising out of lead in respects to potable water 	<ul style="list-style-type: none"> • Organic Pathogen Exclusion • PFAS (Perfluoralkyl or Polyfluoroalkyl Substances) Exclusion • Silica Exclusion • War Exclusion • Global Sanctions Endorsement • General Service of Suit • Cyber Exclusion • Nuclear Biological Chemical and Radiological Excluded • Lead is excluded in policy
Total Cost Excluding TRIA	Not Applicable	\$ 579,504.00 Premium \$ -57,950.40 Commission Rebate to Insured \$ 17,385.12 CA Surplus Lines Taxes (3%) \$ 1,043.11 CA Stamping Fees (0.18%) <u>\$ 28,975.20 AmWins Fee</u> \$ 568,957.03 Total Cost
Total Cost Including TRIA	\$ 515,736.00 Premium \$ 10,315.00 TRIA Premium \$ -52,605.10 Commission Rebate to Insured \$ 15,781.53 CA Surplus Lines Taxes (3%) \$ 1,315.13 CA Stamping Fees (0.25%) <u>\$ 25,787.00 AmWins Fee</u> \$ 516,329.56 Total Cost	\$ 579,504.00 Premium \$ 11,590.08 TRIA Premium \$ -59,109.42 Commission Rebate to Insured \$ 17,732.82 CA Surplus Lines Taxes (3%) \$ 1,063.97 CA Stamping Fees (0.18%) <u>\$ 28,975.20 AmWins Fee</u> \$ 579,756.65 Total Cost

ANML Excess Liability Coverage – \$10M - Continued

	Present Coverage	Proposed Coverage
Great American Claims Servicing Organization and Claims Reporting Requirements	Per Current Policy	See Next Page
Minimum Earned Premium	25%	25%
Policy Auditable	Not Auditable	Not Auditable
Quote Valid Until	No Longer Applicable	June 30, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

Named Insureds are covered for all operations. Additional Insureds are only covered with respect to their interest in your operations. See each individual policy for details

See Disclaimer Page for Important Notices and Acknowledgment

ANML Excess Liability Coverage – \$10M - Continued

Great American E&S Insurance Company Claims Servicing Organization and Claims Reporting Conditions:

H. CLAIMS SERVICING ORGANIZATION

1. You shall designate the Retained Limit Claims Servicing Organization shown on the Policy Declarations to perform the following services for claims or **suits** seeking **damages** against an **insured** to which this policy may apply, regardless of the application of any **retained limit**.
 - (a) Defense and investigation of all claims or **suits**;
 - (b) Maintain accurate records of all details incident to claims payments; and
 - (c) Furnish monthly claims records to **you**.
2. Within forty-five (45) days after the end of the policy term, you must give the **Company** a listing of all existing claims or **suits** within the **retained limit** amounts. Quarterly thereafter, **you** are required to provide the **Company** with an updated listing of the status of all claims or **suits**, both paid and reserve, until all claims or **suits** for the reporting period are closed or settled. However, the failure of a Claims Servicing Organization to meet the time frame outlined in this paragraph shall not relieve the **Company** of any obligations hereunder.
3. In the event of cancellation, expiration or revision of the servicing contract between **you** and the Retained Limits Claims Servicing Organization, you shall notify us within ten (10) days of the effective date of such cancellation, expiration or revision.
4. You must notify the **Company** immediately of any change in the Retained Limit Claims Servicing Organization and **we** reserve the right to approve any new Claim Administrator. **You** (or **your** Retained Limit Claims Servicing Organization) must provide **us** with loss runs on a quarterly basis.

Excess Liability Coverage - \$5M excess \$10M

	Present Coverage - Hallmark	Proposed Coverage - StarStone
Insurance Company	Hallmark Specialty Insurance Company	StarStone Specialty Insurance Company
A.M. Best Rating	A- (Excellent), Financial Size Category: VIII (\$100 Million to \$250 Million) as of November 16, 2021	A- (Excellent), Financial Size Category: XII (\$1 Billion to \$1.25 Billion) as of August 4, 2022
Standard & Poor's Rating	Not Rated	Not Rated
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	77PEF220192	TBD

Coverage Form

Commercial Excess Liability Policy –
PE 00 02 04 17 - Occurrence

Commercial Excess Liability Policy –
SSS EXS PE POL 0001 CW 05 23 - Occurrence

Limits

Each Occurrence \$ 5,000,000
Aggregate, where applicable \$ 10,000,000

\$ 5,000,000
\$ 10,000,000

Underlying Coverages & Limits

Excess Liability
Carrier: Great American E&S Insurance Company
Limits of Liability: \$ 10,000,000 Each Occurrence
\$ 10,000,000 Completed Operations Hazard Annual Aggregate
\$ 40,000,000 Policy Aggregate Limit
Self-Insured Retention \$ 500,000

Excess Liability
Carrier: Great American E&S Insurance Company
Limits of Liability: \$ 10,000,000 Each Occurrence
\$ 10,000,000 Completed Operations Hazard Annual Aggregate
\$ 40,000,000 Policy Aggregate Limit
\$ 500,000

Followed Policy Bodily Injury/Property Damage,
Public Officials E&O, Employment Practices
Liability, or Personal Injury

Followed Policy Bodily Injury/Property Damage,
Public Officials E&O, Employment Practices
Liability, or Personal Injury

Excess Liability Coverage - \$5M excess \$10M – Continued

	Present Coverage - Hallmark	Proposed Coverage - StarStone
Defense Inside/Outside the Limit	Inside the Limit	Inside the Limit
Who has the Duty to Defend	Insured	Insured
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Schedule of Underlying Insurance • Exclusion – Access or Disclosure of Confidential or Personal Information and Data-Related Liability • Asbestos Exclusion • Claim Reporting • Exclusion – Communicable Disease • Exclusion – Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) • Fungi or Bacteria Exclusion • Lead Exclusion • Service of Suit • Surplus Lines Notification • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Privacy Policy Disclosure Notice • Cap on Losses from Certified Acts of Terrorism • Policyholder Disclosure Notice of Terrorism Insurance Coverage • Exclusion of Punitive Damages Related to a Certified Act of Terrorism 	<ul style="list-style-type: none"> • Schedule of Underlying Insurance • Access or Disclosure of Confidential or Personal Information and Data-Related Liability • Asbestos Exclusion • Claim Reporting • Communicable Disease • Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) • Fungi or Bacteria Exclusion • Lead Exclusion • Service of Suit • CA Surplus Lines Notice (D-2) • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Privacy Policy Disclosure Notice • Cap on Losses from Certified Acts of Terrorism • Policyholder Disclosure Notice of Terrorism Insurance Coverage • Disclosure Pursuant to Terrorism Risk Insurance Act • Nuclear Energy Liability Exclusion Endorsement

Excess Liability Coverage - \$5M excess \$10M – Continued

	Present Coverage - Hallmark	Proposed Coverage - StarStone
Total Cost Excluding TRIA	Not Applicable	\$ 133,800.00 Premium \$ 4,014.00 CA Surplus Lines Taxes (3%) \$ 240.84 CA Stamping Fees (0.18%) \$ 138,054.84 Total Cost
Total Cost Including TRIA	\$ 118,500.00 Premium \$ 2,370.00 TRIA Premium \$ 3,626.10 CA Surplus Lines Taxes (3%) \$ 302.18 CA Stamping Fees (0.25%) \$ 124,798.28 Total Cost	\$ 133,800.00 Premium \$ 2,676.00 TRIA Premium \$ 4,094.28 CA Surplus Lines Taxes (3%) \$ 245.66 CA Stamping Fees (0.18%) \$ 140,815.94 Total Cost
Minimum Earned Premium	25%	25%
Policy Auditable	Not Auditable	Not Auditable
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Excess Liability Coverage - \$10M excess \$15M

	Present Coverage	Proposed Coverage
Insurance Company	Gemini Insurance Company	Gemini Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of May 27, 2021	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of June 1, 2023
Standard & Poor's Rating	A+ (Strong) as of February 24, 2022	A+ (Strong) as of February 22, 2023
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	CEX09603221-04	TBD

Coverage Form	Commercial Excess Liability Coverage Form – CX 00 01 04 13 - Occurrence	Commercial Excess Liability Coverage Form – CX 00 01 04 13 - Occurrence
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Limits

Each Occurrence	\$ 10,000,000	\$ 10,000,000
Aggregate Limit	\$ 10,000,000	\$ 10,000,000

Underlying Coverages & Limits

Excess Liability

Carrier	Hallmark Specialty Insurance Company	StarStone Specialty Insurance Company
Limit	\$ 5,000,000 Each Occurrence \$ 10,000,000 Aggregate Limit where applicable	\$ 5,000,000 Each Occurrence \$ 10,000,000 Aggregate Limit where applicable

Excess Liability Coverage - \$10M excess \$15M - Continued

	Present Coverage	Proposed Coverage
Underlying Coverages & Limits – Continued		
Special Excess Liability Policy for ANML		
Carrier	Great American E&S Insurance Company	Great American E&S Insurance Company
Limit	\$ 40,000,000 Policy Aggregate	\$ 40,000,000 Policy Aggregate
	\$ 10,000,000 Completed Operations Hazard Annual Aggregate	\$ 10,000,000 Completed Operations Hazard Annual Aggregate
	\$ 10,000,000 Any One Occurrence	\$ 10,000,000 Any One Occurrence
	\$ 500,000 Underlying	\$ 500,000 Underlying
	\$ 500,000	\$ 500,000
Self-Insured Retention	\$ 500,000	\$ 500,000
Defense Inside/Outside the Limit	Inside the Limit	Inside the Limit
Who has the Duty to Defend	Insured	Insured
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Claim Notice • Service of Suit – California • Schedule of Underlying Policies • Asbestos Exclusion • War Exclusion • Nuclear Energy Liability Exclusion • Endorsement • Aggregate Drop-Down Exclusion • Cyber Liability Exclusion • Exclusion – Fungi or Bacteria • Exclusion – Silica or Silica Related Dust • Exclusion – Violation of Information Statutes • Financial Services Exclusion 	<ul style="list-style-type: none"> • Claim Notice • Service of Suit – California • Schedule of Underlying Policies • Asbestos Exclusion • War Exclusion • Nuclear Energy Liability Exclusion • Endorsement • Aggregate Drop-Down Exclusion • Cyber Liability Exclusion • Exclusion – Fungi or Bacteria • Exclusion – Silica or Silica Related Dust • Exclusion – Violation of Information Statutes • Financial Services Exclusion

Excess Liability Coverage - \$10M excess \$15M - Continued

Endorsement & Exclusions – Continued (including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Lead Exclusion • Restrictive as Underlying Endorsement • Sub-Limited Coverage Exclusion • Issuance Prior to Receipt of Underlying Endorsement • Policy Aggregate Amendment of Limits of Liability Endorsement • Unimpaired Aggregate Limit Endorsement • Nuclear, Biological, Chemical, or Radiological Terrorism Exclusion • Exclusion – Access or Disclosure of Confidential or Personal Information and Data Related Liability • Exclusion – Communicable Disease • Policyholder Disclosure Notice of Terrorism Insurance Coverage • Exclusion of Other Acts of Terrorism Committed Outside of US; Cap on Losses from Certified Acts of Terrorism • Exclusion of Punitive Damages Related to a Certified Act of Terrorism • Common Policy Conditions • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Exclusion-Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) 	<ul style="list-style-type: none"> • Lead Exclusion • Restrictive as Underlying Endorsement • Sub-Limited Coverage Exclusion • Issuance Prior to Receipt of Underlying Endorsement • Policy Aggregate Amendment of Limits of Liability Endorsement • Unimpaired Aggregate Limit Endorsement • Nuclear, Biological, Chemical, or Radiological Terrorism Exclusion • Exclusion – Access or Disclosure of Confidential or Personal Information and Data Related Liability • Exclusion – Communicable Disease • Policyholder Disclosure Notice of Terrorism Insurance Coverage • Exclusion of Other Acts of Terrorism Committed Outside of US; Cap on Losses from Certified Acts of Terrorism – If TRIA Accepted • Exclusion of Punitive Damages Related to a Certified Act of Terrorism - If TRIA Accepted • Common Policy Conditions • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Exclusion-Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) • Exclusion of Certified Acts of Terrorism and Exclusion of Other Acts of Terrorism Committed Outside the United States – if TRIA Rejected

Excess Liability Coverage - \$10M excess \$15M - Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA	Not Applicable	\$ 133,800.00 Premium \$ -14,718.00 Commission Rebate to Insured \$ 4,014.00 CA Surplus Lines Taxes (3%) \$ 240.84 CA Stamping Fees (0.18%) \$ 123,336.84 Total Cost
Total Cost Including TRIA	\$ 118,500.00 Premium \$ 2,370.00 TRIA Premium -\$ 13,295.70 Commission Rebate to Insured \$ 3,626.10 CA Surplus Lines Taxes (3%) \$ 302.18 CA Stamping Fees (0.25%) \$ 111,502.58 Total Cost	\$ 133,800.00 Premium \$ 2,676.00 TRIA Premium \$ -15,012.36 Commission Rebate to Insured \$ 4,094.28 CA Surplus Lines Taxes (3%) \$ 245.66 CA Stamping Fees (0.18%) \$ 125,803.58 Total Cost
Minimum Earned Premium	25%	25%
Policy Auditable	Not Auditable	Not Auditable
Conditions	Cancellation term is 30 days. Term is 10 days for non-payment of premium	Cancellation term is 30 days. Term is 10 days for non-payment of premium
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

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Excess Workers Compensation and Employers Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Arch Insurance Company	Arch Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 10, 2021	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of March 16, 2023
Standard & Poor's Rating	A+ (Strong) as of June 25, 2021	A+ (Strong) as of June 13, 2023
California Status	Admitted	Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	WCX 0065288 02	TBD

Coverage Form

Specific Excess Workers Compensation and Employers Liability Insurance Policy – 00 GL0401 00 (01 08)

Specific Excess Workers Compensation and Employers Liability Insurance Policy – 00 GL0401 00 (01 08)

Limits

Part One - Excess Workers Compensation Insurance

Each Accident	Statutory	Statutory
Disease, Each Employee	Statutory	Statutory

Part Two – Excess Employers Liability Insurance

Each Accident	\$ 1,000,000	\$ 1,000,000
Disease, Each Employee	\$ 1,000,000	\$ 1,000,000
Aggregate	\$ 1,000,000	\$ 1,000,000

Excess Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage		Proposed Coverage	
Retained Limits				
Each Accident	\$ 750,000	All Other Employees	\$ 750,000	All Other Employees
	\$ 1,500,000	Vanpooling	\$ 1,500,000	Vanpooling
	\$ 1,500,000	Presumptive Claims	\$ 1,500,000	Presumptive Claims
Disease, Each Employee	\$ 750,000	All Other Employees	\$ 750,000	All Other Employees
	\$ 1,500,000	Vanpooling	\$ 1,500,000	Vanpooling
	\$ 1,500,000	Presumptive Claims	\$ 1,500,000	Presumptive Claims
Basis of Premium	.3798 per \$100 of Payroll based on \$29,433,805		.3798 per \$100 of Payroll based on \$28,678,929	
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Split Retained Limit Endorsement • Losses Redefined to Include Allocated Loss Adjustment Expenses Endorsement • California Volunteer Coverage – Excess Voluntary Compensation and Employers Liability Coverage Endorsement • Waiver of Our Right to Recover from Others Endorsement • California Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement • California Amendatory Endorsement 		<ul style="list-style-type: none"> • Split Retained Limit Endorsement • Losses Redefined to Include Allocated Loss Adjustment Expenses Endorsement • California Volunteer Coverage – Excess Voluntary Compensation and Employers Liability Coverage Endorsement • Waiver of Our Right to Recover from Others Endorsement • California Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement • California Amendatory Endorsement 	
Total Cost Including TRIA	\$ 108,436.00	Minimum and Deposit Premium	\$ 105,655.00	Minimum and Deposit Premium
	\$ 3,354.00	TRIA Premium	\$ 3,268.00	TRIA Premium
	\$ 111,790.00	Total Cost	\$ 108,923.00	Total Cost

Excess Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA	Not Applicable	Not Applicable
Policy Auditable	Yes	Yes
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

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Property Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Lexington Insurance Company	Berkshire Hathaway Specialty Insurance (BHSI)
A.M. Best Rating	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of October 7, 2021	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of February 3, 2023
Standard & Poor's Rating	A+ (Strong) as of March 29, 2022	A++ (Strong) as of September 29, 2022
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	APIP2022	TBD

Coverage Form PEPUP USA Form No.17 Master Policy Wording PEPUP USA Form TBD - Master Policy Wording

Total Insured Values \$ 463,339,757 as of March 8, 2023 \$ 502,191,464 as of June 6, 2023

Coverages and Limits

All Risk Limit \$ 200,000,000 \$ 200,000,000

Boiler & Machinery Limit \$ 100,000,000 \$ 100,000,000

Flood Limit \$ 10,000,000 \$ 10,000,000

Money & Securities \$ 500,000 \$ 500,000

Added exclusion for fraudulent impersonation, fraudulent instruction or similar events

Course of Construction \$ 25,000,000 \$ 25,000,000

No additional premium for projects <\$15,000,000

Property Coverage - Continued

	Present Coverage	Proposed Coverage
Limits - Continued:		
Automatic Acquisition	\$25,000,000 for TIV ≥ \$500,000,000 \$10,000,000 for TIV ≤ \$500,000,000 \$10,000,000 for Vacant Buildings Sub-limit	\$50,000,000 for TIV ≥ \$50,000,000 Policy Limit for TIV ≤ \$50,000,000 \$5,000,000 for Vacant Buildings Sub-limit
Misc. Unnamed Location	\$25,000,000 for TIV ≥ \$500,000,000 \$10,000,000 for TIV ≤ \$500,000,000 \$10,000,000 for Vacant Buildings Sub-limit	\$10,000,000 for TIV ≥ \$250,000,000 \$5,000,000 for TIV ≤ \$250,000,000 \$2,500,000 for Vacant Buildings Sub-limit
Transit:	\$ 25,000,000 Physical Damage only, no BI/Business Interruption	\$ 25,000,000 Physical Damage only, no BI/Business Interruption
Deductible:		
All Risk	\$ 1,000,000	\$ 1,000,000
Boiler & Machinery	\$ 25,000	\$ 25,000
Flood	\$ 1,000,000	\$ 1,000,000
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Seepage & Contamination • Cost of Clean-up for Pollution • Mold 	<ul style="list-style-type: none"> • Seepage & Contamination • Cost of Clean-up for Pollution • Mold

Property Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost	\$ 402,900.00 Property Premium \$ 6,927.00 Excess Boiler Premium \$ 874.00 ABS Fee \$ 12,319.38 <u>Surplus Lines Tax & Fee</u> \$ 424,020.38 Total Cost	\$ 565,818.00 Property Premium \$ 7,508.00 Excess Boiler Premium \$ 5,330.00 ABS Fee \$ 18,231.77 <u>Surplus Lines Tax & Fee</u> \$ 596,887.77 Total Cost
Minimum Earned Premium	25%	25%
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

*Property Co-insurance: Most property insurance policies contain a co-insurance clause. In exchange for a reduced rate, the insured agrees to carry at least the stated percentage of insurance to the total insurable value of the property. If, at the time of loss, the amount of insurance carried is less than this percentage, the loss payment will be reduced proportionately.

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Inland Marine Coverage

	Present Coverage	Proposed Coverage
Insurance Company	The Hanover Insurance Company	The Hanover Insurance Company
A.M. Best Rating	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of June 17, 2021	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of June 21, 2022
Standard & Poor's Rating	A (Strong) as of August 10, 2021	A (Strong) as of August 2, 2022
California Status	Admitted	Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	IHF H650273 01	TBD

Coverage Form

Scheduled Property Floater AAIS IM 7500
 Scheduled Vehicle Physical Damage Floater Coverage Form - IM441-1075 01 09
 Contractor's Equipment Coverage - IM441-1471

Scheduled Property Floater AAIS IM 7500
 Scheduled Vehicle Physical Damage Floater Coverage Form - IM441-1075 01 09
 Contractor's Equipment Coverage - IM441-1471

Perils Excluded

- Civil Authority;
- Nuclear Hazard;
- Sewer Backup and Water Below the Surface;
- War and Military Action;
- Contamination or Deterioration;
- Criminal, Fraudulent, Dishonest, Or Illegal Acts;
- Electrical Currents;
- Explosion Rupture, or Bursting;
- Loss of Use;
- Mechanical Breakdown;
- Missing Property;

- Civil Authority;
- Nuclear Hazard;
- Sewer Backup and Water Below the Surface;
- War and Military Action;
- Contamination or Deterioration;
- Criminal, Fraudulent, Dishonest, Or Illegal Acts;
- Electrical Currents;
- Explosion Rupture, or Bursting;
- Loss of Use;
- Mechanical Breakdown;
- Missing Property;

Inland Marine Coverage - Continued

	Present Coverage		Proposed Coverage	
Perils Excluded - Continued	<ul style="list-style-type: none"> • Pollutants; • Temperature/Humidity; • Theft from An Unattended Vehicle; • Voluntary Parting; • Wear and Tear. 		<ul style="list-style-type: none"> • Pollutants; • Temperature/Humidity; • Theft from An Unattended Vehicle; • Voluntary Parting; • Wear and Tear. 	
Coverages and Limits				
Boats, Motor & Trailers				
Perils Covered - All Risk Subject to Perils Excluded				
Described Property - Boats, Motors & Trailers	\$	96,053	\$	100,724
Additional Debris Removal Expenses	\$	5,000	\$	5,000
Newly Acquired Property	\$	15,000	\$	15,000
Pollutant Cleanup and Removal	\$	10,000	\$	10,000
Flood	\$	96,053	\$	100,724
		per occurrence and annual aggregate		per occurrence and annual aggregate
Earthquake	\$	96,053	\$	100,724
		per occurrence and annual aggregate		per occurrence and annual aggregate
Auto Physical Damage				
Perils Covered - All Risk Subject to Perils Excluded				
Insured's Vehicles and Vehicles Insured Have Leased from Others Under A Written Lease Contract				
Catastrophe Limit – Aggregate in any One occurrence for all Vehicles	\$	10,000,000	\$	10,000,000

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Coverages and Limits - Continued		
Additional Debris Removal Expenses	\$ 50,000	\$ 50,000
Newly Acquired and substitute Vehicles	\$ 1,000,000	\$ 1,000,000
Number of Days	365 days	365 days
Pollutant Cleanup and Removal	\$ 25,000	\$ 25,000
Towing and Labor Costs	\$ 25,000	\$ 25,000
Rental Reimbursement	\$ 500 Per day/ \$10,000 Max	\$ 500 Per day/ \$10,000 Max
Scheduled Vehicles:	Scheduled Vehicles on File – Schedule Dated: 2/18/22	Scheduled Vehicles on File – Schedule Dated: 5/31/2023
Total Insured Value of Vehicles:	\$ 8,345,068	\$ 8,661,641
Contractors Equipment		
Perils Covered - "all risk" subject to policy form terms, conditions, and exclusions.		
Contractor's Equipment per Schedule Submitted	\$ 2,636,036	\$ 2,445,191
Unscheduled Contractor's Equipment		
Unscheduled Contractor's Equipment Limit of Insurance	\$ 25,000	\$ 25,000
Unscheduled Maximum Limit Per Any One Item	\$ 2,500	\$ 2,500
Newly Acquired Contractor's Equipment		
Maximum Limit Per Any One Item	\$ 1,000,000	\$ 1,000,000

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Coverages and Limits - Continued		
Business Personal Property	\$ 25,000	\$ 25,000
Continuing Rental or Lease Expense	\$ 25,000	\$ 25,000
Contract Penalty	\$ 25,000	\$ 25,000
Debris Removal - Additional Limits	\$ 100,000	\$ 100,000
Employee Tools and Work Clothing		
Any One Occurrence	\$ 10,000	\$ 10,000
Any One Item	\$ 2,500	\$ 2,500
Engine Emissions Green Coverage		
Any One Occurrence	\$ 5,000	\$ 5,000
Any One Policy Period	\$ 10,000	\$ 10,000
Equipment Borrowed from Others	\$ 50,000	\$ 50,000
Equipment Leased and Rented from Others	\$ 50,000	\$ 50,000
Equipment Leased or Rented to Others	\$ 500,000	\$ 500,000
Equipment Loaned to Others	\$ 500,000	\$ 500,000
Expediting Expense	\$ 25,000	\$ 25,000
Extended Warranties	\$ 5,000	\$ 5,000
False Pretense	\$ 500,000	\$ 500,000
Fire and Police Department Service Charges	\$ 50,000	\$ 50,000
Fire Suppression Equipment	\$ 50,000	\$ 50,000
Hauling Property of Others as a Carrier for Hire	\$ 200,000	\$ 200,000
Installation or Rigging Property	\$ 25,000	\$ 25,000

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Coverages and Limits - Continued		
Loss Adjustment Expenses	\$ 5,000	\$ 5,000
Pollutant Clean Up and Removal	\$ 100,000	\$ 100,000
Preservation of Property	\$ 5,000	\$ 5,000
Rental Reimbursement	\$ 100,000	\$ 100,000
Rental Reimbursement Waiting Period	24 Hours	24 Hours
Reward Payments	\$ 10,000	\$ 10,000
Spare Parts and Fuel	\$ 10,000	\$ 10,000
Theft Prevention Devices Deductible Waiver	\$ 25,000	\$ 25,000
Waterborne Property	\$ 500,000	\$ 500,000
Deductible		
Scheduled Property	\$ 25,000	\$ 25,000
Auto Physical Damage	\$ 25,000	\$ 25,000
Contractors Equipment	\$ 25,000	\$ 25,000
Auto Physical Damage & Contractors Equipment Basket Deductible	\$ 10,000 Combined Loss	\$ 10,000 Combined Loss
Valuation		
	Replacement Cost – Boats, Motors & Trailers	Replacement Cost – Boats, Motors & Trailers
	Replacement Cost – Scheduled Autos not to Exceed 125% of Scheduled Value	Replacement Cost – Scheduled Autos not to Exceed 125% of Scheduled Value
	Market Value with Replacement Value on Items 5 Years or Newer - Contractors Equipment	Market Value with Replacement Value on Items 5 Years or Newer - Contractors Equipment

Inland Marine Coverage - Continued

	Present Coverage		Proposed Coverage	
Coinsurance	80%	Boats, Motors & Trailers	80%	Boats, Motors & Trailers
	Waived	Contractors Equipment	Waived	Contractors Equipment
Rate	\$ 0.265	Auto Rate	\$ 0.281	Auto Rate
	\$ 0.265	Contractor's Equipment	\$ 0.281	Contractor's Equipment
Auto Rating Base	\$ 8,345,068		\$ 8,661,641	
Contractor's Equipment Rating Basis	\$ 2,636,036		\$ 2,445,191	
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Privacy Policy Disclosure • Notice - Acceptance of Terrorism Coverage and Disclosure of Premium • Disclosure Pursuant To TRIA • Minimum Earned Premium • Vehicles Borrowed from Others Endorsement • Amended Property Not Covered and Amended Definition of Vehicles • Basket Deductible Endorsement • Maximum Aggregate Policy Limit • Additional Supplement AI Coverages • Property Not Covered Endorsement • Annual Adjustment -- Reporting Provisions • Valuation Endorsement • Commercial Inland Marine Conditions • Common Policy Conditions • California Changes - Actual Cash Value • California Changes 		<ul style="list-style-type: none"> • Privacy Policy Disclosure • Notice - Acceptance of Terrorism Coverage and Disclosure of Premium • Disclosure Pursuant To TRIA • Minimum Earned Premium • Vehicles Borrowed from Others Endorsement • Amended Property Not Covered and Amended Definition of Vehicles • Basket Deductible Endorsement • Maximum Aggregate Policy Limit • Additional Supplement AI Coverages • Property Not Covered Endorsement • Annual Adjustment -- Reporting Provisions • Valuation Endorsement • Commercial Inland Marine Conditions • Common Policy Conditions • California Changes - Actual Cash Value • California Changes 	

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions – Continued (including but not limited to)	<ul style="list-style-type: none"> • California Changes – Cancellation and Nonrenewal • Exclusion of Certain Computer-Related Losses • Certified Terrorism Loss • Trade or Economic Sanctions Endorsement • Scheduled Vehicle Physical Damage Floater • Important Information Regarding the Renewal of Your Contractor's Equipment Coverage. • Replacement Cost Endorsement • Earthquake and Flood Coverage Endorsement 	<ul style="list-style-type: none"> • California Changes – Cancellation and Nonrenewal • Exclusion of Certain Computer-Related Losses • Certified Terrorism Loss • Trade or Economic Sanctions Endorsement • Scheduled Vehicle Physical Damage Floater • Important Information Regarding the Renewal of Your Contractor's Equipment Coverage. • Replacement Cost Endorsement • Earthquake and Flood Coverage Endorsement
Total Cost Excluding TRIA	Not Applicable	\$ 283.00 Schedule Property \$ 24,339.00 Auto Physical damage <u>\$ 6,941.00 Contractors equipment</u> \$ 31,563.00 Total Premium
Total Cost Including TRIA	\$ 265.00 Schedule Property \$ 22,114.00 Auto Physical damage \$ 7,052.00 Contractors equipment <u>\$ 809.00 TRIA Premium</u> \$ 30,240.00 Total Premium	\$ 283.00 Schedule Property \$ 24,339.00 Auto Physical damage \$ 6,941.00 Contractors equipment <u>\$ 868.00 TRIA Premium</u> \$ 32,431.00 Total Premium
Minimum Earned Premium	\$ 9,000.00	\$ 9,000.00
Policy Auditable	Yes	Yes

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Conditions	<p>Auto Physical Damage Conditions:</p> <ul style="list-style-type: none"> • Annual adjustment at 50% of agreed rates. • Replacement cost not to exceed 125% of SOV value; no age restriction. Other valuation terms are per expiring. • Newly acquired vehicles covered up to \$1,000,000 per unit. Values over this must be reported to company upon acquisition. • Personal effects of \$1,000 per person and \$10,000 per occurrence in a vehicle not subject to a special deductible (policy deductible applies). • Coverage included for permanently installed communication equipment included in value of auto. Mobile equipment can be covered under a separate CE form for additional premium. 	<p>Auto Physical Damage Conditions:</p> <ul style="list-style-type: none"> • Annual adjustment at 50% of agreed rates. • Replacement cost not to exceed 125% of SOV value; no age restriction. Other valuation terms are per expiring. • Newly acquired vehicles covered up to \$1,000,000 per unit. Values over this must be reported to company upon acquisition. • Personal effects of \$1,000 per person and \$10,000 per occurrence in a vehicle not subject to a special deductible (policy deductible applies). • Coverage included for permanently installed communication equipment included in value of auto. Mobile equipment can be covered under a separate CE form for additional premium.
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

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Cyber Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Obsidian Specialty Insurance Company	Obsidian Specialty Insurance Company
A.M. Best Rating	A (Excellent), Financial Size Category: VII (\$50 Million to \$100 Million) as of November 11, 2021	A- (Excellent), Financial Size Category: VII (\$50 Million to \$100 Million) as of November 10, 2022
Standard & Poor's Rating	Not Rated	Not Rated
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	QCB-250-H5YBQF6C	TBD

Coverage Form	Cowbell Cyber Risk Insurance Policy – Prime 250 Prime 250 - PRIME 250 001 10 20 – Claims Made & Reported	Cowbell Cyber Risk Insurance Policy – Prime 250 Prime 250 - PRIME 250 001 10 20 – Claims Made & Reported
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Limits	\$ 1,000,000 Aggregate Limit	\$ 1,000,000 Aggregate Limit
First Party Expense		
Cowbell Breach Fund	\$ 1,000,000	\$ 1,000,000
Data Restoration	\$ 1,000,000	\$ 1,000,000
Extortion Costs	\$ 1,000,000	\$ 1,000,000
Business Impersonation Costs	\$ 1,000,000	\$ 1,000,000
Reputational Harm Expense	\$ 500,000	\$ 1,000,000
First Party Loss		
Business Interruption Loss	\$ 1,000,000	\$ 1,000,000
Contingent Business Interruption Loss	\$ 1,000,000	\$ 1,000,000
System Failure	\$ 1,000,000	\$ 1,000,000

Cyber Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Limits – Continued		
Cyber Crime Loss	\$ 250,000	\$ 250,000
Bricking Costs	\$ 1,000,000	\$ 1,000,000
Criminal Reward Costs	\$ 100,000	\$ 100,000
Contingent System Failure	N/A	\$ 1,000,000
Liability Expense		
Liability Costs	\$ 1,000,000	\$ 1,000,000
PCI Costs	\$ 1,000,000	\$ 1,000,000
Regulatory Costs	\$ 1,000,000	\$ 1,000,000
Deductible		
	\$ 50,000	\$ 50,000
	12 Hours Waiting Period	8 Hours Waiting Period Except 12 Hours Waiting Period for Reputational Harm Expense
	N/A Criminal Reward Costs	N/A Criminal Reward Costs
Retroactive Date		
	<ul style="list-style-type: none"> • Full Prior Acts; • July 1, 2021 Apply to Reputational Harm Expense 	<ul style="list-style-type: none"> • Full Prior Acts; • July 1, 2021 Apply to Reputational Harm Expense
Defense Inside/Outside the Limit		
	Inside the Limit	Inside the Limit
Who has the Duty to Defend		
	Insurer	Insurer

Cyber Liability Coverage – Continued

Endorsement & Exclusions

(including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Notice to Policyholders - OFAC • Customer Notice of Privacy Policy & Producer Compensation Practices Disclosure • Service of Process • California Consumer Privacy Act <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • General Data Protection Regulation <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • Media Liability <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • BIPA Exclusion Endorsement • Disclosure Pursuant to Terrorism Risk Insurance Act • Cap on Losses from Certified Acts of Terrorism • Trade or Economic Sanctions Exclusion Endorsement 	<ul style="list-style-type: none"> • Notice to Policyholders - OFAC • Customer Notice of Privacy Policy & Producer Compensation Practices Disclosure • Service of Process • California Consumer Privacy Act <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • General Data Protection Regulation <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • Media Liability <ul style="list-style-type: none"> ○ \$1,000,000 Limit ○ \$50,000 Deductible ○ Full Prior Acts • BIPA Exclusion Endorsement • Disclosure Pursuant to Terrorism Risk Insurance Act • Cap on Losses from Certified Acts of Terrorism • Trade or Economic Sanctions Exclusion Endorsement • Amend Cooperation Clause -- 80% • Blanket Additional Insured • Cyber Terrorism Amendatory Endorsement

Cyber Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA	Not Applicable	Not Applicable
Total Cost Including TRIA	\$ 22,495.05 Policy Premium \$ 224.95 TRIA Premium \$ 750.00 Policy Fee \$ 300.00 Amwins Service Fee \$ 704.10 CA Surplus Lines Tax (3%) \$ 58.68 CA Stamping Fee (0.25%) <u>(\$ 2,272.00) Commission Rebate</u> \$ 22,260.78 Total Cost	\$ 23,676.24 Policy Premium \$ 236.76 TRIA Premium \$ 750.00 Policy Fee \$ 300.00 Amwins Service Fee \$ 739.89 CA Surplus Lines Tax (3%) \$ 44.39 CA Stamping Fee (0.18%) <u>(\$ 2,391.30) Commission Rebate</u> \$ 23,355.98 Total Cost
Minimum Earned Premium	Not Applicable	Not Applicable
Extended Reporting Period	<ul style="list-style-type: none"> • 12 Months at an additional 75% of premium • 24 Months at an additional 125% of premium • 36 Months at an additional 150% of premium 	<ul style="list-style-type: none"> • 12 Months at an additional 75% of premium • 24 Months at an additional 125% of premium • 36 Months at an additional 150% of premium
Policy Auditable	Not Auditable	Not Auditable
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Crime Coverage

	Present Coverage	Proposed Coverage
Insurance Company	National Union Fire Insurance Company of Pittsburgh, Pa.	National Union Fire Insurance Company of Pittsburgh, Pa.
A.M. Best Rating	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of October 7, 2021	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of June 21, 2022
Standard & Poor's Rating	A+ (Strong) as of March 29, 2022	A+ (Strong) as of May 24, 2023
California Status	Admitted	Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	01-424-97-61	TBD

Coverage Form

Government Crime Policy - CR 00 26 05 06 -
Discovery Form

Government Crime Policy - CR 00 26 05 06 -
Discovery Form

Limits

Employee Theft – Per Loss Coverage – including Faithful Performance of Duty	\$ 3,000,000	\$ 3,000,000
Forgery or Alteration – including Credit, Debit, or Charge Card Forgery	Included	Included
Inside the Premises – Theft of Money and Securities	Included	Included
Inside the Premises -Robbery or Safe Burglary of Other Property	Included	Included
Outside the Premises	Included	Included
Computer Fraud	Included	Included
Funds Transfer Fraud	Included	Included
Money Orders and Counterfeit Money	Included	Included

Crime Coverage – Continued

	Present Coverage	Proposed Coverage
Deductible	\$ 2,500	\$ 2,500
Retroactive Date	July 1, 2019	July 1, 2019
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • California Changes • Additional Named Insured - Identifies individual member limit and deductible • Omnibus Named Insured • Add Faithful Performance of Duty Coverage for Government Employee - Employee Theft Per Loss Limit • Cancellation of Policy Amended – 120 Days • Bonded Employees Exclusion Deleted • Include Volunteer Workers as Employees • Include Specified Non-Compensated Officers as Employees - Any Non-Compensated Officers of Any of Those Named as Insured • Add Credit, Debit or Charge Card Forgery • Include Chairperson and Members of Specified Committees as Employees - Any Committees of Any of Those Named as Insured • Include Designated Persons or Classes of Persons as Employees - Any Directors or Trustees of any of those named as insured; Any board members of any of those named as insured, any elected or appointed 	<ul style="list-style-type: none"> • California Changes • Additional Named Insured - Identifies individual member limit and deductible • Omnibus Named Insured • Add Faithful Performance of Duty Coverage for Government Employee - Employee Theft Per Loss Limit • Cancellation of Policy Amended – 120 Days • Bonded Employees Exclusion Deleted • Include Volunteer Workers as Employees • Include Specified Non-Compensated Officers as Employees – All • Add Credit, Debit or Charge Card Forgery • Include Chairperson and Members of Specified Committees - All • Include Designated Persons or Classes of Persons as Employees - Any Directors or Trustees of any of those named as insured; Any board members of any of those named as insured, any elected or appointed officials

Crime Coverage – Continued

Endorsement & Exclusions – Continued (including but not limited to)

Present Coverage	Proposed Coverage
<p>officials, Any Students of Any of Those Named as Insured</p> <ul style="list-style-type: none"> • Include Treasurers or Tax Collectors as Employees - Any Treasurers or Tax Collectors of Any of Those Names as Insured • Expenses Incurred to Establish Amount of Covered Loss - \$75,000 Sub-limit • Third Party Coverage - Loss of or damage to 'Client Property' – Sublimit \$250,000 with \$25,000 Deductible • Employee Post Termination Coverage – 90 Days • Blanket Joint Loss Payee Endorsement - Where legally Permissible • Cancellation Amendatory (Return Pro Rata) • Include Leased Workers as Employees • Notice of Claim (Reporting by E-Mail) • Vendor Theft Coverage Endorsement - \$1,000,000 Limit excess of vendor insurance policy limit (\$500,000 minimum) required by contract. Coverage not applicable if crime insurance is not required in a written agreement • Conditions Amended - Subrogation of Faithful Performance of Duty Claims • Economic Sanctions Endorsement (excludes loss payments in violation of economic or trade sanctions) 	<ul style="list-style-type: none"> • Include Treasurers or Tax Collectors as Employees - Any Treasurers or Tax Collectors of Any of Those Names as Insured • Expenses Incurred to Establish Amount of Covered Loss - \$75,000 Sub-limit • Amended Third Party Coverage - Loss of or damage to 'Client Property' – Sublimit \$250,000 with \$25,000 Deductible - Updated • Employee Post Termination Coverage – 90 Days • Blanket Joint Loss Payee Endorsement - Where legally Permissible • Cancellation Amendatory (Return Pro Rata) • Include Leased Workers as Employees • Notice of Claim (Reporting by E-Mail) • Vendor Theft Coverage Endorsement - \$1,000,000 Limit excess of vendor insurance policy limit (\$500,000 minimum) required by contract. Coverage not applicable if crime insurance is not required in a written agreement. • Conditions Amended - Subrogation of Faithful Performance of Duty Claims • Economic Sanctions Endorsement (excludes loss payments in violation of economic or trade sanctions)

Crime Coverage – Continued

Endorsement & Exclusions – Continued (including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Impersonation Fraud Coverage Endorsement – Sub-limit \$250,000 with \$25,000 Deductible – Does not apply to any losses prior to 7/1/2015 • Revision of Discovery and Prior Theft or Dishonesty - \$25,000 Sub-Limit, Risk Management Department or other department designated to handle insurance matters for the named insured. • Exclusion – Unauthorized disclosure of confidential information • Exclusion – Governmental Action • Exclusion – Indirect of Consequential Loss • Exclusion – Protected Information (Carveback) • Exclusion – Legal Fees and Expenses • Exclusion – Nuclear Hazard • Exclusion – Pollution • Exclusion – War and Military Action • Exclusion – Inventory Shortages • Exclusion – Trading Losses • Exclusion – Accounting or Arithmetical Errors or Omissions • Exclusion – Exchanges or Purchases • Exclusion – Fire • Exclusion – Money Operated Devices • Exclusion – Motor Vehicles or Equipment and Accessories • Exclusion – Transfer or Surrender of Property 	<ul style="list-style-type: none"> • Impersonation Fraud Coverage Endorsement – Sub-limit \$250,000 with \$25,000 Deductible – Does not apply to any losses prior to 7/1/2015 • Revision of Discovery and Prior Theft or Dishonesty - \$25,000 Sub-Limit, Risk Management Department or other department designated to handle insurance matters for the named insured. • Exclusion – Unauthorized disclosure of confidential information • Exclusion – Governmental Action • Exclusion – Indirect of Consequential Loss • Exclusion – Protected Information (Carveback) • Exclusion – Legal Fees and Expenses • Exclusion – Nuclear Hazard • Exclusion – Pollution • Exclusion – War and Military Action • Exclusion – Inventory Shortages • Exclusion – Trading Losses • Exclusion – Accounting or Arithmetical Errors or Omissions • Exclusion – Exchanges or Purchases • Exclusion – Fire • Exclusion – Money Operated Devices • Exclusion – Motor Vehicles or Equipment and Accessories • Exclusion – Transfer or Surrender of Property

Crime Coverage – Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions – Continued (including but not limited to)	<ul style="list-style-type: none"> • Exclusion – Vandalism • Exclusion – Voluntary Party of Title to Possession of Property 	<ul style="list-style-type: none"> • Exclusion – Vandalism • Exclusion – Voluntary Party of Title to Possession of Property • Cyberextortion (Resulting Directly) - New
Total Cost Excluding TRIA	\$ 3,710.00	\$ 3,896.00
Total Cost Including TRIA	Not Applicable	Not Applicable
Minimum Earned Premium	Not Applicable	Not Applicable
Quote Valid Until	No Longer Applicable	June 30, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Pollution Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Indian Harbor Insurance Company	Indian Harbor Insurance Company
A.M. Best Rating	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of September 17, 2021	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of November 9, 2022
Standard & Poor's Rating	AA- (Very Strong) as of March 28, 2021	AA- (Very Strong) as of March 20, 2022
California Status	Non-Admitted	Non-Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	PEC005249904	TBD

Coverage Form	Pollution and Remediation Legal Liability Policy - EVPRLCP 0820 - Claims Made and Reported	Pollution and Remediation Legal Liability Policy - EVPRLCP 0820 - Claims Made and Reported
Retroactive Date	July 1, 2018	July 1, 2018
Limits		
Policy Aggregate Limit of Liability	\$ 1,000,000	\$ 1,000,000
Your Location Coverage		
Each Pollution Condition	\$ 1,000,000	\$ 1,000,000
Aggregate Limit of Liability	\$ 1,000,000	\$ 1,000,000
Emergency Remediation Expense Coverage		
Each Pollution Condition	\$ 500,000	\$ 500,000
Aggregate Limit of Liability	\$ 500,000	\$ 500,000

Pollution Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Limits - Continued		
Contingent Transportation Coverage		
Each Pollution Condition	\$ 1,000,000	\$ 1,000,000
Aggregate Limit of Liability	\$ 1,000,000	\$ 1,000,000
Legionella Coverage		
Each Pollution Condition	\$ 1,000,000	\$ 1,000,000
Aggregate Limit of Liability	\$ 1,000,000	\$ 1,000,000
Legal Expense in Addition to the Limits of Liability	Not Included	Not Included
Self-Insured Retention	\$ 25,000 except \$ 50,000 for Legionella	\$ 25,000 except \$ 50,000 for Legionella
Defense Inside/Outside the Limit	Inside the Limit	Inside the Limit
Who has the Duty to Defend	Insurer	Insurer
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Important Information to Policyholders - California • Privacy Policy • Notice to Policyholders - Fraud Notice • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") • California Surplus Lines Notice 	<ul style="list-style-type: none"> • Important Information to Policyholders - California • Privacy Policy • Notice to Policyholders - Fraud Notice • U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") • California Surplus Lines Notice

Pollution Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions - Continued (including but not limited to)	<ul style="list-style-type: none"> • In Witness - Indian Harbor Insurance Company • Service of Process • Your Location(s) Schedule Including Request for Additional Your Location(s) • Insuring Agreements Section Amendment • Legionella Coverage • Additional Coverages for Municipalities • Pollution Condition Exclusion for Multiple Your Locations • Site Development and Construction Activities Exclusion • Exclusion of Certified Acts of Terrorism and Terrorism Committed Outside of the United States (if rejected) • Coverage for Certified Acts of Terrorism, Subject to Cap and Coverage For other Acts of Terrorism Committed Within the United States (if accepted) 	<ul style="list-style-type: none"> • In Witness - Indian Harbor Insurance Company • Service of Process • Your Location(s) Schedule Including Request for Additional Your Location(s) • Insuring Agreements Section Amendment • Legionella Coverage • Additional Coverages for Municipalities • Pollution Condition Exclusion for Multiple Your Locations • Site Development and Construction Activities Exclusion • Exclusion of Certified Acts of Terrorism and Terrorism Committed Outside of the United States (if rejected) • Coverage for Certified Acts of Terrorism, Subject to Cap and Coverage For other Acts of Terrorism Committed Within the United States (if accepted) • PFAS Exclusion for Specific Your Location(s)
Total Cost Including TRIA	\$ 18,899.00 Premium \$ 378.000 TRIA Premium (2%) \$ 578.31 CA Surplus Lines Taxes (3%) \$ 48.19 CA Stamping Fees (0.25%) \$ 19,903.50 Total Cost	\$ 19,466.00 Premium \$ 389.32 TRIA Premium (2%) \$ 595.66 CA Surplus Lines Taxes (3%) \$ 35.74 CA Stamping Fees (0.18%) \$ 20,486.72 Total Cost
Total Cost Excluding TRIA	Not Applicable	\$ 19,466.00 Premium \$ 583.98 CA Surplus Lines Taxes (3%) \$ 35.04 CA Stamping Fees (0.18%) \$ 20,085.02 Total Cost

Pollution Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Minimum Earned Premium	25%	25%
Extended Reporting Period	365 Days @ 100% of the total premium	365 Days @ 100% of the total premium
Policy Auditable	Not Auditable	Not Auditable
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

**CLAIMS REPORTING NOTICE
PLEASE NOTE THAT POLLUTION LIABILITY POLICIES CONTAIN EXTREMELY
STRICT CLAIM REPORTING PROCEDURES.**

Attached please find your policy specific claim reporting requirements - Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

See Disclaimer Page for Important Notices and Acknowledgment

Drone & Hull Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	<ul style="list-style-type: none"> American Alternative Insurance Corporation – 69.24% National Indemnity Company – 18.39% Tokio Marine America Insurance Company – 12.37% 	<ul style="list-style-type: none"> American Alternative Insurance Corporation – 69.24% National Indemnity Company – 18.39% Tokio Marine America Insurance Company – 12.37%
A.M. Best Rating	<ul style="list-style-type: none"> A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of July 8, 2021 A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of January 6, 2022 A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of September 3, 2021 	<ul style="list-style-type: none"> A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of July 27, 2022 A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of February 3, 2023 A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of September 9, 2022
Standard & Poor's Rating	<ul style="list-style-type: none"> AA- (Very Strong) as of May 27, 2021 AA+ (Very Strong) as of September 29, 2021 A+ (Strong) as of February 27, 2022 	<ul style="list-style-type: none"> AA- (Very Strong) as of April 25, 2023 AA+ (Very Strong) as of September 29, 2022 A+ (Strong) as of February 20, 2023
California Status	Admitted	Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	9003808	TBD

Coverage Form

Aviation Insurance Policy Unmanned Aircraft Systems (UAS Policy Form)

Aviation Insurance Policy Unmanned Aircraft Systems (UAS Policy Form)

Limits

Liability - Each Occurrence	\$ 1,000,000	\$ 1,000,000
Personal and Advertising Injury Aggregate Limit	\$ 1,000,000	\$ 1,000,000
Medical Expenses	\$ 5,000	\$ 5,000
Hull (Physical Damage)	\$ 18,246 Total Hull Value	\$ 18,246 Total Hull Value

Drone & Hull Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Limits – Continued		
Passenger Liability	Excluded	Excluded
Passenger War Liability	Included	Included
Third Party War Limit	\$ 1,000,000 Aggregate	\$ 1,000,000 Aggregate
Non-Owned Liability - Each Occurrence for Any Unmanned Aircraft System That Does Not Exceed 55lbs In Weight	\$ 1,000,000	\$ 1,000,000
Fire Legal Liability	\$ 100,000 Each Occurrence	\$ 100,000 Each Occurrence
Contractual Liability	Included	Policy Limit
Product liability arising out of sale of scheduled aircraft	Included	Policy Limit
Bail Bonds		\$ 5,000
Deductible		
In Motion	5%	5%
Not in Motion	5%	5%
Defense Inside/Outside the Limit	Outside the Limit	Outside the Limit
Who has the Duty to Defend	Insurer	Insurer
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Electronic Data Event Liability Exclusion • Additional Insured • Amendment of Defined Terms • Electronic Date Recognition Exclusion Limited Coverage 	<ul style="list-style-type: none"> • Electronic Data Event Liability Exclusion • Additional Insured • Amendment of Defined Terms • Electronic Date Recognition Exclusion Limited Coverage

Drone & Hull Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions – Continued (including but not limited to)	<ul style="list-style-type: none"> • Liability for Sale of Unmanned Aircraft Systems, Parts or Services • Premises Coverage • Fire Legal Liability • Expanded Contractual Liability Endorsement • TRIA Disclosure • California Changes • Limited Liability War Exclusion Limited Coverage • Limited Physical Damage War Exclusion Limited Coverage • Expenses for Medical Services • Terrorism (TRIA) Coverage - Hull & Liability • Aviation Personal and Advertising Injury Liability • Non-Owned Aircraft Liability - Unmanned Aircraft System • State Amendatory Endorsement and Disclosure notice included as required 	<ul style="list-style-type: none"> • Liability for Sale of Unmanned Aircraft Systems, Parts or Services • Premises Coverage • Fire Legal Liability • Expanded Contractual Liability Endorsement • TRIA Disclosure • California Changes • Limited Liability War Exclusion Limited Coverage • Limited Physical Damage War Exclusion Limited Coverage • Expenses for Medical Services • Terrorism (TRIA) Coverage - Hull & Liability • Aviation Personal and Advertising Injury Liability • Non-Owned Aircraft Liability - Unmanned Aircraft System • State Amendatory Endorsement and Disclosure notice included as required
Total Cost Excluding TRIA	Not Applicable	Not Applicable
Total Cost Including TRIA	\$ 3,008.00 Premium <u>Included TRIA Premium</u> \$ 3,008.00 Total Cost (5 units)	\$ 3,031.00 Premium <u>Included TRIA Premium</u> \$ 3,031.00 Total Cost (5 units)
Minimum Earned Premium	Not Applicable	Not Applicable

Drone & Hull Liability Coverage – Continued

	Present Coverage	Proposed Coverage
Policy Auditable	Not Auditable	Not Auditable
Conditions	<ul style="list-style-type: none"> Approved Pilots for Scheduled Aircraft: The policy shall not apply while a scheduled aircraft is in flight unless the pilot in command is approved by the Named Insured and appropriately licensed for the flight being conducted. This Policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibits Global Aerospace from offering or providing insurance. To the extent any such prohibitions apply, this policy is void ab initio. 	<ul style="list-style-type: none"> Approved Pilots for Scheduled Aircraft: The policy shall not apply while a scheduled aircraft is in flight unless the pilot in command is approved by the Named Insured and appropriately licensed for the flight being conducted. This proposal does not apply to the extent that trade or economic sanctions or other laws or regulations prohibits Global Aerospace from offering or providing insurance. To the extent any such prohibitions apply, this policy is void ab initio. Single Limit Body Injury and Property Damage Liability: Also includes Liability arising from: <ul style="list-style-type: none"> occasioned by or in consequence of war hi-jacking and other perils the operation of UAS you rent/lease/borrow for periods of less than 30 days UAS operated on your behalf by others
Quote Valid Until	No Longer Applicable	July 1, 2023
Binding Conditions	No Longer Applicable	See Binding Subjectivities Recap Page

Drone & Hull Liability Coverage – Continued

Schedule of Aircraft

Year, Make and Model	Ident. Number	Insured Value (100%)
2017 DJI INNOVATIONS PHANTOM 4 PRO	OAXDDCG0A20372	\$1,800
2017 DJI INNOVATIONS PHANTOM 4 PRO	09YDE3UL040800	\$1,980
2021 DJI INNOVATIONS PHANTOM 4 PRO V2.0	11USJ77R720166	\$2,745
2021 DJI INNOVATIONS PHANTOM 4 PRO V2.0	11USJ78R72084	\$2,745
2021 SKYDIO 2	25280-SDRC2V1	\$8,976

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

Marin Municipal Water District

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
ANML Excess Liability – \$10M	<input type="checkbox"/>
Excess Liability Coverage - \$5M excess \$10M	<input type="checkbox"/>
Excess Liability Coverage - \$10M excess \$15M	<input type="checkbox"/>
Excess Workers Compensation and Employers Liability	<input type="checkbox"/>
Property	<input type="checkbox"/>
Inland Marine	<input type="checkbox"/>
Cyber Liability	<input type="checkbox"/>
Crime	<input type="checkbox"/>
Pollution Liability	<input type="checkbox"/>
Drone & Hull Liability	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.

Binding Subjectivities Recap

ALL coverages require a written request to bind coverage.

Additional subjectivities are listed below by Coverage Line.

Coverage Line and Description of Subjectivity(ies)

ANML Excess Liability – \$10M

- Signed TRIA Election or Rejection Form

Excess Liability - \$5M xs \$10M

- Completed and signed TRIA Acceptance or Rejection form (prior to binding)

Excess Liability Coverage - \$10M xs \$15M

- Signed and Dated TRIA Letter, Required Prior to Binding.

Excess Workers Compensation and Employers Liability

- None

Property

- Signed Terrorism and Surplus Lines Disclosure Forms

Inland Marine

- None

Binding Subjectivities Recap – Continued

Coverage Line and Description of Subjectivity(ies)

Cyber Liability

- PRIOR TO BINDING: Please confirm MFA is in place for Admin account access/privileged users/PAM. If MFA is not in place in these areas, insurer may need to consider limiting ransomware via endorsement. Please complete the MFA attestation: https://cowbell.insure/wp-content/uploads/2022/09/Prime_250_MFA-Attestation-Document.pdf
- Cowbell Renewal Application re-signed and dated within 60 days of the effective date.
- Please provide the intended Policyholder's contact information.
- Full network backup and restoration to be tested within 30 days of the effective date and on a biannual basis thereafter.

Crime

- None

Pollution Liability

- Signed TRIA Form

Drone & Hull Liability

- None

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind coverage prior to our receipt and underwriting acceptance of the above information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated above may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer.



Item Number: 02
Meeting Date: 06-22-2023
Meeting: Finance &
Administration Committee/
Board of Directors (Finance &
Administration)

Informational Item

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

FROM: Bret Uppendahl, Finance Director *BU*

THROUGH: Paul Sellier for Ben Horenstein, General Manager *B*

DIVISION NAME: Administrative Services Division

ITEM: Annual Review of Policy No. 33 Investment Policy

SUMMARY

Investment Policy No. 33 is updated periodically to conform to the California Government Code. The District's investment policies and practices are based on state law and prudent management. District policy requires quarterly reporting of investment type, market values and overall yields. District policy also requires an annual review of the investment policy, which the Board shall consider at a public meeting.

Staff recommends no changes to the Investment Policy at this time.

DISCUSSION

The District's investment policy strives to appropriately manage overall investment risk exposure. The investment policy defines allowable investments by type of security, type of issuer, dollar amount, overall percentage of portfolio and maturity. The primary objective of the District's investments are 1) Safety; 2) Liquidity; 3) Return on Investment; and 4) Public Trust. It is the intent of the District to hold all investments until maturity.

FISCAL IMPACT

None

ATTACHMENT(S)

1. Board Policy No. 33 Investment Policy



MARIN MUNICIPAL WATER DISTRICT

BOARD POLICY No. 33

DATE:	Reviewed	1-6-10
	Revised	1-5-11
	Revised	1-5-12
	Revised	1-23-13
	Revised	2-7-17
	Revised	1-25-18
	Reviewed	3-13-19
	Revised	1-21-20
	Revised	3-02-21

SUBJECT: INVESTMENT POLICY

I. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of the Marin Municipal Water District ("District") are based on State law and prudent money management. All funds will be invested in accordance with the District's Investment Policy and the authority governing investments for local agencies as set forth in the California Government Code, §53601 through §53659.

II. Scope

It is intended that this policy cover all funds and investment activities of the District, except investments governed by employment retirement funds and bond documents. The provisions of relevant bond documents will restrict the investment of bond proceeds.

III. Prudence

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. All persons investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds shall act with care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

IV. Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

1. **Safety.** Safety of principal is the foremost objective of the investment program. The District's investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.
2. **Liquidity.** The District's investment portfolio will remain sufficiently liquid to enable the District to meet its cash flow requirements.
3. **Return on Investment.** The District's investment portfolio shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.
4. **Public Trust.** All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

It is the District's intent at time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

V. Delegation of Authority

The management and oversight responsibility for the investment program is hereby delegated to the Finance Director (Administrative Services Division)/Treasurer who shall monitor and review all investments for consistency with this investment policy. This delegation of authority shall remain in place until revoked by the Board of Directors. The Finance Director/Treasurer may delegate the day-to-day operations of investing to his/her designee(s), but not the responsibility for the overall investment program. No person may engage in an investment transaction except as provided under the limits of this policy.

VI. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

VII. Selection of Financial Institutions and Broker/Dealers

The Finance Director/Treasurer shall maintain a list of authorized broker/dealers and financial institutions which are approved for investment purposes in the State of California, and who have proof of National Association of Security Dealers certification. It shall be the policy of the District to purchase securities only from authorized institutions or firms. All authorized firms must also provide certification that they have received and read the District's Investment Policy.

VIII. Permitted Investment Instruments

1. Direct obligations for which the full faith and credit of the United States Government is pledged for the payment of principal and interest.
2. Obligations issued by Agencies or Instrumentalities of the United States Government.
3. Repurchase Agreements used solely as short-term investments not to exceed 90 days.
 - a. The following collateral restrictions will be observed: Only United States Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the District's custodian bank vs. payment. The market value of securities that underlay a Repurchase Agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be reviewed on a regular basis and adjusted no less than quarterly. Collateral shall not include strips, zero-coupon instruments or instruments with maturities in excess of five years. The right of substitution will be granted, provided that permissible collateral is maintained.
4. Banker's Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest category by Moody's Investors Services or by Standard & Poor's Corporation.
 - a. Purchases of Banker's Acceptances may not exceed 180 days maturity or 40 percent of the District's surplus money. However, no more than 30% or \$2,000,000 of the District's surplus funds, whichever is less, may be invested in the Banker's Acceptance of any one commercial bank.

5. Commercial paper issued by an entity meeting the following conditions in Option 1 or Option 2 below:

Option 1:

1. Is organized and operating in the United States as a general corporation and has total assets in excess of \$500 million.
2. Has debt other than commercial paper, if any, that is rated “A” or higher by a nationally recognized rating agency.

Option 2:

1. Is organized within the United States as a special purpose corporation, trust or limited liability company.
 2. Has program-wide credit enhancements including, but not limited to, over-collateralization, letters of credit or surety bond.
 3. Has commercial paper that is rated “A-1” or higher by a nationally recognized rating agency.
- a. Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 10 percent or \$1,000,000 from an issuing corporation, whichever is less.
 - b. Purchases of commercial paper may not exceed 15 percent of the District's surplus money that may be invested.
6. Medium term corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Medium term corporate notes shall, at the time the note is purchased, be rated as follows:
 - a.

1 year or less	A rating by two major rating agencies
1 - 2 years	AA rating by at least one major rating agency
2 - 4 years	AA rating by two major rating agencies
4 - 5 years	AAA rating by two major rating agencies
 - b. Investments will be limited to a maximum of 30 percent of the District's portfolio.

7. Federal Deposit Insurance Company (FDIC) insured or fully collateralized time certificates of deposit in financial institutions located in California, including United States branches of foreign banks licensed to do business in California. The maximum maturity of a time deposit shall not exceed 180 days. All time deposits must be collateralized in accordance with California Government Code §53651 and §53652, either at 150 percent by promissory notes secured by first mortgages and first trust deeds upon improved residential property in California eligible under Section 53651(m) or 110 percent by eligible marketable securities listed in subsections (a) through (l), (n) and (o) of §53651, or 105% of letters of credit issued by the Federal Home Loan Bank of San Francisco per subsection (p) of §53651.
8. Negotiable certificates of deposit or deposit notes issued by a nationally or State chartered bank or a State or Federal savings and loan association or by a Federally licensed or State licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated "AA" or better by Moody's or Standard & Poor's.
 - a. Purchase of negotiable certificates of deposit may not exceed 20 percent of the District's surplus money.
9. State of California's Local Agency Investment Fund. Investment in LAIF may not exceed \$75 million per account.
10. Shares of beneficial interest issued by diversified management companies (Money Market Mutual Funds) investing in the securities and obligations authorized by sections (a) through (l) of California Government Code §53601. To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services; or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years experience investing in securities and obligations authorized by California Government Code §53601 and with assets under management in excess of \$500,000,000.

The purchase price of shares shall not exceed 10 percent of the District's surplus money and no more than 10 percent invested in shares of any one mutual fund.
11. Registered state warrants or treasury notes or bonds of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency, or authority of California.

12. Bonds, notes or warrants or other evidences of indebtedness of a local agency within the state of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the by the local agency, or by a department, board, agency, or authority of the local agency of California.

The following summary of maximum percentage limits, by instrument, are established for the District's total investment portfolio:

<u>Investment Type</u>	<u>Percentage</u>
Repurchase Agreements.....	0 to 10%
Local Agency Investment Fund	\$65,000,000 per account
U.S. Treasury Bonds/Notes/Bills	0 to 100%
U.S. Government Agency Obligations	0 to 100%
Banker's Acceptances	0 to 40%
Commercial Paper.....	0 to 15%
Negotiable Certificates of Deposit	0 to 20%
Time Certificates of Deposit	0 to 20%
Medium Term Corporate Notes	0 to 30%
Registered State Warrants or Local Agency Indebtedness	0 to 20%

IX. Safekeeping of Securities and Internal Controls

To protect against fraud, embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the District shall be held by an independent third party safekeeping institution, acting as agent for the District under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). All trades executed by a dealer will settle on a delivery vs. payment ("DVP") basis to ensure that securities are deposited in the District safekeeping institution prior to the release of funds.

The safekeeping institution shall annually provide a copy of its most recent report on internal controls – Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16 (effective June 15, 2011).

Securities held in custody for the District shall be monitored by the Finance Director/Treasurer to verify investment holdings.

Management shall establish a system of internal controls, which shall be documented in writing and reviewed with the independent auditor. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District.

X. Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled to permit the District to meet all projected obligations.

The maximum maturity will not exceed five years.

XI. Ineligible Investments

Security types which are prohibited include, but are not limited to:

- (a) "Complex" derivative structures such as range notes, dual index notes, inverse floaters, leveraged or de-leveraged floating rate notes, or any other complex variable rate or structured note.
- (b) Interest only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.
- (c) Reverse Repurchase Agreements.

XII. Portfolio Adjustments

Portfolio percentage limitations for each investment category are applicable only at the date of purchase. Should an investment percentage limitation be exceeded due to an incident such as a fluctuation in portfolio size, the Finance Director/Treasurer is not required to sell the affected securities.

Should a security held in the portfolio be downgraded below the minimum criteria included in this Investment Policy, a determination will be made by the Finance Director/Treasurer whether to sell the investment. Any sale of an investment due to a downgrade will be done in a manner to minimize losses on sale of such

If a security is downgraded to a level that is less than investment grade (rating less than Ba1 or BB+), the Finance Director/Treasurer shall sell such affected security immediately. If the immediate liquidation of the security is not in the best interest of the District, the Finance Director/Treasurer, in consultation with an ad hoc committee made up of the General Manager and the Finance Committee President, may dispose of the security in an orderly and prudent manner considering the circumstances, under terms and conditions approved by the ad hoc committee.

The description and amounts of any securities downgraded below the District investment criteria are to be included in the quarterly investment report.

XIII. Reporting Requirements

The Finance Director/Treasurer shall render to the District Board a quarterly investment report as per California Government Code §53646, which shall include, at a minimum the following information for each individual investment:

Type of investment instrument (i.e., Treasury Bill, medium term note)

- Issuer name (i.e., General Electric)
- Purchase date (settlement date)
- Maturity date
- Par value
- Purchase price
- Current market value and the source of the valuation (quarterly)
- Overall portfolio yield based on cost

The quarterly report also shall (i) state compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance, (ii) include a description of any of the District's funds, investments or programs that are under the management of contracted parties, including lending programs, (iii) description of investments downgraded below the District's investment criteria or below investment grade and hold or sell status and (iv) include a statement denoting the ability of the District to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

This quarterly report shall be submitted within 30 days following the end of the quarter.

The Finance Director/Treasurer shall annually render to the Board a statement of investment policy, which the Board shall consider at a public meeting.

GLOSSARY OF TERMS

Bankers Acceptances. Are negotiable time drafts or bills of exchange drawn on and accepted by a commercial bank. Acceptance of the draft obligates the bank to pay the bearer the face amount of the draft at maturity. In addition to the guarantee by the accepting bank, the transaction is identified with a specific commodity. The sale of the underlying goods will generate the funds necessary to liquidate the indebtedness. Banker's Acceptances are usually created to finance the import and export of goods, the shipment of goods within the United States and the storage of readily marketable staple commodities. Banker's Acceptances are sold at a discount from par and the amount and maturity date are fixed. Bankers Acceptances have the backing of both the bank and the pledged commodities with no known principal loss in over 70 years. State law permits agencies to invest 40 percent of a portfolio and 30 percent with a single issuer in Bankers' Acceptances with a maximum maturity of 180 days.

Certificate of Deposit. A deposit insured up to \$250,000 by the FDIC, or collateralized at a minimum of 110 percent by the financial institution if over \$250,000, at a set rate for a specified period of time.

Collateral. Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Corporate Medium Term Notes. Are unsecured promissory notes issued by corporations operating within the United States. The notes are in the one-to-five year maturity range. Notes must have at least an "A" rating by a nationally recognized rating service. State law permits agencies to invest 30 percent of the total portfolio and 10 percent with a single issuer in corporate medium term notes with a maximum maturity of 5 years.

Commercial Paper. Is an unsecured promissory note of industrial corporations, utilities and bank holding companies having assets in excess of \$500 million and an "A" or higher rating for the issuer's debentures. Interest is discounted from par and calculated using the actual number of days on a 360-day year. The notes are in bearer form, mature from one to 180 days and generally start at \$100,000. There is a secondary market for commercial paper and an investor may sell them prior to maturity. Commercial paper is backed by unused lines of credit from major banks. State Code permits agencies to invest 25 percent and 10 percent with a single issuer in commercial paper with a maximum maturity of 270 days.

Credit Risk. Defined, as the risk of loss due to failure of the issuer of a security shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the District's capital base and cash flow.

Current Yield. The interest paid on an investment expressed as a percentage of the current price of the security.

Custody. A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP). Delivery of securities with a simultaneous exchange of money for the securities.

Fannie Mae. Trade name for the Federal National Mortgage Association (FNMA), a United States sponsored corporation.

Federal Reserve System. The central bank of the United States which consists of a seven member Board of Governors, 12 regional banks and 5,700 commercial banks that are members.

Federal Deposit Insurance Corporation (FDIC). Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently \$250,000) per account.

Freddie Mac. Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a United States sponsored corporation.

Ginnie Mae. Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the United States Government.

Interest Rate. The annual yield earned on an investment, expressed as a percentage.

Liquidity. Refers to the ability to rapidly convert an investment into cash.

Local Agency Investment Fund (LAIF) Demand Deposit. Established by the State to enable financial managers to place idle funds in a pool for investment. Each agency is currently limited by LAIF to an investment of \$50 million plus any bond proceeds.

Market Risk. Defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long-term securities for the sole purpose of short-term speculation.

Market Value. The price at which a security is trading and could presumably be purchased or sold.

Maturity. The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio. Collection of securities held by an investor.

Purchase Date. The date in which a security is purchased for settlement on that or a later date.

Rate of Return. The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO). Contractual arrangement between a financial institution or dealer and an investor. The investor puts up their funds for a certain number of days at a stated yield. In return, they take title to a given block of securities as collateral. At maturity, the securities are repurchased and the funds are repaid with interest.

Reverse Repurchase Agreement (Reverse REPO). A transaction where the seller (District) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Sallie Mae. Trade name for the Student Loan Marketing Association (SLMA), a United States sponsored corporation.

Treasury Bills (T-Bills). United States Treasury Bills which are short-term, direct obligations of the United States Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

United States Government Agencies. Instruments issued by various United States Government Agencies most of which are secured only by the credit worthiness of the particular agency.



Item Number: 03
Meeting Date: 06-22-2023
Meeting: Finance &
Administration Committee /
Board of Directors (Finance &
Administration)

Informational Item

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

FROM: Bret Uppendahl, Finance Director *BU*

THROUGH: Paul Sellier for Ben Horenstein, General Manager *B*

DIVISION NAME: Administrative Services Division

ITEM: Monthly Financial Update – May 2023

SUMMARY

The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of May 2023, District revenue is \$96.2 million, which is 83.3% of budgeted revenue, and total expenditures including encumbrances are \$97.4 million, or 81.9% of budget. It is notable that water sales, excluding fixed charges, are down by approximately 19% compared to the original budget.

DISCUSSION

Budget to Actual Comparison – All Funds

Attached is the budget to actual comparison for fiscal year 2022/23 as of May 31, 2023. The budget to actual comparison is prepared by fund and includes revenues, expenditures and reserve balances. For reference, if revenues and expenses tracked linearly, they would be expected to be at 91.7% of the fiscal year budget at the end of May. Water sales, which are relatively higher in the summer months, would be expected to be 89% of the fiscal year budget at this time of year.

For the Operating Fund, total revenues as of May 31, 2023 are \$74.1 million, or 80.3% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$77.0 million, or 82.8% of budget.

For the Capital and Fire Flow Funds, total revenues are \$22.1 million, which is 94.9% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$15.5 million, which are at 85.5% of the budget. Spending on capital and fire flow projects is \$14.3 million, or 54.9% of budget, as CIP projects typically do not follow linear trends in expenditures.

As noted in Attachment 4, an additional \$6.2 million is encumbered, bringing total expenditures with encumbrances to \$20.4 million, or 78.7% of budget.

Water Sales and Consumption

The fiscal year to date billed water sales through May 31, 2023 were \$43.8 million, which is 72% of the annual water sales forecast, but only 81% of the expected revenue through the first eleven months of the year. Billed water consumption through May 31, 2023 was 17,161 AF, which is 1.6% higher than this time last year, but still 14.5% below the budgeted consumption for this time of year.

Year-to-date total water sales and fixed charges (service charges and watershed fees) through May 31, 2023 were \$69.0 million, which is 77.1% of total annual revenue forecast of \$89.5 million. Compared to the same period for the previous fiscal year water sales and fixed charges increased by \$4 million, or 6%.

FISCAL IMPACT

None

ATTACHMENT(S)

1. Total Water Sales and Fixed Charges & Fees 2021/22 – 2022/23
2. Billed Water Consumption in AF FY 2010/11 – FY 2022/23
3. Budget to Actual Comparison for FY 2022/23
4. CIP Budget to Actual Comparison for FY 2022/23

Total Water Sales and Fixed Charges & Fees
Fiscal Years 2021/22 - 2022/23
As of May: 91.67% of FY

Month	Fixed Charges											
	Water Sales			Service Charges			Watershed Fee			Total Water Sales and Fixed Charges		
	21/22 Actual	22/23 Budget	22/23 Actual	21/22 Actual	22/23 Budget	22/23 Actual	21/22 Actual	22/23 Budget	22/23 Actual	21/22 Actual	22/23 Budget	22/23 Actual
July	3,893,617	4,948,239	4,004,486	1,432,518	1,531,262	1,491,919	332,621	353,462	347,285	5,658,756	6,832,962	5,843,690
August	5,886,691	7,946,782	6,238,037	2,074,186	2,217,160	2,022,350	455,201	483,723	442,367	8,416,079	10,647,665	8,702,754
September	4,294,155	5,798,487	5,301,598	1,481,820	1,583,962	1,722,033	342,629	364,097	396,510	6,118,604	7,746,546	7,420,141
October	5,453,392	7,767,333	6,612,557	2,192,958	2,344,119	2,267,637	477,901	507,845	494,747	8,124,251	10,619,297	9,374,941
November	2,677,846	4,666,597	3,463,774	1,486,790	1,589,274	1,552,383	346,372	368,075	361,370	4,511,008	6,623,946	5,377,527
December	3,552,122	5,657,127	4,698,826	2,031,521	2,171,553	2,271,491	441,494	469,157	495,259	6,025,136	8,297,837	7,465,576
January	1,664,573	2,573,704	2,327,071	1,135,794	1,214,085	1,560,906	255,662	271,681	362,582	3,056,029	4,059,470	4,250,559
February	3,880,028	4,131,394	3,453,552	2,641,800	2,823,900	2,257,245	593,654	630,851	495,456	7,115,482	7,586,145	6,206,253
March	2,285,758	2,508,805	1,909,778	1,539,758	1,645,893	1,570,912	355,428	377,699	362,966	4,180,944	4,532,397	3,843,656
April	4,289,931	4,791,568	3,334,339	2,160,928	2,309,881	2,256,275	473,692	503,373	492,697	6,924,551	7,604,822	6,083,311
May	2,973,096	3,476,035	2,446,571	1,509,254	1,613,287	1,575,958	348,806	370,662	365,770	4,831,157	5,459,984	4,388,299
June	5,266,386	6,615,188	-	2,186,861	2,337,601	-	476,966	506,852	-	7,930,213	9,459,641	-
TOTAL	\$ 46,117,595	\$ 60,881,258	\$ 43,790,589	\$ 21,874,190	\$ 23,381,979	\$ 20,549,110	\$ 4,900,426	\$ 5,207,474	\$ 4,617,009	\$ 72,892,211	\$ 89,470,711	\$ 68,956,708

Monthly Budget to Actual:	81%	Monthly Budget to Actual:	98%	Monthly Budget to Actual:	98%	Monthly Budget to Actual:	86%
% of Annual Budget:	72%	% of Annual Budget:	88%	% of Annual Budget:	89%	% of total budget received:	77%
Actual to Actual (thru May):	107%	Actual to Actual (thru May):	104%	Actual to Actual (thru May):	104%	Actual to Actual (thru May):	106%

**Billed Water Consumption In AF
Fiscal Year 2012/13 - 2022/23**

Month	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Actual	2021 Actual	21/22 Actual	22/23 Budget	22/23 Actual	Monthly Budget Variance	Actual to % Change
July	2,160	2,205	1,969	1,628	1,876	1,931	1,975	1,834	2,022	1,642	1,868	1,562	-16.42%	-4.92%
August	3,564	3,407	3,186	2,620	3,012	3,206	3,245	3,112	3,215	2,500	3,018	2,476	-17.95%	-0.95%
September	2,333	2,244	1,973	1,775	1,939	2,027	2,145	2,112	2,205	1,604	2,016	1,881	-6.71%	17.27%
October	3,163	3,215	2,778	2,583	2,767	3,140	2,951	3,058	3,124	2,293	2,856	2,498	-12.56%	8.91%
November	1,586	1,931	1,454	1,490	1,340	1,705	1,664	1,837	1,882	1,153	1,634	1,329	-18.64%	15.32%
December	1,911	2,433	1,984	1,935	1,646	1,914	2,169	2,295	2,418	1,439	2,080	1,795	-13.72%	24.74%
January	1,005	1,342	1,065	991	910	942	993	1,186	1,157	735	1,018	984	-3.35%	33.87%
February	1,680	1,996	1,651	1,450	1,392	1,754	1,525	1,556	1,625	1,646	1,588	1,385	-12.78%	-15.84%
March	1,054	1,042	1,048	832	846	992	879	1,105	970	948	975	830	-14.89%	-12.41%
April	2,016	1,627	1,910	1,467	1,375	1,612	1,427	1,883	1,775	1,717	1,700	1,377	-19.01%	-19.80%
May	1,655	1,308	1,379	1,067	1,092	1,240	1,224	1,378	1,459	1,209	1,318	1,044	-20.76%	-13.68%
June	3,161	2,642	2,344	2,478	2,416	2,516	2,349	2,711	2,559	2,217	2,459	-		
TOTAL	<u>25,290</u>	<u>25,390</u>	<u>22,742</u>	<u>20,316</u>	<u>20,611</u>	<u>22,978</u>	<u>22,546</u>	<u>24,065</u>	<u>24,410</u>	<u>19,104</u>	<u>22,531</u>	<u>17,161</u>		
													Budget-to-Actual Basis	-14.51%
													Actual-to-Actual Basis	1.62%
													% of Total Budget	76.16%

Marin Municipal Water District
Budget to Actual Comparison for 2022/23 - All Funds
Actual as of May 31, 2023
Preliminary Unaudited

Operating Fund

Revenues and Expenditures	FY 2023 Adjusted Budget	Actual as of May 31, 2023	% of Budget
Revenues:			
<i>Water Sales and Service Charge:</i>			
Water Sales	\$ 60,881,258	\$ 43,790,589	71.9%
Service Charge	23,381,979	20,549,110	87.9%
Watershed Management Fee	5,207,474	4,617,009	88.7%
Total Water Sales and Service Charge	89,470,711	68,956,708	77.1%
<i>Other Revenues:</i>			
Rents	666,903	731,778	109.7%
Grants	-	1,791,950	-
Watershed Rents	939,166	1,035,783	110.3%
Watershed Payments	365,116	342,323	93.8%
Late Payment and Special Read Charges	120,133	229,669	191.2%
Interest	286,804	827,664	288.6%
Miscellaneous	350,647	139,739	39.9%
Total Other Revenues	2,728,769	5,098,906	186.9%
 Total Operating Revenues	 92,199,480	 74,055,614	 80.3%
Expenditures:			
Personnel services	53,932,018	44,561,384	82.6%
Materials and supplies	3,342,564	2,610,699	78.1%
Operations	10,625,189	8,690,810	81.8%
Water conservation rebate program	569,855	337,966	59.3%
Electrical power	5,480,047	3,838,021	70.0%
Water purchased	8,424,000	5,618,998	66.7%
Insurance, including claims	1,463,000	2,302,558	157.4%
General and administrative	4,216,939	3,867,224	91.7%
Debt service - interest and principal	9,706,507	8,897,631	91.7%
Overhead cost allocated to capital	(4,700,000)	(3,708,681)	78.9%
Total Operating Expenditures	93,060,119	77,016,610	82.8%
 Net Operating Fund Increase/(Decrease)	 \$ (860,639)	 \$ (2,960,996)	
Operating Fund Balance			
Opening Fund Balance (Unrestricted)	\$ 27,365,295	\$ 27,365,295	
Net Operating Fund Increase(Decrease)	(860,639)	(2,960,996)	
Accrual adjustments			
Ending Fund Balance	\$ 26,504,657	\$ 24,404,299	

Marin Municipal Water District
Budget to Actual Comparison for 2022/23 - All Funds
Actual as of May 31, 2023
Preliminary Unaudited

Capital and Fire Flow Funds

Revenues and Expenditures	FY 2023 Adjusted Budget	Actual as of May 31, 2023	% of Budget
Revenues:			
Customer Reimbursement Project	\$ 710,182	\$ 654,307	92.1%
Interest Income	10,000	110,658	1106.6%
Contributed Capital:			
Fire Flow	4,500,000	4,319,866	96.0%
Capital Maintenance Fee	18,065,625	15,450,899	85.5%
Capital Connection Fee	100,000	172,964	173.0%
Capital Grants & Contribution	-	1,474,225	
Total Revenues and Contributed Capital	23,385,807	22,182,920	94.9%
Capital Expenditures:			
Capital Projects - District	20,779,207	12,188,471	58.7%
Capital Projects - Fire Flow	4,635,686	1,721,314	37.1%
Capital equipment purchases	584,405	364,430	62.4%
Total Capital and Fire Flow Expenditures	25,999,298	14,274,215	54.9%
Net Capital and Fire Flow Fund Increase/(Decrease)	\$ (2,613,491)	\$ 7,908,704	-302.6%
Capital Fund Balance			
Capital Fund			
Opening Fund Balance	\$ 10,779,360	\$ 10,779,360	
Net Capital Fund Increase(Decrease)	(1,893,400)	4,200,357	
Capital equipment purchases	(584,405)	(364,430)	
Interest Adjustment		43,088	
Accrual adjustments			
Ending Fund Balance	\$ 8,301,556	\$ 14,658,375	
Fire Flow Fund			
Opening Fund Balance	\$ 3,461,244	\$ 3,461,244	
Net Fire Flow Fund Increase(Decrease)	(135,686)	2,598,552	
Interest Adjustment	-	67,570	
Ending Fund Balance	\$ 3,325,558	\$ 6,127,366	

CIP Projects	FY2022/23 Adjusted Budget	Capital Projects YTD Actual Expenditures As of 5/31/23	Encumbered for Contracts As of 5/31/23	Total Capital & Fire Flow As of 5/31/23
District Pipeline Replacement / Improvement	\$ 7,869,290	\$ 5,117,286	\$ 820,286	\$ 5,937,572
Replacements - Tank Maintenance & Replacement	\$ 1,798,685	\$ 1,096,994	\$ 741,047	\$ 1,838,041
Replacements - Treatment Plant Facilities	\$ 1,732,768	\$ 1,435,825	\$ 336,307	\$ 1,772,132
Replacements - Dam/Pump/Control System/Meters	\$ 1,333,877	\$ 625,017	\$ 275,394	\$ 900,411
Fire Chief's Fund	\$ 150,000	\$ 32,787	-	\$ 32,787
Program Management- Asset Mangement	\$ 901,812	\$ 115,056	136,756	\$ 251,812
System Improvements	\$ 202,742	\$ 181,574	\$ 12,338	\$ 193,912
Watershed - Minor Structures I/R/R	-	-	-	\$ -
Watershed - Ranger Residence & Minor Structure Impro	-	-	-	\$ -
Watershed - Trail Repair and Improvement	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Watershed - Road Repair & Improvement	\$ 1,019,535	\$ 499,721	\$ 390,556	\$ 890,277
Watershed - Natural Resource Project	\$ 1,504,191	\$ 1,159,627	\$ 343,737	\$ 1,503,364
Reimbursable Grant Projects	\$ 2,476,078	\$ 453,250	\$ 889,113	\$ 1,342,363
Reimbursable Customer Projects	\$ 1,569,957	\$ 1,314,702	\$ 3,000	\$ 1,317,702
Information Technology - Capital Equipments/Projects	\$ 170,271	\$ 156,633	\$ 2,664	\$ 159,296
Fire Flow Replacement	\$ 4,635,686	\$ 1,721,314	\$ 2,083,052	\$ 3,804,366
Capital Equipment Purchases	\$ 584,405	\$ 364,430	\$ 90,055	\$ 454,485
Total Capital Projects	\$ 25,999,298	\$ 14,274,215	\$ 6,174,305	\$ 20,448,520



This item was removed from the agenda, because the budget was adopted on 6/20/2023.

Item Number: 04
Meeting Date: 06-22-2023
Meeting: Finance & Administration Committee/
Board of Directors (Finance & Administration)

Approval Item

TITLE

Proposed Operating and Capital Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25

RECOMMENDATION

Adopt the Proposed Operating and Capital Budget for Fiscal Year 2023/24 and Fiscal Year 2024/25

SUMMARY

Staff has prepared the two year Operating and Capital Budget for Fiscal Year 2023/24 (FY 24) and Fiscal Year 2024/25 (FY 25) in conjunction with the 2023 rate-setting process. The proposed two year budget reflects the Board's direction to address water supply, capital infrastructure and fiscal stability, and it also incorporates inflationary impacts and non-discretionary expenditure items.

The District's rate-setting and budget process was guided by the following priorities:

- Replacing and modernizing aging infrastructure
- Strengthening water supply resiliency in the face of climate change
- Accelerating wildfire risk mitigation and enhance forest health restoration efforts
- Keeping pace with inflation
- Replenishing reserves to prepare for future emergencies

The proposed budget for FY 24 represents an increase of 22 percent compared to the prior year, and FY 25 is an increase of 15 percent. The increased expenditures over the two year budget period are predominantly attributable to increased capital spending on water supply projects and deferred maintenance. The proposed budget also includes contributions to reserves totaling \$5 million annually which are split evenly between a water supply project fund and the planned replenishment of the unrestricted operating reserve.

	FY 22/23	FY 23/24	%	FY 24/25	%
	Approved Budget	Proposed Budget	Change	Proposed Budget	Change
Operating Fund	\$92,181,473	\$104,139,464	13%	\$109,347,389	5%
Capital and Fire Flow Funds	\$23,922,000	\$32,981,000	38%	\$49,451,000	50%
Contribution to Reserves	\$0	\$5,000,000	-	\$5,000,000	0%
Total	\$116,103,473	\$142,120,464	22%	\$163,798,389	15%

DISCUSSION

Consistent with the material presented at the May 2 Board of Directors meeting, the proposed budget is comprised of \$142.1 million in FY 24 and \$163.8 million in FY 25, for a two-year total of \$305.9 million. The FY 24 budget includes operating expenses of \$104.1 million, a 13 percent increase compared to FY 23, and capital expenses of \$34.1 million, an increase of 42 percent compared to the prior year. In addition to increased expenditures for operating and capital needs, the proposed budget includes reserve contributions totaling \$5 million per year, split evenly between a water supply project reserve and the unrestricted operating reserve.

Table 1: FY 24 and FY 25 Proposed Budget Comparison

	FY 22/23	FY 23/24	%	FY 24/25	%
	Approved Budget	Proposed Budget	Change	Proposed Budget	Change
Operating Fund					
Personnel Services	\$56,248,399	\$57,462,068	2%	\$59,528,020	4%
Materials and Supplies	\$11,804,764	\$15,791,321	34%	\$17,740,645	12%
District Operations	\$13,591,413	\$17,958,044	32%	\$18,630,587	4%
General and Administrative	\$5,530,390	\$8,100,738	46%	\$8,745,570	8%
Debt Service	\$9,706,507	\$9,527,293	-2%	\$9,402,567	-1%
Allocation to Capital	(\$4,700,000)	(\$4,700,000)	0%	(\$4,700,000)	0%
Total Operating	\$92,181,473	\$104,139,464	13%	\$109,347,389	5%
Capital and Fire Flow Funds					
Capital Purchases	\$1,299,770	\$1,300,000	0%	\$1,300,000	0%
Baseline CIP	\$17,372,230	\$18,622,000	7%	\$19,578,000	5%
Water Supply	\$0	\$2,750,000	-	\$9,200,000	235%
Backlog Reduction	\$0	\$3,150,000	-	\$6,615,000	110%
Systems (ERP)	\$0	\$525,000	-	\$3,858,000	635%
Fireflow	\$4,500,000	\$4,500,000	0%	\$4,500,000	0%
Grant Funding	\$750,000	\$2,134,000	185%	\$4,400,000	106%
Total Capital and Fire Flow	\$23,922,000	\$32,981,000	38%	\$49,451,000	50%
Contribution to Reserves					
Water Supply	\$0	\$2,500,000	-	\$2,500,000	0%
Unrestricted Operating	\$0	\$2,500,000	-	\$2,500,000	0%
Total Contribution to Reserves	\$0	\$5,000,000	-	\$5,000,000	0%
Total Capital and Operating	\$116,103,473	\$142,120,464	22%	\$163,798,389	15%

The increase in operating expenses compared to the prior year is largely attributable to inflationary increases in areas such as purchased water, insurance premiums, paving contracts

and water treatment chemicals. Increases in capital expenditures include new spending for water supply resiliency projects, increased investments in the Capital Improvement Program (CIP) to reduce the District's deferred maintenance backlog, additional funding for the Biodiversity, Fire and Fuels Integrated Plan (BFFIP), and funding to begin the replacement of the District's enterprise resource planning (ERP) software. Finally, the FY 24 capital budget includes \$2.1 million in grant funding for watershed improvements and pipeline replacement projects.

In the second year of the budget (FY 25), the operating budget is increasing by \$5.2 million, or 5 percent, which reflects a continuation of inflationary impacts in most areas of the organization. The capital budget is increasing by \$16.4 million in FY 25, or 50 percent, as investments in water supply resiliency projects, deferred maintenance backlog reduction and software system replacement continue to be phased-in.

In FY 24, staffing will increase to 245 full time employees (FTE) from 243, which reflects one additional Ranger Trainee position to support Watershed operations and one additional Human Resources position to support district-wide training and development. In FY 25, staffing will increase to 247 FTE with the addition of two Utility Systems Specialist positions to reinstate the District's valve exerciser program.

The following are highlights of the FY 24 and FY 25 budget:

- \$16.9 million in Water Supply investments to support early action projects and future planning, including the electrification of the Soulajule reservoir, the Phoenix-Bon Tempe permanent connection, and a dedicated reserve fund for future water supply projects
- \$9.8 million in Capital Infrastructure funding to reduce the backlog of deferred maintenance in district facilities
- \$5.0 million to replenish operating reserves
- \$1.0 million in additional funding for the Watershed's BFFIP program to increase annual fire fuel reduction and invasive species removal by 17 percent
- \$610,000 was added to the District's Water Efficiency program to support the Water Conservation element of the Strategic Water Supply Assessment.

The District's two year Capital Improvement Program (CIP) Budget is based on a 5-Year Plan for FY 2024 through FY 2028 that anticipates a total investment of approximately \$249 million. This level of investment is an increase of nearly 80 percent compared to the previous 5-year plan and reflects the Board's top priorities of water supply resiliency, deferred maintenance reduction and watershed protection.

In recent months, there has been some discussion regarding the budgeted expenditure levels for water efficiency and the watershed. Staff will provide an overview of the funding levels for these departments during the presentation. As highlighted above, the Proposed Budget

contains \$610,000 in additional spending over the two years to implement the Water Conservation element of the Strategic Water Supply Assessment. This will further enhance the District’s ability to support and incentivize the replacement of water using appliances with high efficiency devices, turf conversions, rain barrels, and Graywater Kits. It will also help the District utilize water use data and further refine marketing and outreach efforts. Furthermore, the District expects to receive grant funding in the coming fiscal year that can be applied to enhance our existing rebate and incentive program.

Proposed funding for the Watershed includes \$500,000 annually in additional funding for the Biodiversity, Fire Fuel Integrated Plan (BFFIP). The Proposed Budget also includes an additional Ranger Trainee position and increased capital investments over the two year budget period.

FISCAL IMPACT

The Proposed Budget includes expenditure appropriations of \$142.1 million and \$163.8 million for FY 24 and FY 25, respectively.

ATTACHMENT(S)

- 1. Proposed Operating and Capital Budget for FY 2023/24 and FY 2024/25

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Administrative Services Division		
	Bret Uppendahl Finance Director	Ben Horenstein General Manager



MARIN WATER



Proposed
Operating and Capital Budget
Fiscal Year 2023/24 and 2024/25

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Operating and Capital Budget FY 2023/24 and FY 2024/25

Board of Directors

Monty Schmitt, President

Division II Representative

Ranjiv Khush, Vice President

Division III Representative

Matthew Samson

Division I Representative

Jed Smith

Division IV Representative

Larry Russell

Division V Representative

Board Committees

Operations Committee

Finance & Administration Committee

Watershed Committee

Communications & Water Efficiency Committee

Ad Hoc Committees

One Tam

North Bay Watershed Association

Tomales Bay Watershed Council

North Bay Water Reuse Authority

Association of California Water Agencies

Federal Affairs Committee

Technical Advisory Committees

Lagunitas Creek Sediment & Riparian

Management Committee

Water Advisory Committee

Sonoma County Water Agency



MISSION STATEMENT

It is the purpose of the Marin Municipal Water District to manage our natural resources in a sustainable manner and to provide our customers with reliable, high-quality water at a reasonable price.



**MARIN
WATER**

Board of Directors

General Manager: Ben Horenstein



Division I
Matt Samson



Division II
Monty Schmitt



Division III
Ranjiv Khush



Division IV
Jed Smith

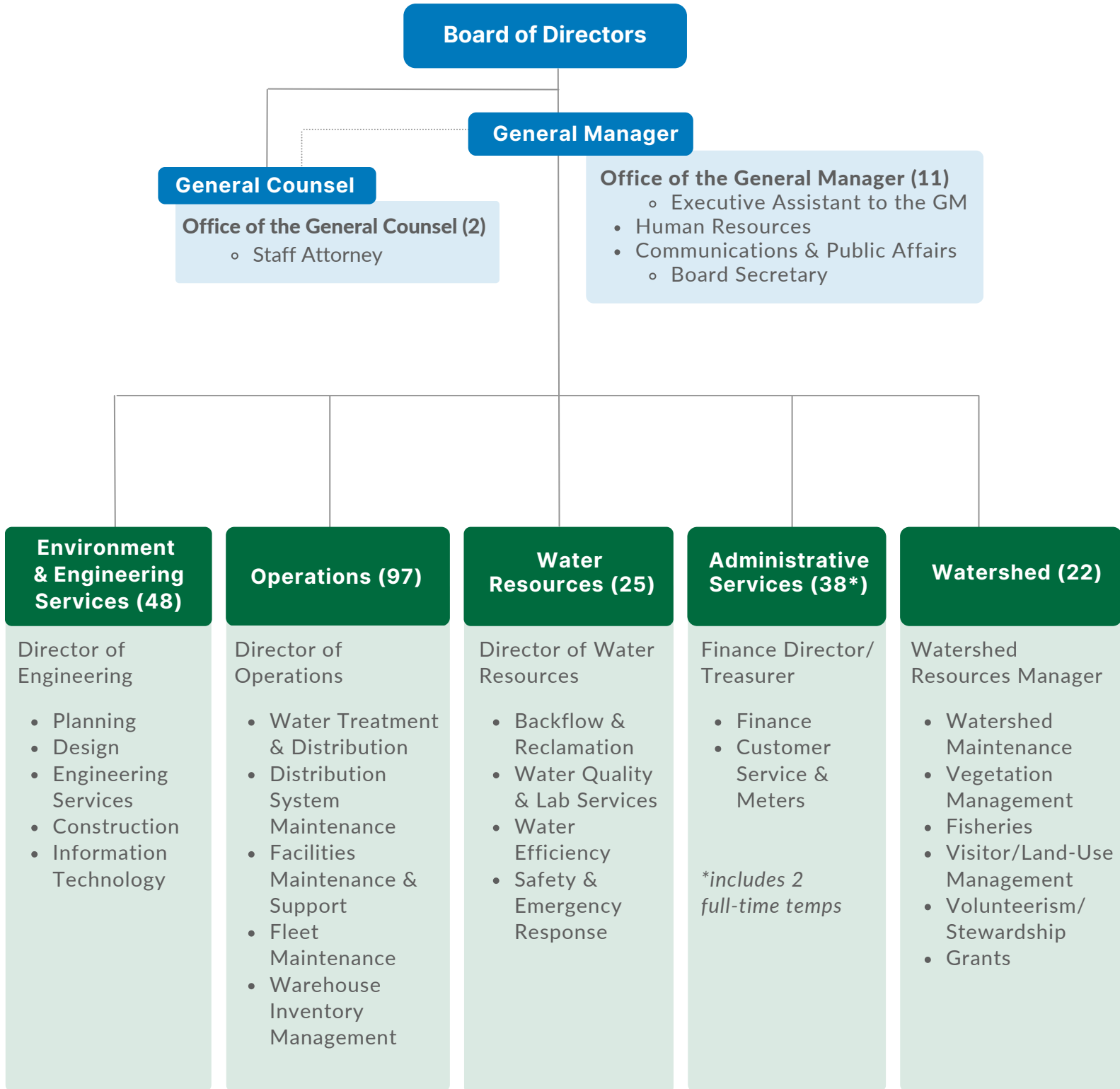


Division V
Larry Russell





Team Organization





**Operating and Capital Budget
Fiscal Year 2023/24 & 2024/25**

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June 20, 2023

President and Members of the Board of Directors:

As the District enters its 112th year, we continue our commitment to provide high-quality drinking water to over 190,000 people in a 147 square-mile area of southern and central Marin County that includes ten towns and cities as well as unincorporated areas. The District is proud to be a responsible steward of the Mt. Tamalpais Watershed, managing nearly 22,000 acres of watershed lands in a sustainable manner to reduce wildfire risk and enhance the productivity and quality of our community's primary source of water.

Over the past few years we had some extraordinary events and, with the support of our community and our customers, we were able to meet the challenges they presented – from the Public Safety Power Shutoffs, where PG&E shut down all power supply for extended periods to address fire risk, to a public health pandemic, and the recent historic drought, in which rainfall levels were the lowest in nearly a century and our local reservoir storage was nearly depleted.

We are proud to be California's oldest municipal water district and we are proud to have overcome so many previous challenges. Since 1912, Marin Water has reliably delivered for our customers, overcoming incredible obstacles along the way. We tunneled through Pine Mountain, erected Alpine Dam and filled reservoirs. We are now at a point in the District's history where we have an opportunity to enhance the services we provide and place us on a trajectory of long-term resiliency and sustainability. More specifically, we have the opportunity to address water supply resiliency, even in the face of extreme droughts that are projected to increase over time.

We also have the opportunity to increase investments in our aging infrastructure to maintain our commitment to deliver water whenever customers may need it. This includes a continued commitment to the unique watershed with which are entrusted, a continued focus on fire fuel reduction activities to protect the watershed and neighboring communities, and continued preservation of the natural biodiversity that protects the high quality of water provided by the mountain streams and their natural systems.

Over the past several months, the District partnered with an independent advisor to conduct an extensive analysis of the revenue requirement to support planned operational and capital needs over the next four years. Consistent with the direction provided by the

Board of Directors, the District’s rate-setting process provides funding for the top priorities, which include:

- Replacing and modernizing aging infrastructure
- Strengthening water supply resiliency in the face of climate change
- Accelerating wildfire risk mitigation and enhance forest health restoration efforts
- Keeping pace with inflation
- Replenishing reserves to prepare for future emergencies

FY 24 and FY 25 Budget Summary and Highlights

The district-wide budget for FY 24 is \$143.2 million, which is a 23 percent increase compared to the prior year. In FY 25, the budget is \$163.8 million, a 14 percent increase. The FY 24 budget includes operating expenses of \$104.1 million, a 13 percent increase compared to FY 23, and capital expenses of \$34.1 million, an increase of 42 percent compared to the prior year. In addition to increased expenditures for operating and capital needs, the proposed budget includes reserve contributions totaling \$5 million per year, split evenly between a water supply project reserve and the unrestricted operating reserve.

	FY 22/23	FY 23/24	%	FY 24/25	%
	Approved Budget	Proposed Budget	Change	Proposed Budget	Change
Operating Fund	\$92,181,473	\$104,139,464	13%	\$109,347,389	5%
Capital and Fire Flow Funds	\$23,922,000	\$32,981,000	38%	\$49,451,000	50%
Contribution to Reserves	\$0	\$5,000,000	-	\$5,000,000	0%
Total	\$116,103,473	\$142,120,464	22%	\$163,798,389	15%

The increase in operating expenses compared to the prior year is largely attributable to inflationary increases in areas such as purchased water, insurance premiums, paving contracts and water treatment chemicals. Increases in capital expenditures include new spending for water supply resiliency projects, increased investments in the Capital Improvement Program (CIP) to reduce the District’s deferred maintenance backlog, additional funding for the Biodiversity, Fire and Fuels Integrated Plan (BFFIP), and funding to begin the replacement of the District’s enterprise resource planning (ERP) software. Finally, the FY 24 capital budget includes \$2.1 million in grant funding for watershed improvements and pipeline replacement projects.

In the second year of the budget (FY 25), the operating budget is increasing by \$5.2 million, or 5 percent, which reflects a continuation of inflationary impacts in most areas of the organization. The capital budget is increasing by \$16.4 million in FY 25, or 50 percent, as investments in water supply resiliency projects, deferred maintenance backlog reduction and software system replacement continue to be phased-in.

The following are highlights of the FY 24 and FY 25 budget:

- \$16.9 million in Water Supply investments to support early action projects and future planning, including the electrification of the Soulajule reservoir, the Phoenix-Bon Tempe permanent connection, and a dedicated reserve fund for future water supply projects
- \$9.8 million in Capital Infrastructure funding to reduce the backlog of deferred maintenance in district facilities
- \$5.0 million to replenish operating reserves
- \$1.0 million in additional funding for the Watershed’s BFFIP program to increase annual fire fuel reduction and invasive species removal by 17 percent
- \$610,000 was added to the District’s Water Efficiency program to support the Water Conservation element of the Strategic Water Supply Assessment.
- One additional Ranger Trainee position was added in order to provide greater support to the Watershed
- One additional Human Resources position was added to support district-wide training and development
- Two additional Utility Systems Specialist positions were added in FY 25 to reinstate the District’s Valve Exerciser program

Table 1: Budget Comparison

	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	% Change	FY 24/25 Proposed Budget	% Change
Operating Fund					
Personnel Services	\$56,248,399	\$57,462,068	2%	\$59,528,020	4%
Materials and Supplies	\$11,804,764	\$15,791,321	34%	\$17,740,645	12%
District Operations	\$13,591,413	\$17,958,044	32%	\$18,630,587	4%
General and Administrative	\$5,530,390	\$8,100,738	46%	\$8,745,570	8%
Debt Service	\$9,706,507	\$9,527,293	-2%	\$9,402,567	-1%
Allocation to Capital	(\$4,700,000)	(\$4,700,000)	0%	(\$4,700,000)	0%
Total Operating	\$92,181,473	\$104,139,464	13%	\$109,347,389	5%
Capital and Fire Flow Funds					
Capital Purchases	\$1,299,770	\$1,300,000	0%	\$1,300,000	0%
Baseline CIP	\$17,372,230	\$18,622,000	7%	\$19,578,000	5%
Water Supply	\$0	\$2,750,000	-	\$9,200,000	235%
Backlog Reduction	\$0	\$3,150,000	-	\$6,615,000	110%
Systems (ERP)	\$0	\$525,000	-	\$3,858,000	635%
Fireflow	\$4,500,000	\$4,500,000	0%	\$4,500,000	0%
Grant Funding	\$750,000	\$2,134,000	185%	\$4,400,000	106%
Total Capital and Fire Flow	\$23,922,000	\$32,981,000	38%	\$49,451,000	50%
Contribution to Reserves					
Water Supply	\$0	\$2,500,000	-	\$2,500,000	0%
Unrestricted Operating	\$0	\$2,500,000	-	\$2,500,000	0%
Total Contribution to Reserves	\$0	\$5,000,000	-	\$5,000,000	0%
Total Capital and Operating	\$116,103,473	\$142,120,464	22%	\$163,798,389	15%

Capital Improvement Program Budget

The CIP 5-Year Plan for FY 2024 through FY 2028 anticipates a total investment of approximately \$249 million. This level of investment is an increase of nearly 80 percent compared to the previous 5-year plan and reflects the Board’s top priorities of water supply resiliency, deferred maintenance reduction and watershed protection.

As noted previously, the District’s budget includes the first two years of the long term CIP plan and the proposed two-year capital budget is an increase of \$32.4 million, or 65 percent, compared to the prior two-year capital budget. The major categories of projects are summarized below and discussed in greater detail in the Capital Improvement Program section of the Proposed Budget.

CIP 2 Year Budget Comparison

	FY 22 Approved Budget	FY 23 Approved Budget	FY 24 Proposed Budget	FY 25 Proposed Budget	% Change (2 yr)
Pipelines	\$ 9,400,000	\$ 8,510,000	\$ 12,010,000	\$ 15,276,000	52%
Pump Stations	\$ 485,000	\$ 1,385,000	\$ 1,385,000	\$ 4,420,000	210%
Storage Tanks	\$ 4,875,000	\$ 5,525,000	\$ 5,700,000	\$ 6,860,000	21%
Treatment Plants	\$ 5,065,000	\$ 1,075,000	\$ 2,420,000	\$ 1,620,000	-34%
Watershed	\$ 2,972,000	\$ 4,077,000	\$ 4,890,000	\$ 5,224,000	43%
System Improvements	\$ 3,300,000	\$ 3,350,000	\$ 3,826,000	\$ 6,851,000	61%
Water Supply	\$ -	\$ -	\$ 2,750,000	\$ 9,200,000	
Total	\$ 26,097,000	\$ 23,922,000	\$ 32,981,000	\$ 49,451,000	65%

Conclusion

The FY 24 and FY 25 budget was developed with the intent to put the District on a path toward water supply resiliency and financial stability. The recent drought put a significant strain on district resources and we relied heavily on reserves to mitigate the fiscal impact on our customers. Despite the recent rains, we know that climate change is dramatically impacting longer term water supply planning and underscoring the importance of proactive vegetation and fire fuel management on the Mount Tam watershed. In order to successfully meet these challenges, we will need to continue to partner with our customers to enhance water efficiency while also investing in the infrastructure that will supply our community with reliable, high-quality water for decades to come.

Respectfully submitted,



Bennett Horenstein
General Manager



Bret Uppendahl
Finance Director/Treasurer

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GENERAL INFORMATION

The Marin Municipal Water District (MMWD) is a special district that provides water service to residents residing within 147 square miles of Marin County, California, located immediately north of the Golden Gate Bridge and the City of San Francisco. The district is an independent agency that has no reporting responsibilities to the County of Marin County or any of the municipalities within the county. It serves a population of approximately 191,000 with the annual water demand averaging 25,200 acre feet over the last five years. MMWD's service area includes southern and central Marin County and ten (10) of the county's eleven (11) cities. The district is the oldest municipal water district in the State of California and is comprised of over 900 miles of water pipelines, three (3) treatment plants, seven (7) local reservoirs, 130 storage tanks, and over 60,000 service connections.

The district is governed by a five-member Board of Directors, each representing a geographical division. Directors serve overlapping four-year terms. The Board, in turn, elects one of its members to serve as Board President each year. The Board appoints the General Manager, Administrative Services Division Manager/Treasurer, Board Secretary and Legal Counsel. The General Manager is the chief executive, and is responsible for hiring Division Managers for each of the district functions and to administer the programs in accordance with the policies of the Board of Directors.

Water Supply

Historically, the district's water supply comes primarily from rainfall runoff captured on the north slope of Mt. Tamalpais in the westerly slopes of the coastal range. District facilities, constructed in stages over the last 100 years, divert approximately two-thirds of the flow of Lagunitas Creek above Kent Lake and more than one-third of the flow of Nicasio Creek to developed areas of eastern Marin. The District's watershed drainage system has four creek units: Lagunitas Creek above Kent Lake, Nicasio Creek at Nicasio Dam, Ross Creek above Phoenix Lake and Walker Creek above Soulajule Reservoir.

Average annual precipitation averages 50 inches per year at Lake Lagunitas, although the annual totals vary across the drainage basins above the reservoirs. Over the last ten years, approximately 73% of the potable water used by district customers comes from the local reservoir system. Although while under drought conditions in FY 2021/22, only 56% of potable water was from the local reservoir system.

The district has considerable stewardship responsibility for the aquatic species that reside in the streams below its reservoirs. In particular, the district must release water from its reservoirs to help sustain downstream fisheries. To meet the terms included in the district's water rights, an average of approximately 10,500 acre feet per year is released for that purpose.

In addition to the above described local water sources, since 1976 the district, has contracted for imported delivery from Sonoma County Water Agency (SCWA). A renewed agreement with SCWA was executed in June 2015; this agreement allows the district to continue taking delivery of up to 14,300 acre feet of water per year. The contract remains in effect until June 30, 2025, and includes a renewal provision that will extend the agreement through June 30, 2040. In fiscal year 2022, the district produced approximately 21,000 acre feet of water for its customers, including approximately 8,900 acre feet of water imported from SCWA.

Water Systems and Treatment Facilities

The district owns and operates water production, storage, treatment and distribution facilities to serve customers within its boundaries. MMWD's current water system consists of 80 square miles of watershed, seven reservoirs with a storage capacity of 79,566 acre feet (one acre foot is equal to 325,851 gallons, enough water to cover one acre to a depth of one foot), 908 miles of pipeline, 130 storage tanks, 97 pumping stations, and 3 potable water treatment facilities. The District's owned land, including watershed, totals 22,450 acres. Five of the seven district reservoirs (Alpine, Bon Tempe, Kent, Lagunitas and Phoenix Lakes) are located on the north slope of Mt. Tamalpais. The other two (Nicasio and Soulajule) are outside the district's service area in western Marin County.

Presented below are descriptions of the district's reservoirs:

- **Alpine Lake**, built in 1919 and has an arched concrete dam. The dam was raised in 1923 and 1941 to its present height and a total storage capacity of 8,891 acre feet.
- **Bon Tempe Lake** has an earth fill dam and was built in 1948 with a capacity of 4,017 acre feet.
- **Kent Lake** has an earth fill dam and was built in 1953. The structure was enlarged in 1982 to accommodate a total capacity of 32,895 acre feet.
- **Lake Lagunitas**, the oldest facility, has an earth fill dam built in 1872. Lake Lagunitas still maintains its original capacity of 350 acre feet.
- **Phoenix Lake**, has an earth fill dam, was constructed in 1905 and was significantly modified in 1968 and 1985. The last modification reduced the lake's capacity to 411 acre feet. It now serves primarily as a scenic resource for the community and is used as a water supply source only in very dry years.
- **Nicasio Reservoir** has an earth fill dam and was built in 1960, with a capacity of 22,430 acre feet.
- **Soulajule Reservoir** is impounded by an earth fill dam built in 1979 with a capacity of 10,572 acre feet.

The district operates three water treatment facilities. San Geronimo and Bon Tempe Plants, with 35 million gallons per day (mgd) and 20 mgd maximum capacity, respectively, treat water originating from the district reservoirs. Ignacio Pump Station, with 16 mgd maximum capacity, performs chemical treatment in a "polishing" operation on water received from Sonoma County Water Agency via the North Marin Intertie Pipeline.

FINANCIAL ORGANIZATION AND BUDGET PROCESS

This section describes the district's financial structure, financial organization, and budget development process. It provides a financial overview including how the budget is created.

FINANCIAL ORGANIZATION

Fund Structure and Descriptions

The district's financial structure is based on proprietary and fiduciary funds. Overall district operations are reported as a single proprietary fund which uses an economic resources measurement focus and the accrual basis of accounting. The fund operates similar to business enterprises where the intent is that the expense of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Financial Reporting

The district prepares its financial reports in conformity with generally accepted accounting principles (GAAP) and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB) on an accrual basis; revenues are recognized when earned and costs are recognized when a liability is incurred.

Budgetary and Accounting Basis

The district's basis of budgeting generally conforms to the GAAP basis of accounting used for financial reporting. Revenues are recorded when earned and expenses are recorded at the time commitments are incurred.

Depreciation and amortization are handled differently in financial and budgetary reporting. In financial reporting, depreciation and amortization are included, and the repayment of the principal on debt is not included. In budgetary reporting, depreciation and amortization are excluded, and the repayment of the principal on debt is included as an expense.

THE BUDGET PROCESS

During the budget process, the district makes decisions on the efficient use of its resources. A financial plan and biennial budget is established that includes the operating and capital programs and sets levels of related operating, capital and debt service expenditures that may be made during the budget period.

The budget is developed to reflect the costs necessary to provide customers with safe and reliable water service over the long term while keeping rate increases as low as possible. The budget not only allocates resources, but is also used as a planning document to develop rates and charges that provide adequate revenues to meet the district's needs.

Decisions on allocating resources and addressing budget needs do not end when the board adopts the budget. Throughout the year departments are responsible for implementing the budget and monitoring budget performance, responding to unforeseen or emergency circumstances, and participating in long-range financial planning.

Balanced Budget

The district budget is balanced when operating revenues are equal to or greater than operating expenditures including debt service but excluding depreciation and amortization (i.e., budgeted expenditures shall not exceed budgeted revenues).

Mid-Cycle Budget Update

The Board of Directors approves the budget covering a two-year period. Prior to the start of the second year of the two-year budget on July 1, the Board will be presented a financial update including updates on projections for revenues, expenditures and staffing and review of the prior fiscal year results compared to budget.

Budgetary Controls

The district-wide funds management system provides budgetary controls which monitors spending within budgeted amounts. Budgetary controls function differently for operating and capital budget expenditures. For the operating budget, each division's expenditures is controlled within an expenditure category such as materials, supplies, freight and utilities, repairs and maintenance and professional services fees. A division cannot exceed their authorized operating budget within an expenditure category or the total department budget for a fiscal year. Capital project spending is controlled based on the funding source. There can be more than one project assigned to a funding source.

Budgetary Adjustments

Reallocation of the operating budget for a division among its line item expenses allows the divisions to have financial flexibility within the funds management system. Budget adjustments to a division's budget are reallocations of funds between line item expenses and between fund centers. Approval from the affected division(s) and the Finance Director are required for all budget adjustments. The General Manager's approval is required for the reallocation of funds from between the operating and capital budgets and between departments. Overall increases to the operating or capital budgets require approval from the Board of Directors.

Capital Improvement Program

The Capital Improvement Program (CIP) addresses the capital priorities of the district for the next five to ten years. The CIP is updated annually to reflect shifts in project priorities.

OUTSTANDING DEBT SUMMARY

The district's outstanding debt as of July 1, 2023 includes Revenue Bonds, Clean Renewable Energy Bonds (CREBs), Aqueduct Energy Efficiency Project Obligation (AEEP), and Las Gallinas Valley Sanitary District (LGVSD) – Recycled Water Buy-in Obligation as described below.

Water Revenue Bonds

As of July 2023, the district has three revenue bond issues outstanding; the 2016 Refunding Revenue Bonds, the Subordinate Revenue Bonds Series 2017, and the 2022 Refunding Revenue Bonds. All were issued by the joint power authority, Marin Municipal Water District Financing Authority (Authority). The bonds are special limited obligations of the Authority payable from and secured by a pledge of the net revenue of the district per an installment sale agreement between the district and the Authority.

A portion of each issues' proceeds were used to fund additions, betterments, extensions and improvements to the district's water system, watershed improvement projects, water treatment and water quality projects, water distribution piping and related facility improvement projects, water storage projects and computer and technology system projects.

The 2016 Refunding Revenue Bonds were issued in November 2016, in the amount of \$31,380,000, to refund the district's outstanding 2010 Series A Water Revenue Bonds. The refunding took place to restructure the debt service requirements and deferred the first principal payment to 2030 generating cash flow saving of \$1.9 million. The proceeds received from the refunding bond issue was \$35.2 million and were held in an escrow account until the 2010 Water Revenue Bonds were redeemed in 2020.

On August 1, 2017, the Marin Municipal Water District Financing Authority Subordinate Revenue Bonds, Series 2017 were issued in the amount of \$36,120,000. The bond sale raised \$42 million with \$6 million net premium for the District's capital improvement program. The bonds were issued with average coupon rate is 4.846% and scheduled to fully mature on July 1, 2047.

On April 4, 2022, the Authority issued the 2022 Refunding Revenue Bonds in the amount of \$67,505,000, to refund the district's outstanding 2012 Series A Water Revenue Bonds. On January 29, 2020, the Series 2022 Bonds were issued through the Forward Bond Purchase Agreement with Morgan Stanley which locked in the interest rates as of January 29, 2020. The 26-month forward delivery structure enabled a tax-exempt current refunding of the Series A 2012 Bonds at their July 1, 2022 call date. The 2022 Refunding Revenue Bonds generated \$10.6 million of net present value savings. The 2012 Series A Water Revenue Bonds were originally issued in June 2012 in the amount of \$85,000,000 to refund the district's outstanding 2002 Water Revenue Bonds and a portion of the 2004 Certificates of Participation and to fund capital improvements to the district's water system. Total proceeds received from the original bond issue for funding district capital improvements was \$54.6 million.

As of June 30, 2023 the outstanding principal balances for 2016 Refunding Revenue Bonds, 2017 Series Subordinate Revenue Bonds and 2022 Refunding Revenue Bonds are \$31,380,000, and \$32,815,000 and \$64,210,000 respectively.

Clean Renewable Energy Bonds (CREBs)

In September 2008, the district issued Clean Renewable Energy Bonds (CREBs) for the installation of solar panels on the district's administration and corporate yard buildings. The CREBs were authorized by the Internal Revenue Service and are structured so that bondholders receive a federal income tax credit in lieu of interest. The total principal amount of the CREBs issued for both projects was \$1,956,000. The debt service is paid annually over 15 years in the amount of \$122,250, principal only. The installment payments are payable from the net revenue of the district. As of June 30, 2023 the outstanding principal balance is \$122,250.

Las Gallinas Valley Sanitary District (LGVSD) – Recycled Water Buy-In Obligation

On April 1, 2017, the District entered into an agreement with the Las Gallinas Valley Sanitary District (LGVSD) to pay 10.5% of the final actual costs currently estimated at \$41,000,000 of the Recycled Water Treatment Facility (RWTF). LGVSD operates an existing recycled water treatment facility that was initially constructed in 2011 and currently provides recycled water to the North Marin Water District (NMWD). The NMWD also reimburses the LGVSD for its proportional share of the initial construction costs it incurred in 2011 for the construction of the original facility (Buy-In). The District’s proportional share of initial construction costs is determined at \$4,023,647. In addition, the District agreed to pay \$2,049,595 for the recycled water right. The District is obligated to make payments in the amount of \$463,000 annually from 2017 through 2031. The annual payment will then be reduced to \$256,000 from 2032 through 2042 as fair compensation for the water treatment facility capital cost and the recycled water right. As of June 30, 2023 the outstanding principal balance is \$4,153,057.

Aqueduct Energy Efficiency Project Obligation (AEEP)

On February 5, 2015, the District entered into an agreement with the North Marin Water District to pay 51% (\$3,662,882) of the final actual costs of \$7,103,691 for the Aqueduct Energy Efficiency Project which would upsize the North Marin Aqueduct from Kastania Pump Station to Redwood Landfill road. Marin Municipal Water District takes delivery of Agency water through a connection to an Aqueduct in Northern Novato. Part of the Aqueduct was replaced under the Marin-Sonoma Narrows High Occupancy Vehicle Widening project, a joint project between Caltrans and the Federal Highway Administration. The relocation and replacement of the Aqueduct is called the Aqueduct Energy Efficiency Project, which includes relocation and replacement of 24,000-feet of Aqueduct with a larger diameter pipe. Marin Municipal Water District is obligated to make payments in the amount of \$205,306 to the North Marin Water District, each July 1, from 2015 through 2032 as fair compensation for the capital cost. As of June 30, 2023 the outstanding principal balance is \$1,624,354.

Summary of Outstanding Debt as of June 30, 2023			
	Interest Rate	Maturity	Principal Balance
2016 Refunding Revenue Bonds	3.25% - 5.00%	07/01/2040	31,380,000
2017 Subordinate Revenue Bonds	2.00% – 5.00%	07/01/2047	32,815,000
2022 Refunding Revenue Bonds	3.00% – 5.00%	06/15/2052	64,210,000
Clean Renewable Energy Bonds		09/30/2023	122,250
LGVSD Obligation		07/01/2042	4,153,057
AEEP Obligation		07/01/2032	1,624,354
Total Outstanding Debt			\$134,304,661

The district is subject to certain debt covenants, the most restrictive of which requires the setting of rates and charges to yield net revenue equal to at least 125 percent of the current annual debt service requirement of the revenue bonds and other parity debt, as well as the establishment of certain principal, interest and reserve funds. The 2016 Refunding Bonds, 2017 Subordinate Revenue Bonds and 2022 Refunding Revenue Bonds are collateralized by a pledge of the district’s net revenues of Water Systems, as defined in the Master Indenture.

Sources of Debt Service Payments

The district's primary source of revenue is water sales, followed by service charges, connection charges and interest. The district has the power and is mandated to establish rates and charges for water service as necessary to meet all of its expenses and obligations including debt service on existing revenue bonds, coverage requirements, and installment payments.

The outstanding revenue bonds have a first lien on net revenues. Net revenues are all enterprise revenues after deducting all maintenance and operation costs, plus connection charges after deducting all costs of making the connections for which such charges are payable.

MMWD's current water rates are designed to fund all district expenses, including operation and maintenance, debt service and meet debt coverage requirements.

Water Rates and Charges

The district has the authority under California law to establish charges for service without the review and approval of any other government body, but is required to initiate public notification through the Proposition 218 process. The district's rates and charges are established by ordinance approved by the Board of Directors. The district has the right to refuse or terminate water service to delinquent customers and to require full payment of delinquent amounts and reconnection charges to resume service.

District Revenue Summary (All Funds)

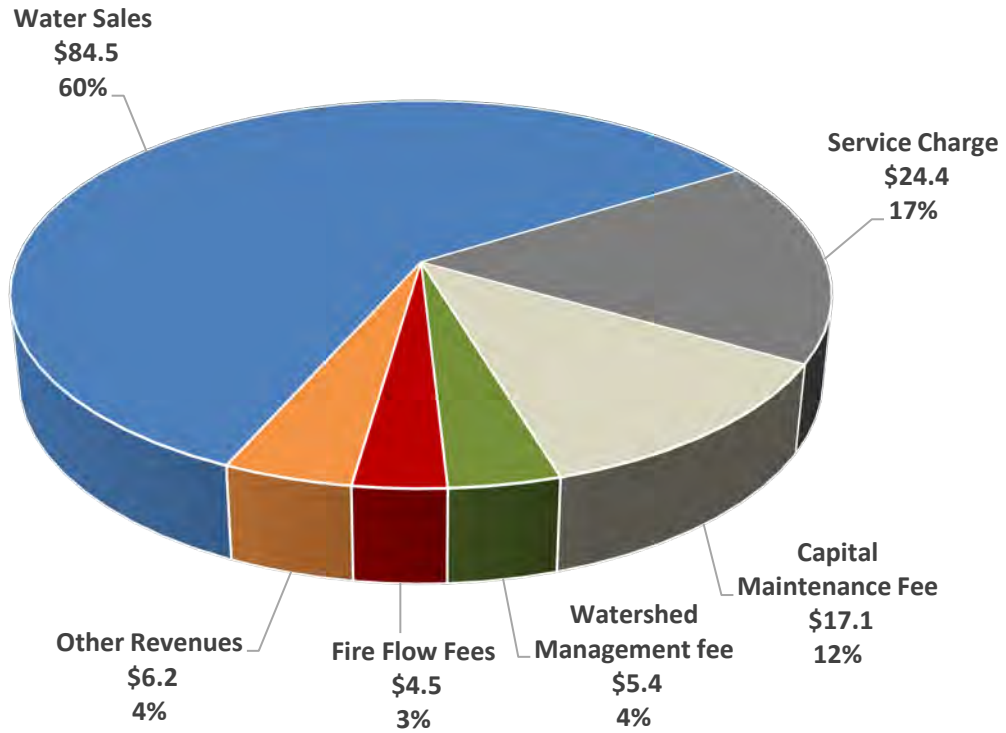
	Actual FY 2020/21	Actual FY 2021/22	Budget FY 2022/23	Budget FY 2023/24	%	Budget FY 2024/25	%
Operating & Capital Revenue							
Rate Revenue							
Water Sales	61,099,872	46,192,851	60,881,258	84,509,599	38.8%	102,302,963	21.1%
Service Charge	20,532,597	21,867,255	23,381,979	24,370,494	4.2%	25,589,019	5.0%
Watershed Management Fee	4,572,006	4,899,011	5,207,474	5,386,376	3.4%	5,655,695	5.0%
Capital Maintenance Fee	15,509,355	16,444,158	18,065,625	17,118,698	-5.2%	17,974,633	5.0%
Total Rate Revenues	\$101,713,830	\$89,403,276	\$107,536,336	\$131,385,167	22.2%	\$151,522,309	15.3%
Other Revenues							
Connection Charges	1,562,588	1,353,226	810,182	600,000	-25.9%	600,000	0.0%
Rents and Royalties	1,620,134	1,735,135	1,606,069	1,974,852	23.0%	2,014,349	2.0%
Grants	416,461	3,654,788	-	2,134,500	-	4,400,000	106.1%
Permits and Fees	554,883	454,191	365,116	365,120	0.0%	365,120	0.0%
Late Payments & Charges	153,558	131,888	120,133	120,133	0.0%	120,133	0.0%
Interest Revenue	409,770	317,362	296,804	738,750	148.9%	538,125	-27.2%
Miscellaneous	182,444	254,814	350,647	286,804	-18.2%	286,804	0.0%
Total Other Revenues	\$4,899,839	\$7,901,404	\$3,548,951	\$6,220,159	75.3%	\$8,324,531	33.8%
Total Operating & Capital Revenues	\$106,613,669	\$97,304,679	\$111,085,287	\$137,605,326	23.9%	\$159,846,840	16.2%
Fire Flow Revenue							
Fire Flow Fees	4,504,313	4,525,100	4,500,000	4,500,000	0.0%	4,500,000	0.0%
Total Fire Flow Revenues	\$4,504,313	\$4,525,100	\$4,500,000	\$4,500,000	0.0%	\$4,500,000	0.0%
Total District Revenues	\$111,117,982	\$101,829,779	\$115,585,287	\$142,105,326	22.9%	\$164,346,840	15.7%

Over 90 percent of the District's revenue comes from rate revenues paid by customers. As part of the 2023 rate setting process, the rate structure was updated to reflect current demand levels and to reduce the overall percentage of revenue generated by fixed fees. The increase in rents and royalties reflects a new license agreement for the Mt. Tamalpais Communication Site and grant revenues of \$2.1 million in FY 24 support the Lagunitas Creek Fisheries Restoration project and infrastructure improvements in Marin City and San Rafael.

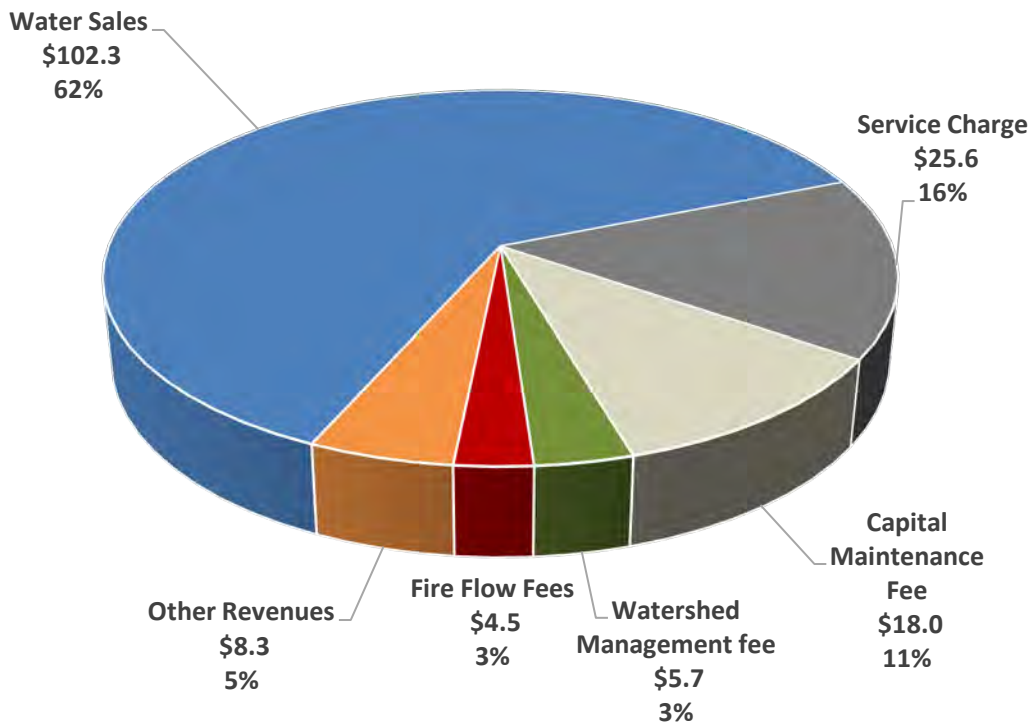
District Expenditure Summary (All Funds)

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$23,606,274	\$29,225,957	\$29,634,516	1.4%	\$30,392,633	2.6%
Overtime and Standby	\$1,361,470	\$1,024,297	\$1,006,227	-1.8%	\$1,014,108	0.8%
Temporary	\$301,047	\$492,506	\$442,025	-10.2%	\$460,890	4.3%
Contract Help	\$484,860	\$383,136	\$565,224	47.5%	\$825,849	46.1%
Director Fees	\$0	\$61,000	\$61,000	0.0%	\$61,000	0.0%
Fringe Benefits	\$20,821,052	\$25,061,502	\$25,753,076	2.8%	\$26,773,540	4.0%
Personnel Services Total	\$46,574,703	\$56,248,399	\$57,462,068	2.2%	\$59,528,020	3.6%
Materials and Supplies						
Chemicals	\$1,152,919	\$1,930,190	\$2,789,547	44.5%	\$2,969,757	6.5%
Materials	\$2,315,164	\$899,500	\$963,600	7.1%	\$981,500	1.9%
Supplies	\$513,712	\$551,074	\$560,474	1.7%	\$577,388	3.0%
Water Purchases	\$12,139,318	\$8,424,000	\$11,477,700	36.3%	\$13,212,000	15.1%
Materials and Supplies Total	\$16,121,114	\$11,804,764	\$15,791,321	33.8%	\$17,740,645	12.3%
District Operations						
Automotive	\$762,911	\$739,000	\$926,500	25.4%	\$959,000	3.5%
Conservation	\$1,704,644	\$591,000	\$591,000	0.0%	\$651,000	10.2%
Construction Contracts	\$2,179,703	\$1,925,000	\$4,035,000	109.6%	\$4,431,000	9.8%
Equipment Rental	\$429,078	\$504,000	\$504,750	0.1%	\$511,700	1.4%
Professional Services	\$2,265,140	\$1,875,370	\$3,355,935	78.9%	\$3,180,979	-5.2%
Repairs & Maintenance	\$1,722,665	\$2,048,577	\$2,564,158	25.2%	\$2,628,001	2.5%
Small Tools & Equipment	\$91,541	\$164,110	\$162,960	-0.7%	\$163,810	0.5%
Utilities	\$4,596,823	\$5,744,356	\$5,817,741	1.3%	\$6,105,097	4.9%
District Operations Total	\$13,752,505	\$13,591,413	\$17,958,044	32.1%	\$18,630,587	3.7%
General and Admin						
Communications & Freight	\$441,916	\$567,783	\$565,100	-0.5%	\$580,900	2.8%
Fees & Subscriptions	\$327,628	\$578,492	\$575,527	-0.5%	\$565,372	-1.8%
Insurance	\$703,674	\$1,463,000	\$2,568,000	75.5%	\$2,915,000	13.5%
Misc. Expense	\$1,690,526	\$951,655	\$2,406,045	152.8%	\$2,564,320	6.6%
Taxes, Fees & License	\$1,886,918	\$1,969,460	\$1,986,066	0.8%	\$2,119,978	6.7%
General and Admin Total	\$5,050,662	\$5,530,390	\$8,100,738	46.5%	\$8,745,570	8.0%
Debt Service						
Debt Service	\$10,184,004	\$9,706,507	\$9,527,293	-1.8%	\$9,402,567	-1.3%
Debt Service Total	\$10,184,004	\$9,706,507	\$9,527,293	-1.8%	\$9,402,567	-1.3%
Overhead						
Indirect Labor	(\$5,213,912)	(\$4,700,000)	(\$4,700,000)	0.0%	(\$4,700,000)	0.0%
Overhead Total	(\$5,213,912)	(\$4,700,000)	(\$4,700,000)	0.0%	(\$4,700,000)	0.0%
Capital Purchases						
Capital Purchases	\$1,159,482	\$1,299,770	\$1,300,000	0.0%	\$1,300,000	0.0%
Capital Purchases Total	\$1,159,482	\$1,299,770	\$1,300,000	0.0%	\$1,300,000	0.0%
CIP						
Baseline	\$20,001,912	\$17,372,230	\$18,122,000	4.3%	\$19,053,000	5.1%
Backlog	\$0	\$0	\$3,150,000	-	\$6,615,000	110.0%
Water supply	\$0	\$0	\$2,750,000	-	\$9,200,000	234.5%
System	\$0	\$0	\$525,000	-	\$3,858,000	634.9%
BFFIP	\$0	\$0	\$500,000	-	\$525,000	5.0%
Fireflow	\$4,203,677	\$4,500,000	\$4,500,000	0.0%	\$4,500,000	0.0%
Split Funding		\$750,000	2,134,000	184.5%	4,400,000	106.2%
CIP Total	\$24,205,589	\$22,622,230	31,681,000	40.0%	48,151,000	52.0%
Contribution to Reserves						
Unrestricted Operating Reserve	\$0	\$0	\$2,500,000	-	\$2,500,000	0.0%
Water Supply Project Reserve	\$0	\$0	\$2,500,000	-	\$2,500,000	0.0%
Contribution to Reserves Total	\$0	\$0	\$5,000,000	-	\$5,000,000	0.0%
Grand Total	\$111,834,146	\$116,103,473	\$142,120,464	22.4%	\$163,798,389	15.3%

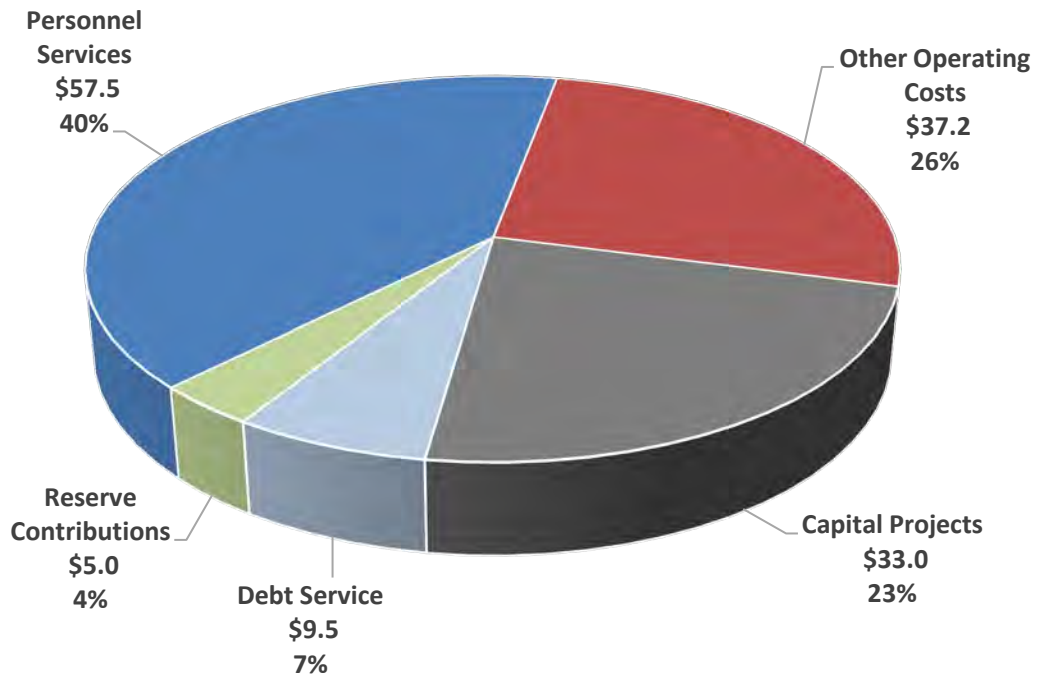
FY 2023-24 Revenue Budget (\$M)



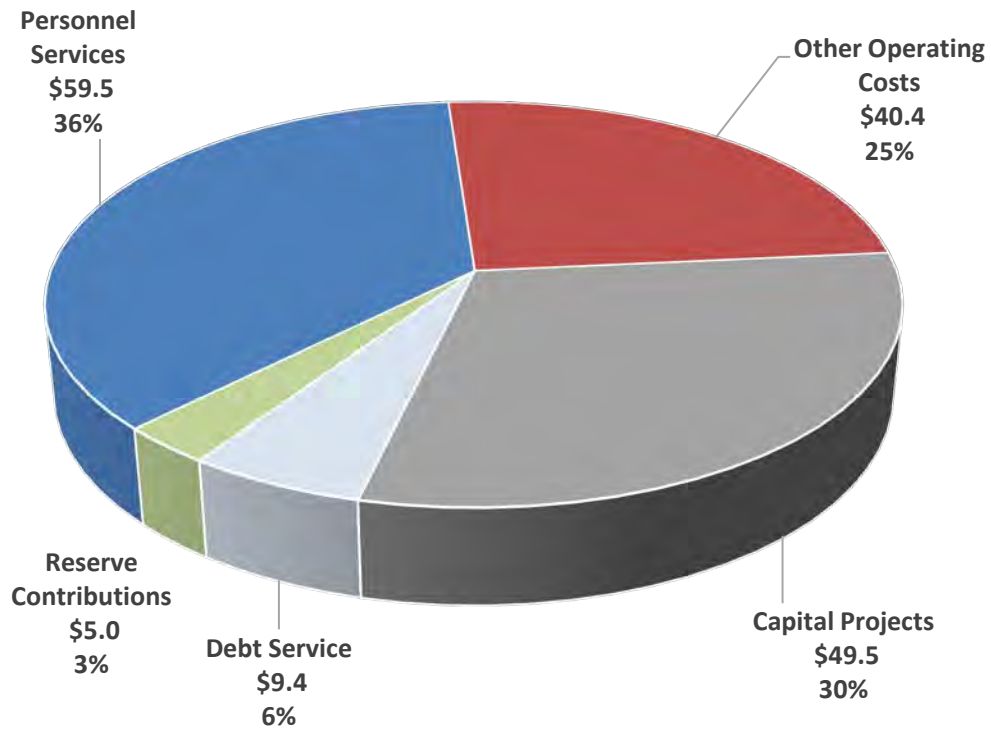
FY 2024-25 Revenue Budget (\$M)



FY 2023-24 Expenditure Budget (\$M)



FY 2024-25 Expenditure Budget (\$M)



FULL TIME AUTHORIZED POSITIONS

The charts below Summarizes the Full Time Authorized Positions by the District’s various divisions. It should be noted that the General Manager’s division includes Human Resources and Public Communications. In FY 2023/24, 1.0 Ranger Trainee in Watershed and 1.0 Training Program Specialist in Human Resources were added to the authorized positions. In FY 2024/25, 2.0 Utility System Specialists were added to the Operations division’s authorized positions for the Value Exercising Crew.

More information regarding job descriptions and salary ranges are available on the District’s website at www.marinwater.org/employment.

Divisions	FY 2022/23*	FY 2023/24	FY 2024/25
Legal	2	2	2
General Manager	11	12	12
Watershed	22	23	23
Administrative Services	38	38	38
Water Resources	25	25	25
Engineering	48	48	48
Operations	97	97	99
Total Full Time Authorized	243	245	247

*As of 5/1/2023



DIVISIONAL BUDGETS



Board of Directors

The Board of Directors consists of five division Directors elected by District voters within each of the five divisions to serve four-year, staggered terms. The President and Vice President of the Board are elected annually by the Board of Directors. The Board directly appoints the General Manager, General Legal Counsel of the District, Treasurer/Finance Director and the Board Secretary. The Board communicates its direction, or its philosophy, toward fulfilling the District's mission by developing and periodically reviewing its values and goals, and creating and updating various policies and procedures to ensure that the District's customers and the public are treated in a fair and consistent manner.

Operating Budget Expenditure Summary

Board of Directors

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$82,800	\$0	\$0	-	\$0	-
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$61,000	\$61,000	0.0%	\$61,000	0.0%
Fringe Benefits	\$115,956	\$128,475	\$130,000	1.2%	\$130,000	0.0%
Personnel Services Total	\$198,756	\$189,475	\$191,000	0.8%	\$191,000	0.0%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$0	\$0	\$0	-	\$0	-
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$0	\$0	\$0	-	\$0	-
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$0	\$0	\$0	-	\$0	-
Repairs & Maintenance	\$0	\$0	\$0	-	\$0	-
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$0	\$0	\$0	-	\$0	-
General and Admin						
Communications & Freight	\$0	\$2,900	\$0	-100.0%	\$0	-
Fees & Subscriptions	\$7,110	\$6,375	\$6,375	0.0%	\$6,375	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$0	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$7,110	\$9,275	\$6,375	-31.3%	\$6,375	0.0%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$205,866	\$198,750	\$197,375	-0.7%	\$197,375	0.0%



General Counsel's Office

The General Counsel's Office is comprised of the General Counsel and a staff attorney, who serve as legal advisors to the District regarding all legal matters pertaining to the District. The General Counsel performs such duties in relation to the District's legal matters as the General Manager, or Board may request.

Operating Budget Expenditure Summary

General Counsel's Office						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$453,119	\$454,567	\$451,595	-0.7%	\$460,627	2.0%
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$20,000	\$0	-100.0%	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$253,472	\$281,058	\$273,367	-2.7%	\$279,918	2.4%
Personnel Services Total	\$706,591	\$755,625	\$724,962	-4.1%	\$740,545	2.1%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$1,693	\$1,000	\$1,000	0.0%	\$1,000	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$1,693	\$1,000	\$1,000	0.0%	\$1,000	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$2,908	\$4,500	\$4,500	0.0%	\$4,500	0.0%
Professional Services	\$195,102	\$200,000	\$200,000	0.0%	\$200,000	0.0%
Repairs & Maintenance	\$894	\$1,000	\$1,000	0.0%	\$1,000	0.0%
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$198,904	\$205,500	\$205,500	0.0%	\$205,500	0.0%
General and Admin						
Communications & Freight	\$0	\$1,200	\$1,200	0.0%	\$1,200	0.0%
Fees & Subscriptions	\$16,207	\$20,500	\$20,500	0.0%	\$20,500	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$52	\$115	\$115	0.0%	\$115	0.0%
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$16,259	\$21,815	\$21,815	0.0%	\$21,815	0.0%
Capital Purchases						
Capital Purchases	\$0	\$4,000	\$0	-100.0%	\$0	-
Capital Purchases Total	\$0	\$4,000	\$0	-100.0%	\$0	-
Grand Total	\$923,447	\$987,940	\$953,277	-3.5%	\$968,860	1.6%



General Manager's Office

The General Manager's Office is comprised of the General Manager, Human Resources and Communications departments. The General Manager is responsible for the administration and oversight of all District activities. The Human Resources department is responsible for the recruitment and hiring of staff, employee relations, discipline and the negotiation of labor contracts. The Communications department is the centralized point for all public relations, coordinating the dissemination of public information and outreach, engagement, and the marketing of District programs. The Communications department also includes the Board Secretary, who supports the Board of Directors by producing the agendas, recording meeting minutes, and managing public records requests.

Operating Budget Expenditure Summary

Division Summary: General Manager

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$3,699,914	\$4,051,273	\$4,367,904	7.8%	\$4,491,232	2.8%
Overtime and Standby	\$220,268	\$121,647	\$151,375	24.4%	\$156,375	3.3%
Temporary	\$187,668	\$288,718	\$307,115	6.4%	\$323,834	5.4%
Contract Help	\$290,657	\$356,136	\$523,224	46.9%	\$543,068	3.8%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$2,623,636	\$3,020,650	\$3,139,387	3.9%	\$3,235,356	3.1%
Personnel Services Total	\$7,022,143	\$7,838,424	\$8,489,005	8.3%	\$8,749,865	3.1%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$32,171	\$51,550	\$53,350	3.5%	\$54,750	2.6%
Supplies	\$36,534	\$47,100	\$45,900	-2.5%	\$42,900	-6.5%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$68,705	\$98,650	\$99,250	0.6%	\$97,650	-1.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$45	\$0	\$0	-	\$0	-
Construction Contracts	\$7,820	\$25,000	\$25,000	0.0%	\$25,000	0.0%
Equipment Rental	\$163,719	\$135,300	\$156,800	15.9%	\$158,100	0.8%
Professional Services	\$798,962	\$754,785	\$903,600	19.7%	\$906,144	0.3%
Repairs & Maintenance	\$363,943	\$699,000	\$749,582	7.2%	\$750,282	0.1%
Small Tools & Equipment	\$27,422	\$45,800	\$55,900	22.1%	\$56,000	0.2%
Utilities	\$13,238	\$20,750	\$21,100	1.7%	\$22,200	5.2%
District Operations Total	\$1,375,149	\$1,680,635	\$1,911,982	13.8%	\$1,917,726	0.3%
General and Admin						
Communications & Freight	\$66,870	\$29,705	\$43,447	46.3%	\$43,847	0.9%
Fees & Subscriptions	\$52,647	\$103,645	\$87,205	-15.9%	\$87,750	0.6%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$195,969	\$174,890	\$224,750	28.5%	\$224,850	0.0%
Taxes, Fees & License	\$105,339	\$14,200	\$15,000	5.6%	\$15,500	3.3%
General and Admin Total	\$420,825	\$322,440	\$370,402	14.9%	\$371,947	0.4%
Capital Purchases						
Capital Purchases	\$72,461	\$96,000	\$118,500	23.4%	\$92,000	-22.4%
Capital Purchases Total	\$72,461	\$96,000	\$118,500	23.4%	\$92,000	-22.4%
Grand Total	\$8,959,282	\$10,036,149	\$10,989,139	9.5%	\$11,229,188	2.2%

Operating Budget Expenditure Summary

General Manager's Office						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$362,601	\$385,901	\$413,768	7.2%	\$424,421	2.6%
Overtime and Standby	\$25,357	\$0	\$75	-	\$75	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$203,026	\$249,087	\$268,035	7.6%	\$272,646	1.7%
Personnel Services Total	\$590,984	\$634,987	\$681,878	7.4%	\$697,142	2.2%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$7	\$0	\$0	-	\$0	-
Supplies	\$722	\$1,200	\$800	-33.3%	\$800	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$730	\$1,200	\$800	-33.3%	\$800	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$4,283	\$6,500	\$6,500	0.0%	\$6,500	0.0%
Professional Services	\$30,678	\$20,000	\$50,000	150.0%	\$50,000	0.0%
Repairs & Maintenance	\$1,355	\$2,400	\$1,500	-37.5%	\$1,500	0.0%
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$36,316	\$28,900	\$58,000	100.7%	\$58,000	0.0%
General and Admin						
Communications & Freight	\$0	\$1,000	\$1,000	0.0%	\$1,000	0.0%
Fees & Subscriptions	\$13,397	\$39,135	\$14,970	-61.7%	\$14,970	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$0	\$3,115	\$3,075	-1.3%	\$3,075	0.0%
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$13,397	\$43,250	\$19,045	-56.0%	\$19,045	0.0%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$641,427	\$708,337	\$759,723	7.3%	\$774,987	2.0%

Operating Budget Expenditure Summary

Communications

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$426,981	\$565,524	\$565,863	0.1%	\$593,184	4.8%
Overtime and Standby	\$17,897	\$1,500	\$2,000	33.3%	\$2,000	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$290,173	\$388,716	\$356,997	-8.2%	\$373,296	4.6%
Personnel Services Total	\$735,050	\$955,740	\$924,860	-3.2%	\$968,480	4.7%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$6,703	\$15,500	\$13,100	-15.5%	\$10,100	-22.9%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$6,703	\$15,500	\$13,100	-15.5%	\$10,100	-22.9%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$5,000	\$5,000	0.0%	\$5,000	0.0%
Professional Services	\$37,457	\$30,000	\$100,500	235.0%	\$85,500	-14.9%
Repairs & Maintenance	\$6,701	\$7,100	\$23,682	233.5%	\$23,682	0.0%
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$44,158	\$42,100	\$129,182	206.8%	\$114,182	-11.6%
General and Admin						
Communications & Freight	\$57,422	\$15,500	\$29,000	87.1%	\$29,000	0.0%
Fees & Subscriptions	\$5,502	\$5,875	\$10,750	83.0%	\$10,750	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$120,449	\$97,000	\$131,800	35.9%	\$131,800	0.0%
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$183,373	\$118,375	\$171,550	44.9%	\$171,550	0.0%
Capital Purchases						
Capital Purchases	\$0	\$3,000	\$0	-100.0%	\$0	-
Capital Purchases Total	\$0	\$3,000	\$0	-100.0%	\$0	-
Grand Total	\$969,285	\$1,134,715	\$1,238,692	9.2%	\$1,264,312	2.1%

Operating Budget Expenditure Summary

Human Resources

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$580,425	\$677,577	\$679,611	0.3%	\$690,458	1.6%
Overtime and Standby	\$2,158	\$2,500	\$3,000	20.0%	\$3,000	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$153,120	-	\$160,776	5.0%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$389,897	\$472,894	\$525,724	11.2%	\$539,038	2.5%
Personnel Services Total	\$972,481	\$1,152,971	\$1,361,455	18.1%	\$1,393,272	2.3%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$5,855	\$5,000	\$6,000	20.0%	\$6,000	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$5,855	\$5,000	\$6,000	20.0%	\$6,000	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$2,445	\$3,800	\$3,800	0.0%	\$3,800	0.0%
Professional Services	\$131,595	\$11,000	\$11,000	0.0%	\$11,000	0.0%
Repairs & Maintenance	\$0	\$0	\$0	-	\$0	-
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$134,040	\$14,800	\$14,800	0.0%	\$14,800	0.0%
General and Admin						
Communications & Freight	\$1,405	\$1,820	\$1,820	0.0%	\$1,820	0.0%
Fees & Subscriptions	\$11,377	\$19,555	\$22,555	15.3%	\$23,000	2.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$58,501	\$47,900	\$62,900	31.3%	\$62,900	0.0%
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$71,283	\$69,275	\$87,275	26.0%	\$87,720	0.5%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$1,183,660	\$1,242,046	\$1,469,530	18.3%	\$1,501,792	2.2%

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Watershed Division

The Watershed Division is comprised of five primary functions; Administration, Watershed Protection, Fisheries, Vegetation and Natural Resources and Watershed Maintenance. Watershed Administration oversees all of the day-to-day activities on the Watershed, long-term watershed planning as well as the grant, fundraising and legislative coordination for the District.

Watershed Protection is responsible for enforcement of watershed regulations and facilities security, medical response, wildland fire response and prescribed burns, search and rescue, and visitor outreach and watershed interpretation.

Fisheries is responsible for fisheries life-cycle monitoring, stream restoration planning and coordination, fisheries response and monitoring for water distribution main breaks and the Lagunitas Creek Stewardship Plan.

Vegetation and Natural Resource oversees the Watershed Volunteer and Outreach Program, and environmental planning, monitoring and compliance in support of watershed and District operations. The division also ensures compliance with the Biodiversity, Fire, Fuels and Integrated Plan (BFFIP) including prescribed burn panning and rare and invasive plant monitoring and management.

Watershed Maintenance maintains fire roads and trails across the watershed under the Roads and Trails Management Plan including culvert repairs, service road maintenance, trail stewardship, and maintenance of the visitor facilities. This division also implements the Biodiversity, Fire, Fuels and Integrated Plan (BFFIP) and coordinates all contractor activities in support of invasive plant management, forest restoration, and fuel reduction work.

Operating Budget Expenditure Summary

Watershed						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$2,329,908	\$2,422,271	\$2,708,662	11.8%	\$2,783,169	2.8%
Overtime and Standby	\$174,856	\$117,647	\$146,300	24.4%	\$151,300	3.4%
Temporary	\$187,668	\$288,718	\$307,115	6.4%	\$323,834	5.4%
Contract Help	\$290,657	\$356,136	\$370,104	3.9%	\$382,292	3.3%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,740,540	\$1,909,954	\$1,988,631	4.1%	\$2,050,375	3.1%
Personnel Services Total	\$4,723,628	\$5,094,726	\$5,520,812	8.4%	\$5,690,970	3.1%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$32,163	\$51,550	\$53,350	3.5%	\$54,750	2.6%
Supplies	\$23,254	\$25,400	\$26,000	2.4%	\$26,000	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$55,417	\$76,950	\$79,350	3.1%	\$80,750	1.8%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$45	\$0	\$0	-	\$0	-
Construction Contracts	\$7,820	\$25,000	\$25,000	0.0%	\$25,000	0.0%
Equipment Rental	\$156,991	\$120,000	\$141,500	17.9%	\$142,800	0.9%
Professional Services	\$599,231	\$693,785	\$742,100	7.0%	\$759,644	2.4%
Repairs & Maintenance	\$355,886	\$689,500	\$724,400	5.1%	\$725,100	0.1%
Small Tools & Equipment	\$27,422	\$45,800	\$55,900	22.1%	\$56,000	0.2%
Utilities	\$13,238	\$20,750	\$21,100	1.7%	\$22,200	5.2%
District Operations Total	\$1,160,634	\$1,594,835	\$1,710,000	7.2%	\$1,730,744	1.2%
General and Admin						
Communications & Freight	\$8,043	\$11,385	\$11,627	2.1%	\$12,027	3.4%
Fees & Subscriptions	\$22,371	\$39,080	\$38,930	-0.4%	\$39,030	0.3%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$17,019	\$26,875	\$26,975	0.4%	\$27,075	0.4%
Taxes, Fees & License	\$105,339	\$14,200	\$15,000	5.6%	\$15,500	3.3%
General and Admin Total	\$152,771	\$91,540	\$92,532	1.1%	\$93,632	1.2%
Capital Purchases						
Capital Purchases	\$72,461	\$93,000	\$118,500	27.4%	\$92,000	-22.4%
Capital Purchases Total	\$72,461	\$93,000	\$118,500	27.4%	\$92,000	-22.4%
Grand Total	\$6,164,911	\$6,951,051	\$7,521,194	8.2%	\$7,688,096	2.2%



Administrative Services

The Administration Services division is responsible for the Finance, Customer Service and Meter Reading departments.

The Finance department includes the accounting, treasury, budget, payroll and purchasing functions. The Accounting section is responsible for processing accounts payable and receivable, creating the annual comprehensive financial report and managing the audit process. Treasury functions include oversight of daily cash flow transactions, investment activities and financial reporting. Budget management responsibilities include the development and ongoing monitoring of the District's 2 year Operating Budget, mid-year budget adjustments and long term financial projections. Payroll maintains districtwide timekeeping records, produces the bi-weekly payroll, and submits required reporting to federal and state agencies. Purchasing offers contract management services for District's agreements and oversight of all purchase orders. The program provides procurement for all goods and general services, review of sole sourcing, Request for Proposal (RFP) oversight and assistance, and surplus disposal. Additional tasks performed by the Finance department are the management of the deferred compensation program, insurance review of all contracts and professional service agreements, and administrative support for the North Bay Watershed Association.

The Customer Service department directs and administers customer billing and account maintenance activities; incoming call center operations, customer discount programs, accounts receivable and collections for delinquent accounts. This department is responsible for the development, maintenance and administration of the District's customer information system. The department is also responsible for directing the operation of the centralized mail center and reprographic services.

The Meter Reading department is responsible for metering infrastructure and technology for the 62,000 service connections within the District. This includes maintenance, repair, testing and replacement of analog and automated water meters.

Operating Budget Expenditure Summary

Division Summary: Administrative Services

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$3,440,874	\$3,921,126	\$3,973,681	1.3%	\$4,084,038	2.8%
Overtime and Standby	\$53,717	\$20,400	\$20,500	0.5%	\$20,500	0.0%
Temporary	\$4,227	\$7,500	\$0	-100.0%	\$0	-
Contract Help	\$14,413	\$7,000	\$7,000	0.0%	\$7,000	0.0%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$2,398,208	\$2,892,218	\$2,780,863	-3.9%	\$2,867,094	3.1%
Personnel Services Total	\$5,911,438	\$6,848,244	\$6,782,044	-1.0%	\$6,978,632	2.9%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$128,319	\$203,000	\$215,000	5.9%	\$228,000	6.0%
Supplies	\$17,313	\$24,000	\$29,100	21.3%	\$32,100	10.3%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$145,632	\$227,000	\$244,100	7.5%	\$260,100	6.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$32,334	\$44,000	\$48,800	10.9%	\$54,450	11.6%
Professional Services	\$132,366	\$177,700	\$334,700	88.4%	\$299,700	-10.5%
Repairs & Maintenance	\$38,831	\$22,700	\$36,100	59.0%	\$38,600	6.9%
Small Tools & Equipment	\$6,937	\$10,500	\$11,050	5.2%	\$11,800	6.8%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$210,468	\$254,900	\$430,650	68.9%	\$404,550	-6.1%
General and Admin						
Communications & Freight	\$158,905	\$227,420	\$238,945	5.1%	\$254,345	6.4%
Fees & Subscriptions	\$2,354	\$23,785	\$23,810	0.1%	\$23,810	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$112,425	\$108,100	\$124,550	15.2%	\$137,725	10.6%
Taxes, Fees & License	\$938,099	\$1,012,500	\$1,014,625	0.2%	\$1,017,025	0.2%
General and Admin Total	\$1,211,782	\$1,371,805	\$1,401,930	2.2%	\$1,432,905	2.2%
Capital Purchases						
Capital Purchases	\$26,015	\$1,500	\$0	-100.0%	\$0	-
Capital Purchases Total	\$26,015	\$1,500	\$0	-100.0%	\$0	-
Grand Total	\$7,505,336	\$8,703,449	\$8,858,724	1.8%	\$9,076,187	2.5%

Operating Budget Expenditure Summary

Finance						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,528,955	\$1,629,496	\$1,620,392	-0.6%	\$1,665,189	2.8%
Overtime and Standby	\$10,152	\$2,000	\$2,000	0.0%	\$2,000	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$12,077	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$928,918	\$1,105,852	\$1,084,304	-1.9%	\$1,118,257	3.1%
Personnel Services Total	\$2,480,103	\$2,737,349	\$2,706,696	-1.1%	\$2,785,446	2.9%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$514	\$0	\$0	-	\$0	-
Supplies	\$3,789	\$3,500	\$5,600	60.0%	\$5,600	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$4,304	\$3,500	\$5,600	60.0%	\$5,600	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$1,995	\$2,500	\$2,500	0.0%	\$2,500	0.0%
Professional Services	\$132,366	\$177,700	\$214,700	20.8%	\$239,700	11.6%
Repairs & Maintenance	\$0	\$0	\$200	-	\$200	0.0%
Small Tools & Equipment	\$649	\$2,800	\$2,800	0.0%	\$2,800	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$135,010	\$183,000	\$220,200	20.3%	\$245,200	11.4%
General and Admin						
Communications & Freight	\$4,405	\$4,520	\$3,920	-13.3%	\$3,920	0.0%
Fees & Subscriptions	\$789	\$16,085	\$16,110	0.2%	\$16,110	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$3,535	\$600	\$600	0.0%	\$600	0.0%
Taxes, Fees & License	\$927,212	\$1,002,500	\$1,002,500	0.0%	\$1,002,500	0.0%
General and Admin Total	\$935,941	\$1,023,705	\$1,023,130	-0.1%	\$1,023,130	0.0%
Capital Purchases						
Capital Purchases	\$0	\$1,500	\$0	-100.0%	\$0	-
Capital Purchases Total	\$0	\$1,500	\$0	-100.0%	\$0	-
Grand Total	\$3,555,358	\$3,949,054	\$3,955,626	0.2%	\$4,059,376	2.6%

Operating Budget Expenditure Summary

Customer Services						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$861,033	\$1,110,795	\$1,154,109	3.9%	\$1,186,930	2.8%
Overtime and Standby	\$2,628	\$7,400	\$7,500	1.4%	\$7,500	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$2,336	\$7,000	\$7,000	0.0%	\$7,000	0.0%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$647,159	\$834,057	\$828,418	-0.7%	\$855,029	3.2%
Personnel Services Total	\$1,513,156	\$1,959,252	\$1,997,027	1.9%	\$2,056,459	3.0%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$113	\$0	\$0	-	\$0	-
Supplies	\$10,994	\$18,000	\$20,500	13.9%	\$23,500	14.6%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$11,107	\$18,000	\$20,500	13.9%	\$23,500	14.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$30,339	\$41,500	\$46,300	11.6%	\$51,950	12.2%
Professional Services	\$0	\$0	\$120,000	-	\$60,000	-50.0%
Repairs & Maintenance	\$10,085	\$12,000	\$12,700	5.8%	\$14,200	11.8%
Small Tools & Equipment	\$0	\$1,200	\$1,500	25.0%	\$2,000	33.3%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$40,424	\$54,700	\$180,500	230.0%	\$128,150	-29.0%
General and Admin						
Communications & Freight	\$149,667	\$217,100	\$229,225	5.6%	\$244,625	6.7%
Fees & Subscriptions	\$0	\$6,500	\$6,500	0.0%	\$6,500	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$107,713	\$107,500	\$123,950	15.3%	\$137,125	10.6%
Taxes, Fees & License	\$9,898	\$9,000	\$10,125	12.5%	\$11,525	13.8%
General and Admin Total	\$267,278	\$340,100	\$369,800	8.7%	\$399,775	8.1%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$1,831,965	\$2,372,052	\$2,567,827	8.3%	\$2,607,884	1.6%

Operating Budget Expenditure Summary

Meter Operations

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,050,886	\$1,180,835	\$1,199,180	1.6%	\$1,231,919	2.7%
Overtime and Standby	\$40,936	\$11,000	\$11,000	0.0%	\$11,000	0.0%
Temporary	\$4,227	\$7,500	\$0	-100.0%	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$822,131	\$952,308	\$868,142	-8.8%	\$893,808	3.0%
Personnel Services Total	\$1,918,180	\$2,151,644	\$2,078,321	-3.4%	\$2,136,727	2.8%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$127,692	\$203,000	\$215,000	5.9%	\$228,000	6.0%
Supplies	\$2,529	\$2,500	\$3,000	20.0%	\$3,000	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$130,220	\$205,500	\$218,000	6.1%	\$231,000	6.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$0	\$0	\$0	-	\$0	-
Repairs & Maintenance	\$28,747	\$10,700	\$23,200	116.8%	\$24,200	4.3%
Small Tools & Equipment	\$6,287	\$6,500	\$6,750	3.8%	\$7,000	3.7%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$35,034	\$17,200	\$29,950	74.1%	\$31,200	4.2%
General and Admin						
Communications & Freight	\$4,833	\$5,800	\$5,800	0.0%	\$5,800	0.0%
Fees & Subscriptions	\$1,565	\$1,200	\$1,200	0.0%	\$1,200	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$1,177	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$989	\$1,000	\$2,000	100.0%	\$3,000	50.0%
General and Admin Total	\$8,563	\$8,000	\$9,000	12.5%	\$10,000	11.1%
Capital Purchases						
Capital Purchases	\$26,015	\$0	\$0	-	\$0	-
Capital Purchases Total	\$26,015	\$0	\$0	-	\$0	-
Grand Total	\$2,118,012	\$2,382,344	\$2,335,271	-2.0%	\$2,408,927	3.2%

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Water Resources Division

The Water Resources Division is comprised of five primary functions; Administration, Water Efficiency, Safety and Emergency Response, Water Quality Lab, and Backflow and Reclamation. Water Resources Administration oversees the overall division as well as the implementation of the Water Resources Roadmap.

Water Efficiency develops effective water savings programs for residential, commercial, institutional and dedicated irrigation customers through offering incentives and programs to support customers increasing their water use efficiency. Program offerings are promoted through various levels of community engagement such as educational trainings, outreach campaigns, and coordination with partners. Compliance with State water efficiency regulations and enforcement of local water conservation policies which ensure ongoing demand reductions are also a key focus.

Safety and Emergency Response is responsible for the District-wide Safety Program, training of all District staff and emergency preparedness for natural disasters.

Water Quality Lab monitors the distribution system pressure and chlorine level to ensure that safe drinking water is delivered to all of our customers. This division ensures that the District is compliant with acute and chronic water quality regulations from the source of the water to the customers' meter.

Backflow and Reclamation monitors the distribution system to prevent water from flowing backward through a customer meter and to prevent potential contamination of the distribution system. As required by state regulations, trained and licensed specialists implement Marin Water's program that protects and preserves the distribution system water quality.

Operating Budget Expenditure Summary

Division Summary: Water Resources

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$2,536,627	\$3,012,256	\$3,291,347	9.3%	\$3,379,277	2.7%
Overtime and Standby	\$35,366	\$32,500	\$32,500	0.0%	\$32,500	0.0%
Temporary	\$40,660	\$42,000	\$42,000	0.0%	\$42,000	0.0%
Contract Help	\$125,277	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,688,393	\$2,074,503	\$2,281,500	10.0%	\$2,349,225	3.0%
Personnel Services Total	\$4,426,324	\$5,161,259	\$5,647,347	9.4%	\$5,803,002	2.8%
Materials and Supplies						
Chemicals	\$86,026	\$109,000	\$113,000	3.7%	\$113,000	0.0%
Materials	\$2,812	\$2,350	\$2,350	0.0%	\$2,350	0.0%
Supplies	\$235,582	\$192,925	\$192,225	-0.4%	\$203,425	5.8%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$324,420	\$304,275	\$307,575	1.1%	\$318,775	3.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$1,704,599	\$591,000	\$591,000	0.0%	\$651,000	10.2%
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$5,567	\$15,050	\$21,000	39.5%	\$21,000	0.0%
Professional Services	\$479,148	\$349,110	\$688,110	97.1%	\$678,110	-1.5%
Repairs & Maintenance	\$76,716	\$67,000	\$65,600	-2.1%	\$65,600	0.0%
Small Tools & Equipment	\$16,712	\$20,300	\$19,950	-1.7%	\$19,950	0.0%
Utilities	\$17,729	\$10,000	\$10,000	0.0%	\$10,000	0.0%
District Operations Total	\$2,300,471	\$1,052,460	\$1,395,660	32.6%	\$1,445,660	3.6%
General and Admin						
Communications & Freight	\$8,146	\$15,668	\$10,400	-33.6%	\$10,400	0.0%
Fees & Subscriptions	\$30,723	\$51,400	\$55,895	8.7%	\$56,095	0.4%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$108,599	\$39,750	\$40,750	2.5%	\$40,750	0.0%
Taxes, Fees & License	\$269,978	\$190,150	\$314,850	65.6%	\$342,350	8.7%
General and Admin Total	\$417,447	\$296,968	\$421,895	42.1%	\$449,595	6.6%
Capital Purchases						
Capital Purchases	\$154,431	\$205,000	\$81,000	-60.5%	\$76,500	-5.6%
Capital Purchases Total	\$154,431	\$205,000	\$81,000	-60.5%	\$76,500	-5.6%
Grand Total	\$7,623,093	\$7,019,962	\$7,853,477	11.9%	\$8,093,532	3.1%

Operating Budget Expenditure Summary

Water Resources Administration

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$0	\$241,391	\$797,056	230.2%	\$814,902	2.2%
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$0	\$141,702	\$512,557	261.7%	\$524,959	2.4%
Personnel Services Total	\$0	\$383,093	\$1,309,613	241.9%	\$1,339,861	2.3%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$0	\$0	\$500	-	\$500	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$0	\$0	\$500	-	\$500	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$0	\$0	\$100,000	-	\$100,000	0.0%
Repairs & Maintenance	\$0	\$0	\$200	-	\$200	0.0%
Small Tools & Equipment	\$0	\$0	\$2,800	-	\$2,800	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$0	\$0	\$103,000	-	\$103,000	0.0%
General and Admin						
Communications & Freight	\$0	\$0	\$0	-	\$0	-
Fees & Subscriptions	\$0	\$0	\$6,000	-	\$6,000	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$0	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$0	\$0	\$70,000	-	\$71,500	2.1%
General and Admin Total	\$0	\$0	\$76,000	-	\$77,500	2.0%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$0	\$383,093	\$1,489,113	288.7%	\$1,520,861	2.1%

Operating Budget Expenditure Summary

Water Efficiency						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$822,032	\$1,002,314	\$1,006,714	0.4%	\$1,034,303	2.7%
Overtime and Standby	\$6,200	\$7,000	\$7,000	0.0%	\$7,000	0.0%
Temporary	\$33,357	\$0	\$0	-	\$0	-
Contract Help	\$105,194	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$552,482	\$682,067	\$696,194	2.1%	\$716,843	3.0%
Personnel Services Total	\$1,519,265	\$1,691,381	\$1,709,908	1.1%	\$1,758,146	2.8%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$93,476	\$32,500	\$26,300	-19.1%	\$37,500	42.6%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$93,476	\$32,500	\$26,300	-19.1%	\$37,500	42.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$1,704,599	\$591,000	\$591,000	0.0%	\$651,000	10.2%
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$1,650	\$6,000	\$12,000	100.0%	\$12,000	0.0%
Professional Services	\$232,006	\$110,000	\$233,000	111.8%	\$233,000	0.0%
Repairs & Maintenance	\$0	\$2,000	\$200	-90.0%	\$200	0.0%
Small Tools & Equipment	\$0	\$3,000	\$1,000	-66.7%	\$1,000	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$1,938,255	\$712,000	\$837,200	17.6%	\$897,200	7.2%
General and Admin						
Communications & Freight	\$4,205	\$7,900	\$4,600	-41.8%	\$4,600	0.0%
Fees & Subscriptions	\$12,035	\$17,250	\$17,250	0.0%	\$17,250	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$86,276	\$18,550	\$18,550	0.0%	\$18,550	0.0%
Taxes, Fees & License	\$0	\$150	\$150	0.0%	\$150	0.0%
General and Admin Total	\$102,515	\$43,850	\$40,550	-7.5%	\$40,550	0.0%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$3,653,511	\$2,479,731	\$2,613,958	5.4%	\$2,733,396	4.6%

Operating Budget Expenditure Summary

Water Quality Lab

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$954,911	\$994,071	\$1,010,793	1.7%	\$1,033,142	2.2%
Overtime and Standby	\$27,987	\$25,000	\$25,000	0.0%	\$25,000	0.0%
Temporary	\$7,303	\$42,000	\$42,000	0.0%	\$42,000	0.0%
Contract Help	\$20,083	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$644,193	\$714,935	\$713,554	-0.2%	\$732,934	2.7%
Personnel Services Total	\$1,654,477	\$1,776,006	\$1,791,347	0.9%	\$1,833,076	2.3%
Materials and Supplies						
Chemicals	\$86,026	\$109,000	\$113,000	3.7%	\$113,000	0.0%
Materials	\$1,868	\$1,050	\$1,050	0.0%	\$1,050	0.0%
Supplies	\$83,063	\$71,600	\$71,600	0.0%	\$71,600	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$170,957	\$181,650	\$185,650	2.2%	\$185,650	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$3,917	\$9,050	\$9,000	-0.6%	\$9,000	0.0%
Professional Services	\$121,832	\$124,500	\$210,500	69.1%	\$210,500	0.0%
Repairs & Maintenance	\$37,865	\$55,000	\$55,200	0.4%	\$55,200	0.0%
Small Tools & Equipment	\$13,566	\$8,250	\$8,250	0.0%	\$8,250	0.0%
Utilities	\$17,729	\$10,000	\$10,000	0.0%	\$10,000	0.0%
District Operations Total	\$194,908	\$206,800	\$292,950	41.7%	\$292,950	0.0%
General and Admin						
Communications & Freight	\$1,790	\$3,100	\$3,100	0.0%	\$3,100	0.0%
Fees & Subscriptions	\$2,070	\$14,700	\$14,700	0.0%	\$14,700	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$828	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$153,952	\$159,000	\$201,200	26.5%	\$229,700	14.2%
General and Admin Total	\$158,640	\$176,800	\$219,000	23.9%	\$247,500	13.0%
Capital Purchases						
Capital Purchases	\$141,662	\$93,000	\$58,000	-37.6%	\$53,500	-7.8%
Capital Purchases Total	\$141,662	\$93,000	\$58,000	-37.6%	\$53,500	-7.8%
Grand Total	\$2,320,644	\$2,434,256	\$2,546,947	4.6%	\$2,612,676	2.6%

Operating Budget Expenditure Summary

Backflow and Reclamation						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$488,813	\$503,671	\$319,903	-36.5%	\$336,912	5.3%
Overtime and Standby	\$1,180	\$500	\$500	0.0%	\$500	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$308,789	\$337,652	\$245,081	-27.4%	\$257,393	5.0%
Personnel Services Total	\$798,782	\$841,823	\$565,484	-32.8%	\$594,804	5.2%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$944	\$1,300	\$1,300	0.0%	\$1,300	0.0%
Supplies	\$345	\$525	\$525	0.0%	\$525	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$1,288	\$1,825	\$1,825	0.0%	\$1,825	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$31,021	\$2,100	\$2,100	0.0%	\$2,100	0.0%
Repairs & Maintenance	\$0	\$0	\$0	-	\$0	-
Small Tools & Equipment	\$1,550	\$2,900	\$2,900	0.0%	\$2,900	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$32,571	\$5,000	\$5,000	0.0%	\$5,000	0.0%
General and Admin						
Communications & Freight	\$1,415	\$3,300	\$2,700	-18.2%	\$2,700	0.0%
Fees & Subscriptions	\$11,350	\$12,950	\$11,600	-10.4%	\$11,800	1.7%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$5,180	\$2,700	\$2,700	0.0%	\$2,700	0.0%
Taxes, Fees & License	\$82,150	\$5,000	\$7,500	50.0%	\$5,000	-33.3%
General and Admin Total	\$100,095	\$23,950	\$24,500	2.3%	\$22,200	-9.4%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$932,736	\$872,598	\$596,809	-31.6%	\$623,829	4.5%

Operating Budget Expenditure Summary

Safety						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$270,872	\$270,809	\$156,880	-42.1%	\$160,018	2.0%
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$182,929	\$198,147	\$114,115	-42.4%	\$117,096	2.6%
Personnel Services Total	\$453,801	\$468,956	\$270,995	-42.2%	\$277,114	2.3%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$58,698	\$88,300	\$93,300	5.7%	\$93,300	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$58,698	\$88,300	\$93,300	5.7%	\$93,300	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$94,289	\$112,510	\$142,510	26.7%	\$132,510	-7.0%
Repairs & Maintenance	\$38,851	\$10,000	\$10,000	0.0%	\$10,000	0.0%
Small Tools & Equipment	\$1,597	\$6,150	\$5,000	-18.7%	\$5,000	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$134,737	\$128,660	\$157,510	22.4%	\$147,510	-6.3%
General and Admin						
Communications & Freight	\$737	\$1,368	\$0	-100.0%	\$0	-
Fees & Subscriptions	\$5,269	\$6,500	\$6,345	-2.4%	\$6,345	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$16,315	\$18,500	\$19,500	5.4%	\$19,500	0.0%
Taxes, Fees & License	\$33,877	\$26,000	\$36,000	38.5%	\$36,000	0.0%
General and Admin Total	\$56,197	\$52,368	\$61,845	18.1%	\$61,845	0.0%
Capital Purchases						
Capital Purchases	\$12,769	\$112,000	\$23,000	-79.5%	\$23,000	0.0%
Capital Purchases Total	\$12,769	\$112,000	\$23,000	-79.5%	\$23,000	0.0%
Grand Total	\$716,202	\$850,284	\$606,650	-28.7%	\$602,769	-0.6%

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Engineering Division

The Engineering Division is comprised of five primary functions; Information Technology, Design, Construction, Planning, and Engineering Support and Development Services. Information Technology is responsible for the information technology help desk, geographical information system administration, email and file server administration, remote networking, cellular devices, voice over internet phones, information system hardware maintenance and upgrades, software defined wide area network, fiber and microwave connections, cyber security/disaster recovery, software licensing and technical support contracts.

Engineering Design is responsible for environmental permitting, drafting (computer-aided design), field measurements, bid process and award, and customer communications on construction projects. The division also manages specialty consultants (e.g. geotechnical or electrical design) and reimbursement agreements with local jurisdictions.

Construction is responsible for construction administration including submittal review, notice to proceed, project documentation, invoicing, and change orders. The team also oversees inspections, contract enforcement, environmental monitoring and mitigation, adherence to permit requirements, paving, compaction testing and potholing.

Planning oversees the safety of dams, project planning, environmental review and surveying, the Capital Improvement Program, the Fire Flow Improvement Program, Local Hazard Mitigation Plan, hydraulic modeling, and water rights reporting. The team serves as the liaison to local jurisdictions for coordinating multi-benefit projects and addressing utility impacts from external capital projects. The team also moderates the Fire Flow Technical Advisory Committee in conjunction with the Fire Chiefs Association for local and county fire departments.

Engineering Support and Development Services manages requests for new services, hydrants, service upgrades, and pipeline extension agreements. The records group within this department supports the capital program and maintenance group with updating record "as-builts" and performing mark and locates for compliance with Underground Service Alerts. Lastly, this group manages the District's real estate interests including management of leases, easements, deeds, titles, right-of-ways, and encroachment permits.

Operating Budget Expenditure Summary

Division Summary: Engineering

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$3,898,375	\$6,302,354	\$6,306,382	0.1%	\$6,445,752	2.2%
Overtime and Standby	\$160,920	\$85,000	\$69,600	-18.1%	\$69,600	0.0%
Temporary	\$30,651	\$93,000	\$50,000	-46.2%	\$50,000	0.0%
Contract Help	\$21,860	\$0	\$35,000	-	\$35,000	0.0%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$3,924,044	\$4,457,693	\$4,466,054	0.2%	\$4,612,172	3.3%
Personnel Services Total	\$8,035,850	\$10,938,047	\$10,927,036	-0.1%	\$11,212,524	2.6%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$22,627	\$41,800	\$23,600	-43.5%	\$23,600	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$22,627	\$41,800	\$23,600	-43.5%	\$23,600	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$14,855	\$33,650	\$18,650	-44.6%	\$18,650	0.0%
Professional Services	\$307,055	\$189,850	\$811,000	327.2%	\$773,500	-4.6%
Repairs & Maintenance	\$842,959	\$614,930	\$840,150	36.6%	\$840,150	0.0%
Small Tools & Equipment	\$9,531	\$21,660	\$7,660	-64.6%	\$7,660	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$1,174,401	\$860,090	\$1,677,460	95.0%	\$1,639,960	-2.2%
General and Admin						
Communications & Freight	\$128,733	\$178,500	\$164,358	-7.9%	\$164,358	0.0%
Fees & Subscriptions	\$27,087	\$71,392	\$67,542	-5.4%	\$67,142	-0.6%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$3,196	\$16,200	\$8,400	-48.1%	\$8,400	0.0%
Taxes, Fees & License	\$271,673	\$379,600	\$364,900	-3.9%	\$364,900	0.0%
General and Admin Total	\$430,689	\$645,692	\$605,200	-6.3%	\$604,800	-0.1%
Capital Purchases						
Capital Purchases	\$149,497	\$60,100	\$132,800	121.0%	\$87,400	-34.2%
Capital Purchases Total	\$149,497	\$60,100	\$132,800	121.0%	\$87,400	-34.2%
Grand Total	\$9,813,064	\$12,545,729	\$13,366,096	6.5%	\$13,568,284	1.5%

Operating Budget Expenditure Summary

Engineering Administration						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$326,740	\$338,260	\$346,656	2.5%	\$358,718	3.5%
Overtime and Standby	\$342	\$0	\$600	-	\$600	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$325,841	\$231,635	\$251,829	8.7%	\$260,875	3.6%
Personnel Services Total	\$652,923	\$569,896	\$599,085	5.1%	\$620,193	3.5%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$11,440	\$31,200	\$13,000	-58.3%	\$13,000	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$11,440	\$31,200	\$13,000	-58.3%	\$13,000	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$7,274	\$25,000	\$10,000	-60.0%	\$10,000	0.0%
Professional Services	\$0	\$88,000	\$88,000	0.0%	\$88,000	0.0%
Repairs & Maintenance	\$0	\$0	\$200	-	\$200	0.0%
Small Tools & Equipment	\$0	\$2,000	\$2,000	0.0%	\$2,000	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$7,274	\$115,000	\$100,200	-12.9%	\$100,200	0.0%
General and Admin						
Communications & Freight	\$925	\$1,700	\$500	-70.6%	\$500	0.0%
Fees & Subscriptions	\$1,984	\$3,600	\$4,800	33.3%	\$5,000	4.2%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$122	\$1,000	\$1,000	0.0%	\$1,000	0.0%
Taxes, Fees & License	\$0	\$200	\$0	-100.0%	\$0	-
General and Admin Total	\$3,031	\$6,500	\$6,300	-3.1%	\$6,500	3.2%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$674,668	\$722,596	\$718,585	-0.6%	\$739,893	3.0%

Operating Budget Expenditure Summary

Engineering Support

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,404,391	\$1,968,608	\$2,013,863	2.3%	\$2,027,814	0.7%
Overtime and Standby	\$5,282	\$11,000	\$10,000	-9.1%	\$10,000	0.0%
Temporary	\$16,690	\$48,000	\$30,000	-37.5%	\$30,000	0.0%
Contract Help	\$21,860	\$0	\$35,000	-	\$35,000	0.0%
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,212,013	\$1,452,922	\$1,423,729	-2.0%	\$1,477,097	3.7%
Personnel Services Total	\$2,660,236	\$3,480,530	\$3,512,592	0.9%	\$3,579,912	1.9%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$0	\$300	\$300	0.0%	\$300	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$0	\$300	\$300	0.0%	\$300	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$7,581	\$8,650	\$8,650	0.0%	\$8,650	0.0%
Professional Services	\$6,000	\$24,500	\$24,500	0.0%	\$24,500	0.0%
Repairs & Maintenance	\$24,964	\$44,650	\$51,350	15.0%	\$51,350	0.0%
Small Tools & Equipment	\$594	\$3,660	\$3,660	0.0%	\$3,660	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$39,140	\$81,460	\$88,160	8.2%	\$88,160	0.0%
General and Admin						
Communications & Freight	\$1,079	\$8,300	\$4,000	-51.8%	\$4,000	0.0%
Fees & Subscriptions	\$489	\$13,142	\$11,742	-10.7%	\$11,742	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$241	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$82,948	\$128,400	\$111,400	-13.2%	\$111,400	0.0%
General and Admin Total	\$84,756	\$149,842	\$127,142	-15.1%	\$127,142	0.0%
Capital Purchases						
Capital Purchases	\$45,008	\$22,100	\$10,100	-54.3%	\$10,100	0.0%
Capital Purchases Total	\$45,008	\$22,100	\$10,100	-54.3%	\$10,100	0.0%
Grand Total	\$2,829,140	\$3,734,232	\$3,738,294	0.1%	\$3,805,614	1.8%

Operating Budget Expenditure Summary

Design and Construction						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$563,718	\$1,769,039	\$1,998,507	13.0%	\$2,071,780	3.7%
Overtime and Standby	\$110,149	\$44,000	\$44,000	0.0%	\$44,000	0.0%
Temporary	\$1,849	\$25,000	\$15,000	-40.0%	\$15,000	0.0%
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,157,801	\$1,232,474	\$1,458,548	18.3%	\$1,508,926	3.5%
Personnel Services Total	\$1,833,517	\$3,070,513	\$3,516,056	14.5%	\$3,639,705	3.5%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$0	\$0	\$0	-	\$0	-
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$0	\$0	\$0	-	\$0	-
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$0	\$0	\$0	-	\$0	-
Repairs & Maintenance	\$12,090	\$11,900	\$25,400	113.4%	\$25,400	0.0%
Small Tools & Equipment	\$4,692	\$1,000	\$2,000	100.0%	\$2,000	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$16,782	\$12,900	\$27,400	112.4%	\$27,400	0.0%
General and Admin						
Communications & Freight	\$95	\$12,500	\$3,858	-69.1%	\$3,858	0.0%
Fees & Subscriptions	\$15,242	\$19,000	\$31,500	65.8%	\$31,500	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$2,353	\$15,000	\$7,000	-53.3%	\$7,000	0.0%
Taxes, Fees & License	\$1,254	\$1,000	\$3,500	250.0%	\$3,500	0.0%
General and Admin Total	\$18,944	\$47,500	\$45,858	-3.5%	\$45,858	0.0%
Capital Purchases						
Capital Purchases	\$1,940	\$2,000	\$2,000	0.0%	\$2,000	0.0%
Capital Purchases Total	\$1,940	\$2,000	\$2,000	0.0%	\$2,000	0.0%
Grand Total	\$1,871,183	\$3,132,913	\$3,591,314	14.6%	\$3,714,963	3.4%

Operating Budget Expenditure Summary

Planning and Operations						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$375,702	\$867,891	\$604,948	-30.3%	\$611,732	1.1%
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$10,038	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$432,936	\$609,391	\$409,994	-32.7%	\$417,244	1.8%
Personnel Services Total	\$818,676	\$1,477,282	\$1,014,942	-31.3%	\$1,028,976	1.4%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$0	\$0	\$0	-	\$0	-
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$0	\$0	\$0	-	\$0	-
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$50,026	\$17,350	\$213,500	1130.5%	\$202,000	-5.4%
Repairs & Maintenance	\$15,471	\$16,700	\$15,200	-9.0%	\$15,200	0.0%
Small Tools & Equipment	\$162	\$0	\$0	-	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$65,659	\$34,050	\$228,700	571.7%	\$217,200	-5.0%
General and Admin						
Communications & Freight	\$4,481	\$0	\$0	-	\$0	-
Fees & Subscriptions	\$2,923	\$4,850	\$4,200	-13.4%	\$3,600	-14.3%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$166	\$200	\$200	0.0%	\$200	0.0%
Taxes, Fees & License	\$187,471	\$250,000	\$250,000	0.0%	\$250,000	0.0%
General and Admin Total	\$195,042	\$255,050	\$254,400	-0.3%	\$253,800	-0.2%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$1,079,377	\$1,766,382	\$1,498,042	-15.2%	\$1,499,976	0.1%

Operating Budget Expenditure Summary

Information Technology						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,227,824	\$1,358,556	\$1,342,407	-1.2%	\$1,375,708	2.5%
Overtime and Standby	\$45,147	\$30,000	\$15,000	-50.0%	\$15,000	0.0%
Temporary	\$2,074	\$20,000	\$5,000	-75.0%	\$5,000	0.0%
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$795,452	\$931,271	\$921,953	-1.0%	\$948,030	2.8%
Personnel Services Total	\$2,070,497	\$2,339,827	\$2,284,360	-2.4%	\$2,343,738	2.6%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$11,187	\$10,300	\$10,300	0.0%	\$10,300	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$11,187	\$10,300	\$10,300	0.0%	\$10,300	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$251,029	\$60,000	\$485,000	708.3%	\$459,000	-5.4%
Repairs & Maintenance	\$790,434	\$541,680	\$748,000	38.1%	\$748,000	0.0%
Small Tools & Equipment	\$4,083	\$15,000	\$0	-100.0%	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$1,045,546	\$616,680	\$1,233,000	99.9%	\$1,207,000	-2.1%
General and Admin						
Communications & Freight	\$122,153	\$156,000	\$156,000	0.0%	\$156,000	0.0%
Fees & Subscriptions	\$6,449	\$30,800	\$15,300	-50.3%	\$15,300	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$314	\$0	\$200	-	\$200	0.0%
Taxes, Fees & License	\$0	\$0	\$0	-	\$0	-
General and Admin Total	\$128,916	\$186,800	\$171,500	-8.2%	\$171,500	0.0%
Capital Purchases						
Capital Purchases	\$102,549	\$36,000	\$120,700	235.3%	\$75,300	-37.6%
Capital Purchases Total	\$102,549	\$36,000	\$120,700	235.3%	\$75,300	-37.6%
Grand Total	\$3,358,696	\$3,189,607	\$3,819,860	19.8%	\$3,807,838	-0.3%

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Operations Division

The Operations Division is comprised of three primary functions; the Operations and Maintenance, Water Treatments and Support Services. The Operations and Maintenance function is responsible for the day to day activity of delivering water to over 191,000 customers throughout Marin County.

The Water Treatment Department is responsible for the daily operation of three water treatment facilities. Treatment Plant Operators operate various equipment and processes, as well as monitor and test for water quality, in order to produce potable water that meets all state and federal water quality regulatory standards.

Support Services includes oversight of the District's Auto Shop and Warehouse. The Auto Shop provides essential services for the District's fleet of vehicles and equipment. The Warehouse core function is to provide materials used for the maintenance of the water system and capital improvement projects.

Operating Budget Expenditure Summary

Division Summary: Operations

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$9,497,685	\$11,484,381	\$11,243,608	-2.1%	\$11,531,708	2.6%
Overtime and Standby	\$891,341	\$764,750	\$732,252	-4.2%	\$735,133	0.4%
Temporary	\$37,840	\$61,288	\$42,910	-30.0%	\$45,056	5.0%
Contract Help	\$32,653	\$0	\$0	-	\$240,781	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$7,289,624	\$8,451,905	\$8,255,905	-2.3%	\$8,593,775	4.1%
Personnel Services Total	\$17,749,145	\$20,762,324	\$20,274,675	-2.3%	\$21,146,453	4.3%
Materials and Supplies						
Chemicals	\$1,066,892	\$1,821,190	\$2,676,547	47.0%	\$2,856,757	6.7%
Materials	\$629,401	\$642,600	\$692,900	7.8%	\$696,400	0.5%
Supplies	\$180,221	\$219,249	\$243,649	11.1%	\$249,363	2.3%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$1,876,514	\$2,683,039	\$3,613,096	34.7%	\$3,802,520	5.2%
District Operations						
Automotive	\$760,660	\$699,000	\$926,500	32.5%	\$959,000	3.5%
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$2,171,883	\$1,900,000	\$4,010,000	111.1%	\$4,406,000	9.9%
Equipment Rental	\$209,695	\$251,000	\$255,000	1.6%	\$255,000	0.0%
Professional Services	\$408,669	\$158,525	\$338,525	113.5%	\$243,525	-28.1%
Repairs & Maintenance	\$325,556	\$489,747	\$487,526	-0.5%	\$468,169	-4.0%
Small Tools & Equipment	\$30,938	\$65,850	\$68,400	3.9%	\$68,400	0.0%
Utilities	\$175,544	\$201,059	\$254,141	26.4%	\$265,397	4.4%
District Operations Total	\$4,082,946	\$3,765,181	\$6,340,092	68.4%	\$6,665,491	5.1%
General and Admin						
Communications & Freight	\$44,700	\$74,390	\$65,050	-12.6%	\$65,050	0.0%
Fees & Subscriptions	\$13,363	\$68,000	\$80,200	17.9%	\$69,700	-13.1%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$7,656	\$4,300	\$4,300	0.0%	\$4,300	0.0%
Taxes, Fees & License	\$301,829	\$311,510	\$275,191	-11.7%	\$280,703	2.0%
General and Admin Total	\$367,547	\$458,200	\$424,741	-7.3%	\$419,753	-1.2%
Capital Purchases						
Capital Purchases	\$748,730	\$903,170	\$914,753	1.3%	\$1,044,100	14.1%
Capital Purchases Total	\$748,730	\$903,170	\$914,753	1.3%	\$1,044,100	14.1%
Grand Total	\$24,824,882	\$28,571,914	\$31,567,357	10.5%	\$33,078,317	4.8%

Operating Budget Expenditure Summary

Operations Administration						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$487,108	\$622,571	\$369,777	-40.6%	\$385,039	4.1%
Overtime and Standby	\$0	\$2,000	\$0	-100.0%	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$32,653	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$200,694	\$437,096	\$248,900	-43.1%	\$259,263	4.2%
Personnel Services Total	\$720,456	\$1,061,667	\$618,678	-41.7%	\$644,302	4.1%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$4,369	\$700	\$2,200	214.3%	\$2,200	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$4,369	\$700	\$2,200	214.3%	\$2,200	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$4,000	-	\$4,000	0.0%
Professional Services	\$260,120	\$50,000	\$0	-100.0%	\$0	-
Repairs & Maintenance	\$5,250	\$2,650	\$200	-92.5%	\$200	0.0%
Small Tools & Equipment	\$0	\$500	\$0	-100.0%	\$0	-
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$265,370	\$53,150	\$4,200	-92.1%	\$4,200	0.0%
General and Admin						
Communications & Freight	\$1,472	\$0	\$0	-	\$0	-
Fees & Subscriptions	\$338	\$6,000	\$3,450	-42.5%	\$3,450	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$0	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$39,251	\$65,500	\$150	-99.8%	\$150	0.0%
General and Admin Total	\$41,061	\$71,500	\$3,600	-95.0%	\$3,600	0.0%
Capital Purchases						
Capital Purchases	\$0	\$0	\$0	-	\$0	-
Capital Purchases Total	\$0	\$0	\$0	-	\$0	-
Grand Total	\$1,031,255	\$1,187,017	\$628,678	-47.0%	\$654,302	4.1%

Operating Budget Expenditure Summary

Support Services

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$523,700	\$588,702	\$574,003	-2.5%	\$591,488	3.0%
Overtime and Standby	\$5,865	\$2,500	\$2,500	0.0%	\$2,500	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$382,262	\$460,836	\$434,840	-5.6%	\$449,534	3.4%
Personnel Services Total	\$911,827	\$1,052,038	\$1,011,342	-3.9%	\$1,043,522	3.2%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$9,428	\$9,000	\$10,000	11.1%	\$11,000	10.0%
Supplies	\$34,553	\$43,000	\$45,500	5.8%	\$48,000	5.5%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$43,981	\$52,000	\$55,500	6.7%	\$59,000	6.3%
District Operations						
Automotive	\$630,635	\$693,500	\$921,000	32.8%	\$953,500	3.5%
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$3,437	\$54,000	\$4,000	-92.6%	\$4,000	0.0%
Professional Services	\$0	\$0	\$0	-	\$0	-
Repairs & Maintenance	\$41,552	\$23,100	\$57,100	147.2%	\$35,100	-38.5%
Small Tools & Equipment	\$2,934	\$4,000	\$4,000	0.0%	\$4,000	0.0%
Utilities	\$7,318	\$7,000	\$7,500	7.1%	\$8,000	6.7%
District Operations Total	\$685,876	\$781,600	\$993,600	27.1%	\$1,004,600	1.1%
General and Admin						
Communications & Freight	\$240	\$240	\$0	-100.0%	\$0	-
Fees & Subscriptions	\$8,346	\$10,450	\$31,200	198.6%	\$20,700	-33.7%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$3,486	\$3,950	\$3,950	0.0%	\$3,950	0.0%
Taxes, Fees & License	\$98	\$3,000	\$3,000	0.0%	\$3,000	0.0%
General and Admin Total	\$12,170	\$17,640	\$38,150	116.3%	\$27,650	-27.5%
Capital Purchases						
Capital Purchases	\$431,977	\$722,000	\$738,463	2.3%	\$732,000	-0.9%
Capital Purchases Total	\$431,977	\$722,000	\$738,463	2.3%	\$732,000	-0.9%
Grand Total	\$2,085,831	\$2,625,278	\$2,837,055	8.1%	\$2,866,772	1.0%

Operating Budget Expenditure Summary

Facilities and Systems Maintenance

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$5,151,550	\$6,516,609	\$6,627,363	1.7%	\$6,787,797	2.4%
Overtime and Standby	\$684,768	\$604,000	\$609,000	0.8%	\$609,000	0.0%
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$240,781	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$4,386,640	\$4,847,019	\$4,918,243	1.5%	\$5,152,038	4.8%
Personnel Services Total	\$10,222,958	\$11,967,627	\$12,154,606	1.6%	\$12,789,616	5.2%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$583,829	\$596,500	\$642,700	7.7%	\$645,200	0.4%
Supplies	\$61,522	\$78,900	\$83,900	6.3%	\$83,900	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$645,351	\$675,400	\$726,600	7.6%	\$729,100	0.3%
District Operations						
Automotive	\$130,025	\$5,500	\$5,500	0.0%	\$5,500	0.0%
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$2,171,883	\$1,900,000	\$4,010,000	111.1%	\$4,406,000	9.9%
Equipment Rental	\$190,855	\$169,000	\$219,000	29.6%	\$219,000	0.0%
Professional Services	\$40,696	\$56,200	\$86,200	53.4%	\$91,200	5.8%
Repairs & Maintenance	\$196,993	\$300,000	\$302,900	1.0%	\$302,900	0.0%
Small Tools & Equipment	\$26,556	\$56,200	\$57,500	2.3%	\$57,500	0.0%
Utilities	\$95,016	\$99,000	\$109,500	10.6%	\$109,500	0.0%
District Operations Total	\$2,852,024	\$2,585,900	\$4,790,600	85.3%	\$5,191,600	8.4%
General and Admin						
Communications & Freight	\$11,130	\$9,900	\$0	-100.0%	\$0	-
Fees & Subscriptions	\$2,841	\$32,200	\$26,200	-18.6%	\$26,200	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$3,010	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$261,370	\$238,170	\$265,070	11.3%	\$270,570	2.1%
General and Admin Total	\$278,351	\$280,270	\$291,270	3.9%	\$296,770	1.9%
Capital Purchases						
Capital Purchases	\$267,253	\$87,120	\$70,800	-18.7%	\$206,800	192.1%
Capital Purchases Total	\$267,253	\$87,120	\$70,800	-18.7%	\$206,800	192.1%
Grand Total	\$14,265,936	\$15,596,317	\$18,033,876	15.6%	\$19,213,886	6.5%

Operating Budget Expenditure Summary

Water Distribution

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,429,628	\$1,779,700	\$1,746,986	-1.8%	\$1,785,659	2.2%
Overtime and Standby	\$83,110	\$46,250	\$46,250	0.0%	\$46,250	0.0%
Temporary	\$19,829	\$20,000	\$0	-100.0%	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,059,062	\$1,258,397	\$1,264,133	0.5%	\$1,298,541	2.7%
Personnel Services Total	\$2,591,629	\$3,104,347	\$3,057,369	-1.5%	\$3,130,450	2.4%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$30,915	\$28,000	\$28,000	0.0%	\$28,000	0.0%
Supplies	\$635	\$2,775	\$2,575	-7.2%	\$2,575	0.0%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$31,550	\$30,775	\$30,575	-0.6%	\$30,575	0.0%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$0	\$0	-	\$0	-
Professional Services	\$0	\$49,500	\$49,500	0.0%	\$49,500	0.0%
Repairs & Maintenance	\$48,579	\$58,000	\$58,000	0.0%	\$58,000	0.0%
Small Tools & Equipment	\$1,157	\$1,200	\$1,200	0.0%	\$1,200	0.0%
Utilities	\$0	\$0	\$0	-	\$0	-
District Operations Total	\$49,735	\$108,700	\$108,700	0.0%	\$108,700	0.0%
General and Admin						
Communications & Freight	\$30,506	\$62,600	\$62,000	-1.0%	\$62,000	0.0%
Fees & Subscriptions	\$435	\$7,800	\$7,800	0.0%	\$7,800	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$628	\$0	\$0	-	\$0	-
Taxes, Fees & License	\$675	\$580	\$860	48.3%	\$720	-16.3%
General and Admin Total	\$32,243	\$70,980	\$70,660	-0.5%	\$70,520	-0.2%
Capital Purchases						
Capital Purchases	\$18,627	\$40,550	\$40,000	-1.4%	\$40,000	0.0%
Capital Purchases Total	\$18,627	\$40,550	\$40,000	-1.4%	\$40,000	0.0%
Grand Total	\$2,723,785	\$3,355,352	\$3,307,304	-1.4%	\$3,380,245	2.2%

Operating Budget Expenditure Summary

Water Treatment

	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$1,905,700	\$1,976,799	\$1,925,479	-2.6%	\$1,981,726	2.9%
Overtime and Standby	\$117,598	\$110,000	\$74,502	-32.3%	\$77,383	3.9%
Temporary	\$18,012	\$41,288	\$42,910	3.9%	\$45,056	5.0%
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$1,260,966	\$1,448,558	\$1,389,789	-4.1%	\$1,434,398	3.2%
Personnel Services Total	\$3,302,275	\$3,576,645	\$3,432,680	-4.0%	\$3,538,563	3.1%
Materials and Supplies						
Chemicals	\$1,066,892	\$1,821,190	\$2,676,547	47.0%	\$2,856,757	6.7%
Materials	\$5,229	\$9,100	\$12,200	34.1%	\$12,200	0.0%
Supplies	\$79,142	\$93,874	\$109,474	16.6%	\$112,688	2.9%
Water Purchases	\$0	\$0	\$0	-	\$0	-
Materials and Supplies Total	\$1,151,263	\$1,924,164	\$2,798,221	45.4%	\$2,981,645	6.6%
District Operations						
Automotive	\$0	\$0	\$0	-	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$15,404	\$28,000	\$28,000	0.0%	\$28,000	0.0%
Professional Services	\$107,854	\$2,825	\$202,825	7079.6%	\$102,825	-49.3%
Repairs & Maintenance	\$33,182	\$105,997	\$69,326	-34.6%	\$71,969	3.8%
Small Tools & Equipment	\$292	\$3,950	\$5,700	44.3%	\$5,700	0.0%
Utilities	\$73,210	\$95,059	\$137,141	44.3%	\$147,897	7.8%
District Operations Total	\$229,941	\$235,831	\$442,992	87.8%	\$356,391	-19.5%
General and Admin						
Communications & Freight	\$1,352	\$1,650	\$3,050	84.8%	\$3,050	0.0%
Fees & Subscriptions	\$1,403	\$11,550	\$11,550	0.0%	\$11,550	0.0%
Insurance	\$0	\$0	\$0	-	\$0	-
Misc. Expense	\$533	\$350	\$350	0.0%	\$350	0.0%
Taxes, Fees & License	\$435	\$4,260	\$6,111	43.5%	\$6,263	2.5%
General and Admin Total	\$3,722	\$17,810	\$21,061	18.3%	\$21,213	0.7%
Capital Purchases						
Capital Purchases	\$30,872	\$53,500	\$65,490	22.4%	\$65,300	-0.3%
Capital Purchases Total	\$30,872	\$53,500	\$65,490	22.4%	\$65,300	-0.3%
Grand Total	\$4,718,075	\$5,807,950	\$6,760,444	16.4%	\$6,963,112	3.0%

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Interdepartmental

The Interdepartmental division's primary function is account for expenses that are not directly related to an individual division but rather are a District-wide expenses. The major expenses included in the Interdepartmental division are insurance premiums and claims expense, debt service payments, water purchases and electricity costs.

Operating Budget Expenditure Summary

Interdepartmental						
	FY 21/22 Actual	FY 22/23 Approved Budget	FY 23/24 Proposed Budget	FY 24 % Change	FY 24/25 Proposed Budget	FY 25 % Change
Personnel Services						
Regular Salaries and Wages	\$0	\$0	\$0	-	\$0	-
Overtime and Standby	\$0	\$0	\$0	-	\$0	-
Temporary	\$0	\$0	\$0	-	\$0	-
Contract Help	\$0	\$0	\$0	-	\$0	-
Director Fees	\$0	\$0	\$0	-	\$0	-
Fringe Benefits	\$3,079,300	\$3,755,000	\$4,426,000	17.9%	\$4,706,000	6.3%
Personnel Services Total	\$3,079,300	\$3,755,000	\$4,426,000	17.9%	\$4,706,000	6.3%
Materials and Supplies						
Chemicals	\$0	\$0	\$0	-	\$0	-
Materials	\$0	\$0	\$0	-	\$0	-
Supplies	\$19,743	\$25,000	\$25,000	0.0%	\$25,000	0.0%
Water Purchases	\$12,139,318	\$8,424,000	\$11,477,700	36.3%	\$13,212,000	15.1%
Materials and Supplies Total	\$12,159,061	\$8,449,000	\$11,502,700	36.1%	\$13,237,000	15.1%
District Operations						
Automotive	\$0	\$40,000	\$0	-100.0%	\$0	-
Conservation	\$0	\$0	\$0	-	\$0	-
Construction Contracts	\$0	\$0	\$0	-	\$0	-
Equipment Rental	\$0	\$20,500	\$0	-100.0%	\$0	-
Professional Services	\$77,228	\$45,400	\$80,000	76.2%	\$80,000	0.0%
Repairs & Maintenance	\$73,766	\$154,200	\$384,200	149.2%	\$464,200	20.8%
Small Tools & Equipment	\$0	\$0	\$0	-	\$0	-
Utilities	\$4,390,311	\$5,512,547	\$5,532,500	0.4%	\$5,807,500	5.0%
District Operations Total	\$4,541,305	\$5,772,647	\$5,996,700	3.9%	\$6,351,700	5.9%
General and Admin						
Communications & Freight	\$34,563	\$38,000	\$41,700	9.7%	\$41,700	0.0%
Fees & Subscriptions	\$178,137	\$233,395	\$234,000	0.3%	\$234,000	0.0%
Insurance	\$703,674	\$1,463,000	\$2,568,000	75.5%	\$2,915,000	13.5%
Misc. Expense	\$1,262,628	\$608,300	\$2,003,180	229.3%	\$2,148,180	7.2%
Taxes, Fees & License	\$0	\$61,500	\$1,500	-97.6%	\$99,500	6533.3%
General and Admin Total	\$2,179,002	\$2,404,195	\$4,848,380	101.7%	\$5,438,380	12.2%
Debt Service						
Debt Service	\$10,184,004	\$9,706,507	\$9,527,293	-1.8%	\$9,402,567	-1.3%
Overhead						
Indirect Labor	(\$5,213,912)	(\$4,700,000)	(\$4,700,000)	0.0%	(\$4,700,000)	0.0%
Overhead Total	(\$5,213,912)	(\$4,700,000)	(\$4,700,000)	0.0%	(\$4,700,000)	0.0%
Debt Service Total	\$10,184,004	\$9,706,507	\$9,527,293	-1.8%	\$9,402,567	-1.3%
Capital Purchases						
Capital Purchases	\$8,347	\$30,000	\$52,947	76.5%	\$0	-100.0%
Capital Purchases Total	\$8,347	\$30,000	\$52,947	76.5%	\$0	-100.0%
Contribution to Reserves						
Unrestricted Operating Reserve	\$0	\$0	\$2,500,000	-	\$2,500,000	0.0%
Water Supply Project Reserve	\$0	\$0	\$2,500,000	-	\$2,500,000	0.0%
Contribution to Reserves Total	\$0	\$0	\$5,000,000	-	\$5,000,000	0.0%
Grand Total	\$26,937,108	\$25,417,349	\$36,654,020	44.2%	\$39,435,647	7.6%



CAPITAL IMPROVEMENT PROGRAM SUMMARY

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

The district's Capital Improvement Program (CIP) consists of the two-year Capital Improvement Program Budget and the five-year Capital Improvement Plan. The five-year CIP Plan guides financial planning, prioritizes and schedules capital projects for the five year period, and establishes a basis for generating the financial resources to complete these capital projects.

The first two years of expenditures in the five-year CIP comprise the district's two-year CIP Budget. By adopting the two-Year CIP Budget, the Board authorizes the initiation of project expenditures in fiscal years 2023/24 (FY 24) and 2024/25 (FY 25).

Capital assets are real or personal property that have a unit acquisition cost equal to or greater than \$2,000 and an estimated life greater than one year. Most assets only achieve their useful life as the result of periodic maintenance or repairs. Normal routine upgrade, maintenance and repairs, including the purchase of replacement parts, are funded through the Operating Budget. Capital assets are acquired by the district through a capital outlay purchase from the Operating Budget or through the CIP Budget. A capital outlay is usually for the purchase of a single asset, such as the purchase of a new vehicle or a piece of equipment.

Capital improvement projects are generally defined as follows:

1. Nonrecurring rehabilitation, replacement or major repair with a minimum cost of \$2,000. These generally include:
 - Repaving of facility access roads.
 - Replacing pipelines
 - Repainting and coating of reservoirs, storage tanks and major equipment.
 - Rehabilitation or replacement of existing facilities and equipment
2. Construction of a Public Works project in accordance with California Labor Code Section 1720 with a minimum cost of \$2,000.
3. Significant one-time investments in tangible goods, the benefit of which will accrue over several years. Examples include large initial investments or improvements in technology and software, or the purchase of a new telephone system.
4. Engineering studies and services that lead to, or are directly related to, capitalized facilities. These include professional design services, and preparation of asset management plans, master plans, and capital improvement plans.
5. Water supply resiliency projects

Non-capitalized projects include recurring, normal and routine maintenance projects. Examples include water facilities leak repairs, repair of potholes and fencing, spot roof patching, annual equipment maintenance, annual and on-going water meter replacement, engineering studies and plans that do not lead to or are not related to capitalized facilities, such as the Urban Water Management Plan and on-going and routine computer hardware and software upgrades not related to the CIP.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

The five-year CIP total amount is \$249,160,700. The first two years of expenditures in the five-year CIP comprise the district's two-year CIP Budget and total \$84,432,000, which is a 65 percent increase compared to the prior two-year CIP budget. The increased capital investments reflect the Board's direction to strengthen water supply resiliency, replace and modernize aging infrastructure and accelerate wildfire mitigation efforts on the Mt. Tam Watershed.

Two-Year CIP Budget FYs 24 and 25

Expenditures	FY 2023/24	FY 2024/25	Total
Pipelines	\$12,010,000	\$15,276,000	\$27,286,000
Pump Stations	\$1,385,000	\$4,420,000	\$5,805,000
Storage Tanks	\$5,700,000	\$6,860,000	\$12,560,000
Treatment Plants	\$2,420,000	\$1,620,000	\$4,040,000
Watershed ¹	\$4,890,000	\$5,224,000	\$10,114,000
System Improvements	\$3,826,000	\$6,851,000	\$10,677,000
Water Supply	\$2,750,000	\$9,200,000	\$11,950,000
Grand Total	\$32,981,000	\$49,451,000	\$82,432,000

Funding	FY 2023/24	FY 2024/25	Total
Capital Maintenance Fee	\$17,118,698	\$17,974,633	\$35,093,331
Connection Fees	\$600,000	\$600,000	\$1,200,000
Fire Flow Fee	\$4,500,000	\$4,500,000	\$9,000,000
Grant Funding	\$2,134,500	\$4,400,000	\$7,635,000
Rate Revenue	\$8,598,302	\$21,951,367	\$30,758,269
Interest	\$30,000	\$25,000	\$55,000
Grand Total	\$32,981,000	\$49,451,600	\$82,432,080

¹ Watershed includes all projects conducted on the district's watershed including dams, reservoirs, road and slide repairs, vegetation management and habitat improvements.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

1 RENEWAL AND REPLACEMENT PROJECTS

1.1 Cathodic Protection (A1A01)

When the corrosion protection program began in the early 1960s, the district was responding to an average of 1,400 water system leaks and breaks per year. This was an average of four per day. Most of these leaks and breaks occurred on metallic piping systems. To address this problem, the district established a corrosion protection program in 1962. Leaks and breaks on the district's water system have declined to approximately 200 per year. Much of this decline can be attributed to the district's corrosion control program. The goal of the program is to eliminate corrosion as a limiting factor in the life of district facilities.

The district currently has 6,975 corrosion test stations. Of these, 5,165 use sacrificial anodes (passive) to control corrosion. The remaining test stations are part of the 146 systems that utilize impressed current from rectifiers to provide corrosion control. In total, the corrosion test stations protect approximately 465 miles of piping (53% of all district piping), 109 metallic storage tanks and three treatment facilities. For comparison, in 1990 there were approximately 2,800 corrosion test stations protecting 224 miles of piping and 50 metallic storage tanks.

Passive systems on piping are monitored on a six-year cycle; passive systems for storage tank interiors are monitored annually; and impressed current systems are monitored semi-annually. The semi-annual maintenance for impressed current systems provides only for testing of the rectifier and a remote test station. Full system checks of impressed current systems are performed on a six year cycle. Maintenance work provides the data from which other corrosion capital projects are planned. These projects include: Corrosion Test Station Rehabilitation, Cathodic Protection System Corrections, Cathodic Protection of Existing Pipelines, Cathodic Protection Remote Monitoring, Rectifier Anode Replacement, and the Tank Recoating program.

Corrosion Test Station Rehabilitation Program and Cathodic Protection of Existing Pipelines. The typical design life of magnesium anodes is 20 years. Magnesium anodes gradually dissolve over their design life as they provide a protective current to the pipeline or structure. Once an anode is depleted, it needs to be replaced in order to maintain the effectiveness of the cathodic protection system. Maintaining the operation of cathodic protection systems is a cost-effective means of preventing premature failure and/or replacement. This program supports annual replacement of approximately 150-200 anodes as determined by periodic testing.

FY 24	\$140,000
FY 25	\$140,000

Cathodic Protection System Corrections and Remote Monitoring. This program addresses the replacement of failed flange insulating kits and clearing of contacts with foreign structures. Electrical isolation of dissimilar metals and foreign structures (e.g. other utility conduits, abandoned piping etc.) is critical to the effectiveness of the district's cathodic protection systems. Electrical isolation is

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

achieved through the use of short sections of PVC pipe (typically three feet long) or flange insulating kits. PVC pipe has proven to be an excellent insulator, and to date, there have been no failures (electrical shorting) of PVC insulators. However, flange-insulating kits have failed. Failure to replace faulty insulators causes cathodic protection systems to lose their effectiveness resulting in premature and unnecessary pipeline failures. Approximately 10 flange insulating kits are replaced each year. Additionally, this program addresses any capital projects that are needed to maintain the remote monitoring systems in place for the passive and impressed current systems.

FY 24	\$205,000
FY 25	\$215,000

Rectifier Anode (ground bed) Replacement. Currently over the half of the District's pipelines are cathodically protected, ensuring less corrosion and extending their useful life. Funding to maintain The typical design life for rectifier ground beds is 30 years. Similar to magnesium anodes, these ground beds gradually dissolve over their design life as they provide protective current to the pipeline or structure; and once depleted, need to be replaced in order to maintain effectiveness of the rectifier system.

FY 24	\$55,000
FY 25	\$55,000

Tank Recoating Program. In addition to providing metallic pipeline protection, the Corrosion Control program also protects the district's 109 metallic storage tanks and 8 hydro-pneumatic pressure tanks. Corrosion protection of these facilities is provided by a system of anodes suspended in the storage tanks and buried near the tanks, and/or protective coatings applied to the interior and exterior of the tanks.

Coatings and linings are an integral part of corrosion control, as they provide a barrier between the structure and a corrosive environment. Over time, the coatings and linings deteriorate and require spot repair or complete removal. To monitor this deterioration, corrosion control staff performs periodic surveys of tank coatings. The surveys determine which tanks are in need of coating repair and provide data for future coating maintenance projects. Corrosion control staff also work with water quality staff to ensure that interior tank coatings and linings are in compliance with State Water Resources Control Board drinking water requirements. Prioritization of tanks requiring recoating is based on maintaining water quality and the current requirement for interior cathodic protection. In some cases, a tank cannot be removed from service without significant temporary storage or distribution system upgrades. In order to continue achieving the benefits of the corrosion protection program, steel tanks should ideally be recoated on 20-25 year intervals. The current recoating rate exceeds 40 years, and is primarily dictated by the ability to remove a tank from service and funding.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

The current tank recoating priority list is shown in the table below.

Tank Recoating Priority List

Priority	Tank	Capacity (MG)	Year Constructed	Coating Age (yrs)
1	Wolfback Ridge 1	0.25	1997	26
2	Wolfback Ridge 2	0.25	1997	26
3	Mill Valley	5.00	1967	56
4	Scott Highlands	0.25	1968	55
5	Conifer Way	0.50	1968	55
6	Loch Lomond	1.00	1954	69

The recoating of Wolfback Ridge Tanks is scheduled to be performed in FY 24 as part of the district's deferred maintenance backlog reduction funding. The remaining tanks on the list are scheduled to be recoated within the next five years.

The FY 24 and FY 25 budgets for the A1A01 category are shown below, and include \$500,000 in FY 24 to address deferred maintenance of storage tank recoatings:

FY 24 \$900,000

FY 25 \$410,000

Smith Saddle Tanks are two 5MG welded steel tanks in the distribution system that are also prioritized for needing repairs and recoating. This project been deferred until FY 26 to meet budgetary constraints and prioritize other storage tank replacements, and will be considered as part of the prioritization process for large projects. When funded, Smith Saddle Tanks rehabilitation will be funded through A1A11 Storage Tanks as significant repairs or replacements are expected.

1.2 Distribution Pipelines (A1A02A) and Transmission Pipelines (A1A03)

The district has approximately 900 miles of potable distribution and transmission system piping in service. Over 1.2 miles is from the 1800s. Approximately 18 miles are more than 100 years old. However, most of the existing installed pipes do not last this long. About 53% of the district piping system is comprised of modern long life welded steel or PVC. Over 317 miles of the district's pipe system is comprised of pipe materials that are problematic and prone to failure, such as galvanized threaded steel pipe (GTP – 18.1 miles), lock converse joint pipe (LCP – 5.5 miles), and cast iron pipe (CI – 293.7 miles). These pipe materials total approximately 36% of the district's water system. The remaining 11% of system piping is not necessarily leak prone but presents other inherent risks such as asbestos cement pipe and concrete cylinder pipe. Water main breaks result in treated water loss, damage to public and private infrastructure, public disruption, and divert district resources. Cast iron pipe can be particularly problematic because the failure mode is often catastrophic and usually releases a significant amount of water.

Pipeline Replacement Program. The objective of this program is to maintain and improve the level of service, quality and safety of the district's distribution and transmission piping system. Projects

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

in this program provide for replacement of worn and deteriorated transmission and distribution system piping. Pipeline segments are selected for inclusion in this program based primarily on leak history with consideration of other factors discussed below. A segment’s leak history is the primary indicator used to assess pipe condition and remaining service life. The district maintains records of all leaks and leak repairs. Staff utilizes the district’s GIS to identify pipe segments with a significant leak rate (generally ≥ 1 leak/year/1,000 ft pipe). The segments identified through this process are added to the pipeline replacement (leak) list. Pipe segments on the leak list undergo a thorough investigation to determine their complete leak history, year installed, type of pipe material, as-installed details and potential real property issues. Pipeline replacements are prioritized primarily based on leak rate and risk related to damages to the environment or property in the event of a main break. Special consideration is given to pipelines in close proximity to salmonid bearing streams. Finally, when given adequate notification, the district endeavors to replace pipeline segments in advance of planned street work that coincide with pipe segments on the pipeline replacement list or that may be disturbed by the construction.

The FY 24 budget for pipeline replacement is \$7,120,000, with \$10,376,000 budgeted for FY 25, and will support replacement of approximately six miles of pipe. This represents an increase of \$9.4 million compared to the prior two-year budget. Half of this additional funding is coming from \$6,400,000 grant from the California Department of Water Resources, which is funding pipeline replacement in Marin City in FYs 24-26 and San Rafael’s Canal District in FY 26. The remaining portion of additional funding is coming from increased funding to address deferred maintenance backlogs.

FY 24 \$7,120,000
FY 25 \$10,376,000

Some of the planned locations of pipes to be replaced in FY 24 and FY 25 are shown in the table below. The remainder will be developed at the beginning of each fiscal year.

**Pipeline Replacement Locations for
FY 24 and FY 25**

Town	Street(s)	Pipe Length (ft)	Install Year
San Anselmo	Sir Francis Drake Blvd	3,000	1930
Marin City	Cole Dr, Drake Ave	18,000	1959
Tiburon	Paradise Dr	2,800	1922
Greenbrae	Greenbrae Boardwalk	2,200	1994
Corte Madera	Paloma, Granada, El Camino	7,200	1960s
TOTAL LENGTH		33,200	

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

Fire Flow Improvement Program

On May 17, 2012, the district’s Board approved the Fire Flow Improvement Program (FFIP) which extended the Fire Flow Fee of \$75 per year for nineteen years, and provides \$4.5 million annually for investment in fire flow improvement projects. The FFIP proposes to replace 52 miles of fire-flow deficient pipe, comprising 49 miles of distribution piping and 3 miles of transmission piping. The locations of pipes to be replaced during FY 24 and FY 25 are shown in the table below, which shows a total of 16,100 feet (3 miles) of undersized pipe to be replaced.

**FFIP Replacement Locations for
FY 24 and FY 25**

Town	Street(s)	Pipe Length (ft)	Install Year
Fairfax/Oak Manor	Rock Ridge, Muriel, San Miguel, Hillside, Scenic, Archangel, Cynthia, Gregory, Von, Stevens, Oak Manor	5,700	1936
San Rafael	Knight, Castlewood, Lochnivar	4,000	1956
San Rafael	J St, Forbes, Treehaven, Culloden Park, El Cerrito, 5 th St, Sirand, Alpine	2,600	1920s/1930s
Woodacre	Redwood, Park, Taylor	3,800	1914
TOTAL LENGTH		16,100	

The pipeline replacement program and Fire Flow Improvement Program in combination are scheduled to replace a total of nine miles of pipe over FY 24 and FY 25, which represents an annual replacement rate of 0.5%. At this rate, it will take over 200 years to replace all of the district’s pipelines. Increased funding for deferred maintenance backlog reduction is planned for FY 26 and FY 27, which will support an increase in the rate of replacement in future years.

1.4 Treatment Plants (A1A04)

The district’s three water treatment facilities are an essential element in providing high-quality water for our customers. The oldest facility is the Bon Tempe Water Treatment Plant, constructed in the 1950s. This plant annually provides about 25% of the district’s potable water supply and has a maximum short term capacity of 20 million gallons per day (mgd). The largest facility is the San Geronimo Water Treatment Plant, originally constructed in 1962, and upgraded in 1972. This facility is located in the San Geronimo Valley, has a maximum short term capacity of 35 mgd, and annually provides over 50% of the district’s potable water supply. The Ignacio Treatment Plant was constructed in 1975 and comprises a pump station, emergency generator, and chemical treatment facilities to condition water imported from the Sonoma County Water Agency. Imported water annually provides about 25% of the district’s potable water supply.

Capital projects at the treatment plants address three main functional areas: Structure, primary treatment unit processes, and secondary unit processes. The primary structural features of the Bon Tempe and San Geronimo treatment plants are concrete structures such as mixing chambers,

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

circular up-flow clarifiers, filter basins, clear-wells, backwash water ponds, chemical rooms, the pipe galleries and the control rooms. These structures contain the various mechanical and electrical elements of the treatment process and therefore must be maintained structurally sound and resistant to seismic events. Capital projects that target the unit processes at the treatment plants are identified via a collaborative process with input from the Superintendent of Water Treatment, the Maintenance department, Operations, and Engineering. The Capital projects typically seek to extend the life, improve the reliability and functionality of the unit processes. Capital projects are evaluated on a number of criteria including reliability, consequence of failure, cost and feasibility. Once the capital projects are identified, they are typically budgeted, designed and implemented by district engineering staff with assistance from consulting resources as required.

Capital work at the treatment plants is guided by the Treatment Plant Master Plan, completed in September 2015, and includes seismic and process upgrades to both facilities. The Treatment Plant Filter Seismic Upgrade at both San Geronimo and Bon Tempe Treatment Plants was completed in 2018, bringing the filters at these facilities up to code to withstand a major earthquake. Specific activities to be conducted at San Geronimo Treatment Plant over the next two years include:

San Geronimo Treatment Plant – Roof Replacement. The roof at San Geronimo Treatment Plant was constructed in 1961 and has reached the end of its useful life. This project includes the replacement of the roof with a noncombustible material to harden the structure in the event of a wildfire.

Bon Tempe Backwash Line. This project will replace and relocate the 24-inch backwash line and replace the backwash tank 24-inch isolation valve as they both have reached the end of their useful life and no longer provide watertight isolation for maintenance.

Motor Control Center (MCC)/Programmable Logic Controller (PLC) Upgrades. This project includes replacement of the existing MCC and PLC at each treatment. This project replaces the current controllers that have reached the end of their useful life. This project is budgeted in FY 25 at \$500,000 and is scheduled to be performed as part of the district's deferred maintenance backlog reduction funding. Over the next four years, this project is expected to cost \$1.5 million.

The FY 24 and FY 25 budgets for this category are shown below, and include \$500,000 in each year to address deferred maintenance at the treatment plants:

FY 24 \$2,420,000
FY 25 \$1,620,000

1.5 Reservoir/Dam Facilities (A1A05)

The district's seven reservoirs supply about 75% of the water used by our customers. Six of the reservoirs were formed by constructing earth fill dams across naturally occurring valleys. The embankments range in height from about 50 feet, at the oldest reservoir, Lake Lagunitas, to over 225 feet at Kent Lake. The seventh reservoir, Lake Alpine, was formed by placing a 140 foot high concrete gravity dam across a narrow canyon on upper Lagunitas Creek.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

While some of the reservoirs are over 100 years old, the major facilities were mostly constructed within the last 60 years. CIP projects in this category consist mainly of maintaining spillway repair projects and reservoir system appurtenances, such as control valves and dam instrumentation. The total FY 24 and 25 budget for this category is described below.

FY 24 \$1,550,000
FY 25 \$400,000

The main capital project taking place in is the execution of the workplan of the Phase II condition assessment of three of the district's dams (Seeger Dam at Nicasio Lake, Peters Dam at Kent Lake, and Soulajule Dam). The Division of Safety of Dams has required that they undergo a thorough condition assessment. Phase I of this assessment was completed in 2020, with non-structural spillway repairs completed in 2021. The Phase II Workplan of the condition assessment will be performed in FY 24, and includes concrete coring, subdrain investigation, and flip bucket inspections.

1.6 Buildings and Grounds (A1A06)

This program provides miscellaneous pavement replacement at district facilities, fencing repair and vandalism deterrent projects, retaining wall repair and replacement, landslide repairs, and capital repairs to the Administration Building office and Corporation Yard.

The Administrative Office Building was constructed in 1962 and the Corporation Yard was constructed in 1965. With over 50 years of use, both of these structures are in significant need of upgrading. A comprehensive review to determine all of the work needed was completed in 2016. Changes are needed to both buildings to bring the interior and exterior into compliance with the Americans with Disabilities Act. Other needed improvements include renovating interior wall and ceiling finishes, replacing inefficient windows and other improvements necessary to resist inclement weather, upgrading the HVAC system, replacing floor and carpeting, upgrading electrical and lighting areas, reconfiguring offices and workstations, installation of fire sprinklers, and upgrading the kitchen. The district replaced the roof in summer 2015 on an emergency basis.

Specific activities to be conducted at district facilities over the next two years include:

Administration Building Switchgear. The Administration Building electrical switchgear is outdated and needs to be replaced to allow for a proper generator connection to be installed to handle and disconnect the PG&E and solar panel electrical loads from the generator hook up. This will allow for the administration building to continue to have generator back up electricity during unplanned power outages.

FY 24 \$275,000
FY 25 \$996,000

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

1.7 Transmission Pumps (A1A07) and Distribution Pumps (A1A08)

The district has 95 active potable pump stations containing 178 pumps in service. Eleven stations and 37 pumps are classified as transmission pumps. These facilities include the district's largest pumping stations and are used to move untreated water between reservoirs, treated and untreated water to and from treatment plants and treated water to the transmission system. The transmission pumps are critical to the treatment and distribution of water to our customers. Many of these pumps are heavily used and log many hours of operating time. In addition, the transmission pumps often cost more than \$100,000 and require six months or more of lead time for delivery. The district closely monitors the operation and performance of these pumps. Replacement or overhaul of these pumps and motors are required every 10 to 20 years to assure their reliable and efficient operation. Due to their size and heavy use, the energy savings produced by regularly overhauling these pumps and motors often results in significant operating cost savings to the district. The pump/motors selected for overhaul/replacement are chosen based upon performance testing, operating hours and age/years since the last overhaul.

The remaining 84 stations and 141 pumps are classified as distribution pumps. These smaller stations deliver treated water to higher elevation neighborhoods throughout the district. The distribution pumps generally log fewer hours, have standby pumping capacity and are more readily available than the larger transmission pumps. As a result, these pumps are generally operated until they fail and are no longer repairable. The expected life of these pumps and motors is about 50 years.

Two critical pump station upgrades are planned over FY 24 and FY 25. Upgrades to these pump stations have been prioritized due to known performance and capacity issues as well as the ability to increase the reliability and efficiency of the district's water supply.

Tocaloma Pump Station Upgrade. Built in 1961 and located in Nicasio, Tocaloma Pump Station annually conveys approximately 30% of the district's water supply, from Nicasio Reservoir (and, when used, Soulajule Reservoir) to the San Geronimo Treatment Plant. This project includes the rehabilitation of electrical components that are obsolete and challenging to source replacement parts as well as refurbishment of the pumps. This project is budgeted for \$825,000 in FY 24 and \$3,000,000 in FY 25.

Kastania Pump Station. The Kastania Pump Station requires rehabilitation to both electrical and architectural components due to age and failure. The electrical switch gear is outdated and requires an upgrade to variable frequency drives (VFD). New VFD's will allow operators to control flow in the North Marin Aqueduct to meet dynamic demands of both North Marin Water District and Marin Municipal Water District. The original pump station roof from 1977 has failed and requires replacement in order to protect mechanical and electrical gear from the elements. A new hydraulic surge device will also protect the North Marin Aqueduct from potential high and low pressure swings resulting from the use of Kastania Pump Station.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

This category also includes increased investments in water supply resiliency projects as identified in the Strategic Water Supply Roadmap.

Phoenix Lake – Bon Tempe Lake Connection. This project will install infrastructure to connect Phoenix Lake to Bon Tempe Lake, improving the operational efficiency and allow for more frequent use of Phoenix Lake without the intensive system modifications that need to take place currently. Implementing this project will require a new raw water pump station, upsizing of a low lift barge pump, and installation of approximately 4,000 feet of pipe. This project is budgeted for \$500,000 in FY 24 and \$1,700,000 in FY 25, with a total project cost of \$5,200,000 over the next five years.

Soulajule Electrification. This project will bring consistent power to Soulajule allowing the District to utilize water from Soulajule on a more frequent basis without the need to rent a diesel generator, improving the flexibility and operability of this storage facility. This would also improve efficiency of this site for a longer term operating model. This project is budgeted for \$500,000 in FY 24 and \$3,500,000 in FY 25, with a total project cost of \$7,200,000 over the next five years.

The combined FY 24 and FY 25 budget for both categories (A1A07 and A1A08) is presented below.

FY 24	\$2,320,000
FY 25	\$9,555,000

1.8 Control Systems (A1A09)

The Supervisory Control and Data Acquisition (SCADA) System and process control systems are used to control and monitor flows of water throughout the district using approximately 195 remote sites and the central control facility at the Corporation Yard. Remote sites include pump station, storage tank, control valve, and reservoir sites. In addition, SCADA and process control systems are used at the district's two surface water treatment plants (San Geronimo and Bon Tempe) and water quality plant (Ignacio). Systems at these facilities are used to control and monitor the treatment, production, and distribution of water.

SCADA System – Replace Hardware/Software. The district's Supervisory Control and Data Acquisition (SCADA) system is a computer system used to monitor and control the district's water delivery and treatment system. SCADA is a critical component of the district's operations, and not a single drop of water is moved without the use of SCADA. The SCADA system is comprised of hardware, such as computers and servers, human machine interface (HMI) software, communication interface, and electronic field connection controllers, which are either remote terminal units (RTUs) or programmable logic controllers (PLCs). The SCADA system hardware and software communicates with approximately 200 RTUs and PLCs that are located at various sites, such as treatment plants, pump stations, and tanks, throughout the district's water system. The RTUs and PLCs send data from the field to the SCADA hardware and software, and this data is used to help operations and engineering treat and deliver water to the district's 190,000 customers.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

The district completed a project to upgrade the existing SCADA system in 2020. Ongoing capital maintenance of this system is expected to occur incrementally over the next ten year period rather than large reinvestment in at the end of the 10 year period.

FY 24 \$241,000

FY 25 \$347,000

1.9 Control Valves (A1A10)

The district has approximately 560 control valves in its transmission and distribution system. These valves have an expected useful life span of approximately 50 years. The valves receive yearly maintenance and are overhauled every 10 years. Each year, a few control valves are selected for replacement usually due to excessive corrosion and/or deterioration of the piping and vault.

FY 24 \$65,000

FY 25 \$65,000

1.10 Storage Tanks (A1A11)

MMWD has 130 storage tanks with a capacity of 82 million gallons. These tanks are of vastly different ages and a variety of materials (redwood, welded steel, bolted steel, riveted steel, concrete), all requiring differing maintenance and capital investment. The oldest tank, the Forbes Reservoir, originally constructed in 1894, received a new liner and cover in 2015. There are eight riveted steel tanks which date before 1930. Most of the district's tanks are of welded steel construction. In the past 10 years, the Capital Program has aggressively replaced redwood tanks which are nearing the end of their useful life as described below. The FY 24 and 25 budgets for this category are described below and include \$1 million in deferred maintenance backlog reduction funding.

FY 24 \$4,800,000

FY 25 \$6,450,000

Pine Mountain Tunnel Tank Replacement. This project includes the replacement of the 3MG Pine Mountain Tunnel, constructed in 1919, with two new 2MG tanks located near Sky Oaks headquarters. This project will replace an undersized and deteriorated facility that has reached the end of its useful life. This project will also greatly improve the district's ability to meet the operational and emergency storage needs of the area. This project is budgeted in FY 24 at \$4,000,000 and FY 25 at \$5,000,000 to complete design of a replacement tank and perform site work in preparation of tank construction. Over the next five years, this project is expected to cost \$24 million.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

Redwood tank replacement program. This program funds replacement of redwood storage tanks that often present water quality challenges, are seismically vulnerable², and leak. Since 2001, this program has replaced approximately 47 redwood storage tanks. There are five (5) redwood tanks that remain. The tanks are prioritized from the combination of their field condition rating and their storage adequacy rating. The table below lists the remaining tanks to be replaced:

List of Remaining Redwood Tanks Needing Replacement

Tank Name	City/Location	Capacity (gal)	Year Installed
Bolsa	Mill Valley	200,000	1978
Hind #1	San Rafael	100,000	1978
Hind #2	San Rafael	200,000	1958
Scenic Avenue	San Anselmo	20,000	1981
Madera Park	Corte Madera	100,000	1963

It is anticipated this program will be completed by FY 28.

1.11 Meters (A1A13)

The district has six potable water production flow meters. These measure production from the three potable treatment facilities. These meters are sent out for factory calibration bi-annually and are replaced as necessary. The district has flow transmitters at all of its 98 potable and reclaimed water pump stations. These meters are replaced at time of failure. This program also provides for annual replacement of district service meters.

FY 24 \$240,000

FY 25 \$250,000

1.12 Fire Chiefs Fund (A1A14)

This program annually funds replacements and improvements requested by the Marin County Fire Chiefs Association, and typically includes the installation or relocation of fire hydrants.

FY 24 \$150,000

FY 25 \$150,000

² Redwood tanks are mounted on concrete piers which will not support the tanks in a seismic event. Replacement tanks are constructed of bolted steel or welded steel which meet modern seismic building standards and are properly anchored to resist earthquake forces.

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

1.13 Asset Management Program (A1A16)

This program annually funds the development and implementation projects driven by the asset management program. Funding will support efforts associated with the condition assessment program, driving the decision-making process behind the capital program, and will include software solutions and integrations with current IT infrastructure environments, such as GIS and SAP.

Water System Master Plan. The Water System Master Plan (WSMP) is a comprehensive evaluation of the district's complex water system infrastructure to determine infrastructure needs and long-term capital investments for maintaining reliability and improving operability of the water system. The WSMP will identify potential system improvements and inform the district's capital improvement program (CIP) moving forward. This project is budgeted for \$350,000 in FY 24.

San Clemente System Improvement Project. This project will create a new pressure zone downhill of San Clemente Tank. This will result in decreased demand in the Ross Valley pressure zone as well increased turnover of the San Clemente Tank, improving the water quality in this area. This project is budgeted for \$800,000 in FY 24, which includes \$600,000 in funding for deferred maintenance backlog reduction.

Water Supply Assessment Roadmap Implementation. Funding is allocated in A1A16 to implement longer term project that are a result of the Strategic Water Supply Assessment. Potential projects that are in the feasibility phase are increasing local storage, enhanced connections between Marin and Sonoma, and Petaluma Brackish Desalination. There is \$1,750,000 budgeted for this in FY24 and \$4,000,000 in FY25.

FY 24 \$2,935,000

FY 25 \$4,050,000

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

2 WATERSHED PROJECTS

2.1 Watershed – Minor Structures (A1E01)

This program includes projects that will further the district’s goal of protecting watershed function while facilitating the informed and responsible use of the lands held in public trust. In FY25, the district will complete a review of sanitation stations across the watershed and continue planning for the installation of improved sanitation facilities at the Lake Lagunitas picnic area.

FY 24 \$50,000

FY 25 \$100,000

2.2 Watershed – Ranger Residence Improvements (A1E02)

The six district ranger residences are vital infrastructure elements that establish an official district presence on watershed lands and enable staffing of critical resources for emergency and enforcement activities. The purpose of the Ranger Residence Improvement program is to incrementally upgrade these critical assets and ensure their long-term function. In FY25, the district will perform fire resiliency structure hardening on facilities across the watershed.

FY 24 \$100,000

FY 25 \$315,000

2.3 Watershed – Trail Repair and Improvement (A1E04)

The district manages a network of 59 miles of hiking trails that provide public access through the watershed. Managing the trail network ensures protection of water quality, user safety, and reduces the impact that recreation has on the watershed through closing social trails and restoring areas where illegal trails are built. The trail improvement program of the CIP, including improvements to Cataract Trail, acknowledges the importance of providing safe public access to the district’s watershed lands while actively managing the trail network to protect water quality and natural resources through the use of trail maintenance best management practices. Expenditures under this plan decrease future costs for large scale trail re-construction through ensuring erosion issues are addressed through routine maintenance and illegal trails are closed.

FY 24 \$125,000

FY 25 \$385,000

2.4 Watershed – Road Repair and Improvement (A1E05)

The district manages nearly 100 miles of fire and access roads that are essential to watershed protection, water production, and recreation. This system of roads provides the link between district operation and maintenance staff and the dams, treatment plants, water mains, storage reservoirs, and other critical assets that keep the system running. The Road Repair and

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

Improvement program of the CIP acknowledges the importance of establishing and maintaining connectivity between critical assets and will make select investments to increase the resiliency of access roads in a cost-effective manner. Expenditures for FY24 and FY25 include permitting, design, and construction for culvert and road improvement projects that need immediate attention. This plan is expected to decrease future costs by consolidating environmental planning, compliance, and reporting efforts associated with culvert replacement actions.

Worn Springs Landslide Repair. During the heavy winter storms in early 2023, a landslide developed along Worn Springs Road, a fire road between Phoenix Lake and Ross Reservoir. This project will repair through installation of a retaining wall along the damaged section.

FY 24 \$885,000

FY 25 \$737,000

2.5 Watershed – Natural Capital & Green Infrastructure (A1E07)

The district owns and manages over 18,000 acres of land along the wildland and urban interface. From a water supply and fire protection perspective these lands represent a significant holding of natural capital that provides direct and indirect services to adjacent communities and water supply operations. The Mt. Tamalpais watershed's location, topography and flora and fauna all combine to provide water capture, filtration, run-off, and storage that are essential to the water system. The management of vegetation assemblages is a key component of this natural capital as it mitigates the potential for catastrophic fire that could impair water quality and/or destroy adjacent communities. The Natural Capital and Green Infrastructure program acknowledges the importance of investing in natural capital to support ecosystem services and includes \$1,000,000 per year to address fire and fuels management across district lands. Additional projects included in this program include the habitat restoration planning along Lagunitas Creek.

FY 24 \$1,745,000

FY 25 \$1,887,000

CAPITAL IMPROVEMENT PROGRAM BUDGET (FY 24 and FY 25)

3 SPLIT-FUNDING PROJECTS (A1F06)

The Split-Funding program includes projects and programs that are partially funded by outside agencies and the district through executed grant agreements. Watershed management and restoration goals of the district frequently align with state and federal agencies dedicated to endangered species protection, water quality improvements, and catastrophic fire mitigation. This year, the District has also been awarded grant funds for pipeline replacement projects in Marin City and San Rafael, however, those projects are included in the pipeline replacement program area.

The only split-funding projects in the proposed 2-year CIP is the Lagunitas Creek Enhancement Project, which is funded with \$1,835,000 in contributions from the California Department of Fish and Wildlife and US Bureau of Reclamation

FY 24 \$435,000

FY 25 \$1,400,000

4 INFORMATION TECHNOLOGY PROJECTS

The Information Technology Capital Improvement Projects are a blend of planned upgrades and new initiatives. Information Technology serves the business technology needs of MMWD, enabling business users to carry out their work efficiently, effectively, and securely. These include: (1) planning, operation, and support of the district's physical technology infrastructure, and (2) planning, design, operations, and maintenance of software applications. MMWD's enterprise systems typically require a substantial upgrade every four to seven years.

The FY 24 and FY 25 budget includes the partial implementation of Enterprise Resource Planning software replacement, which is a multi-year project with a total estimated cost of \$7,000,000 to \$8,000,000. This project will replace software that has been used by the district for over 20 years and will no longer be supported by the vendor.

FY 24 \$825,000

FY 25 \$4,158,000

5 CAPITAL PURCHASE EXPENDITURES

The Capital Purchase Expenditures include purchase of capital equipment to support operational budgets. The FY 24 and FY 25 budget includes funding for lab equipment, office furniture, vehicles, and heavy equipment.

FY 24 \$1,300,000

FY 25 \$1,300,000

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
TOTAL EXPENDITURES (in 1000's)	\$ 32,981 \$	\$ 49,451 \$	\$ 57,164 \$	\$ 53,692 \$	\$ 55,873 \$	249,161
A1A01 Replacements - Cathodic Protection						
Mill Valley Tank Recoating	\$ -	\$ -	\$ -	\$ -	\$ 2,000	2,000
Loch Lomond Tank Recoating	\$ -	\$ -	\$ -	\$ 1,600	\$ -	1,600
Cathodic Protection System Corrections	\$ 170	\$ 180	\$ 190	\$ 200	\$ 210	950
Corrosion Test Station Rehabilitation	\$ 90	\$ 90	\$ 100	\$ 110	\$ 120	510
Cathodic Protection of Existing Pipelines	\$ 50	\$ 50	\$ 45	\$ 55	\$ 60	260
Cathodic Protection Remote Monitoring	\$ 35	\$ 35	\$ 40	\$ 40	\$ 50	200
Rectifier Anode Replacement	\$ 55	\$ 55	\$ 60	\$ 60	\$ 65	295
<u>Backlog Reduction</u>						
Wolfback Ridge Tank Rehabilitation	\$ 500	\$ -	\$ -	\$ -	\$ -	500
Conifer Way Recoating and Tank Install	\$ -	\$ -	\$ -	\$ 2,000	\$ -	2,000
Scott Highland Tank Recoating	\$ -	\$ -	\$ 500	\$ -	\$ -	500
Mill Valley Tank Recoating	\$ -	\$ -	\$ 650	\$ -	\$ 3,000	3,650
Welded Steel Tank Recoating	\$ -	\$ -	\$ -	\$ 1,250	\$ 1,000	2,250
A1A01 Subtotal	\$ 900	\$ 410	\$ 1,585	\$ 5,315	\$ 6,505	14,715
A1A02A Replacements - Distribution Pipelines						
Cole Drive PRP (Marin City)*	\$ 1,700	\$ 3,000	\$ 1,200	\$ -	\$ -	5,900
Canal Pipeline Improvement Project	\$ -	\$ -	\$ 1,200	\$ -	\$ -	1,200
Sir Francis Drake, San Anselmo	\$ 600	\$ 1,100	\$ -	\$ -	\$ -	1,700
Meadow Way Bridge PRP	\$ -	\$ 180	\$ -	\$ -	\$ -	180
Greenbrae Boardwalk PRP	\$ -	\$ -	\$ -	\$ -	\$ -	-
Paloma, Granada, Corte Madera	\$ 2,000	\$ 200	\$ -	\$ -	\$ -	2,200
Greenbrae Boardwalk PRP	\$ -	\$ 1,200	\$ -	\$ -	\$ -	1,200
Bolinas Road, Fairfax	\$ -	\$ -	\$ 1,000	\$ -	\$ -	1,000
Pipeline Replacement Program	\$ -	\$ -	\$ 700	\$ 3,100	\$ 3,100	6,900
Service Laterals Renewals	\$ 920	\$ 920	\$ 940	\$ 940	\$ 960	4,680
Fireline Lateral Renewals	\$ 50	\$ 61	\$ 65	\$ 65	\$ 67	308
<u>Backlog Reduction</u>						
Paradise Dr, Tiburon	\$ 1,550	\$ -	\$ -	\$ -	\$ -	1,550
Paloma, Granada, Corte Madera	\$ -	\$ 1,800	\$ -	\$ -	\$ -	1,800
Miracle Mile Pipeline Replacement	\$ -	\$ -	\$ 3,000	\$ -	\$ -	3,000
Bolinas Road, Fairfax	\$ -	\$ -	\$ 1,000	\$ -	\$ -	1,000
Pipeline Replacement Program	\$ -	\$ 615	\$ 300	\$ 6,500	\$ 7,000	14,415
A1A02A Subtotal	\$ 6,820	\$ 9,076	\$ 9,405	\$ 10,605	\$ 11,127	47,033

*Grant Funded

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A1A03 Replacements - Transmission Pipelines						
North Marin Line Valve Isolation	\$ 300	\$ -	\$ -	\$ -	\$ -	300
Valve Replacement Program	\$ -	\$ 100	\$ 70	\$ 72	\$ 150	392
<u>Large CIP</u>						
North Marin Line Pipeline Replacement	\$ -	\$ -	\$ 2,800	\$ 2,800	\$ 2,800	8,400
<u>Backlog Reduction</u>						
North Marin Line Pipeline Replacement	\$ -	\$ 1,200	\$ -	\$ -	\$ -	1,200
Freitas Parkway Valve Replacement	\$ -	\$ -	\$ 1,200	\$ -	\$ -	1,200
A1A03 Subtotal	\$ 300	\$ 1,300	\$ 4,070	\$ 2,872	\$ 2,950	10,292
A1A04 Replacements - Treatment Facilities						
SGTP Roof Replacement	\$ 1,200	\$ -	\$ -	\$ -	\$ -	1,200
Bon Tempe Backwash Line	\$ 500	\$ -	\$ -	\$ -	\$ -	500
Treatment Plant Minor Repairs	\$ 120	\$ 170	\$ 170	\$ 270	\$ 170	900
Preventative Maintenance Projects	\$ 100	\$ 200	\$ 200	\$ 300	\$ 200	1,000
Treatment Plant Improvement Program	\$ -	\$ 750	\$ 800	\$ 850	\$ 850	3,250
<u>Backlog Reduction</u>						
PLC/MCC upgrades	\$ -	\$ 500	\$ 500	\$ 500	\$ -	1,500
SGTP Roof Replacement	\$ 500	\$ -	\$ -	\$ -	\$ -	500
Treatment Plant Improvement Program	\$ -	\$ -	\$ 250	\$ 850	\$ 1,500	2,600
A1A04 Subtotal	\$ 2,420	\$ 1,620	\$ 1,920	\$ 2,770	\$ 2,720	11,450
A1A05 Replacements - Reservoir/Dam Facilities						
Alpine Cathodic Protection	\$ -	\$ -	\$ 250	\$ -	\$ -	250
Phase II Condition Assessment	\$ -	\$ 200	\$ 1,500	\$ -	\$ -	1,700
Kent Dam Spillway Repairs	\$ 400	\$ -	\$ -	\$ -	\$ -	400
Nicasio Dam Spillway Repairs	\$ 400	\$ -	\$ -	\$ -	\$ -	400
Soulajule Dam Spillway Repairs	\$ 400	\$ -	\$ -	\$ -	\$ -	400
Alpine Barge Pumps & Actuator	\$ 300	\$ -	\$ -	\$ -	\$ -	300
Alpine Railing	\$ -	\$ -	\$ 200	\$ -	\$ -	200
Phoenix Dam Emergency Outlet Valve & Hydraulic A	\$ -	\$ -	\$ 100	\$ -	\$ -	100
Lagunitas Dam Emergency Outlet Valve & Hydraulic	\$ -	\$ 100	\$ -	\$ -	\$ -	100
Miscellaneous Replacements - Reservoir/Dam Facilt	\$ 50	\$ 100	\$ 50	\$ 300	\$ 400	900
A1A05 Subtotal	\$ 1,550	\$ 400	\$ 2,100	\$ 300	\$ 400	4,750

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A1A06 Replacements - Buildings and Grounds						
Admin Building and Yard/Warehouse Improvement:	\$ 50	\$ 150	\$ 150	\$ 250	\$ 300	900
Office & Yard Building Capital Repairs	\$ 50	\$ 60	\$ 60	\$ 130	\$ 200	500
Pavement Replacement at Various Facilities	\$ 75	\$ 75	\$ 75	\$ 100	\$ 250	575
Fencing/Vandalism at Various Facilities	\$ 50	\$ 61	\$ 63	\$ 66	\$ 100	340
Retaining Wall Replacement	\$ 50	\$ 50	\$ 150	\$ 50	\$ 100	400
Admin Bldg Switchgear	\$ -	\$ 500	\$ -	\$ -	\$ -	500
Electric Vehicle Charging Stations	\$ -	\$ 100	\$ 130	\$ -	\$ -	230
<u>Backlog Reduction</u>						
Electric Vehicle Charging Stations	\$ -	\$ -	\$ 120	\$ -	\$ -	120
Buildings and Grounds Improvements	\$ -	\$ -	\$ 130	\$ 500	\$ 500	1,130
A1A06 Subtotal	\$ 275	\$ 996	\$ 878	\$ 1,096	\$ 1,450	\$ 4,695
A1A07 Replacements - Transmission Pumps						
Tocaloma Pump Station Upgrade	\$ 825	\$ 2,000	\$ 850	\$ -	\$ -	3,675
Federal Works Pump Station	\$ -	\$ -	\$ 300	\$ 900	\$ -	1,200
Diesel Pumps at Alto Tanks	\$ -	\$ -	\$ -	\$ -	\$ 300	300
San Quentin Pump Station	\$ -	\$ -	\$ -	\$ 250	\$ 1,200	1,450
Kastania Pump Station & Hydraulics	\$ 240	\$ 1,000	\$ -	\$ -	\$ -	1,240
Large Distribution/Transmission Pump/Motor Repla	\$ 200	\$ 300	\$ 300	\$ 300	\$ 300	1,400
<u>Backlog Reduction</u>						
Tocaloma Pump Station Upgrade	\$ -	\$ 1,000	\$ -	\$ -	\$ -	1,000
<u>Water Supply</u>						
Phoenix Lake - Bon Tempe Connection	\$ 500	\$ 1,700	\$ 2,000	\$ 1,000	\$ -	5,200
Soulajule Electrification	\$ 500	\$ 3,500	\$ 3,200	\$ -	\$ -	7,200
A1A07 Subtotal	\$ 2,265	\$ 9,500	\$ 6,650	\$ 2,450	\$ 1,800	\$ 22,665
A1A08 - Replacements - Distribution Pumps						
Distribution Pump Station Improvement Program	\$ -	\$ -	\$ -	\$ -	\$ -	-
Distribution Pump/Motor/Valve Replacement	\$ 55	\$ 55	\$ 150	\$ 60	\$ 100	420
A1A08 Subtotal	\$ 55	\$ 55	\$ 150	\$ 60	\$ 100	\$ 420
A1A09 Replacements - Control Systems						
Replacement of Failed Control Equipment	\$ 41	\$ 43	\$ 44	\$ 46	\$ 48	222
SCADA System - Replace Hardware/Software	\$ 200	\$ 304	\$ 100	\$ 329	\$ 342	1,275
A1A09 Subtotal	\$ 241	\$ 347	\$ 144	\$ 375	\$ 390	\$ 1,497

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A1A10 Replacements - Control Valves						
Control Valve Replacement Program	\$ 45	\$ 45	\$ 100	\$ 50	\$ 50	290
Control Valve Enclosure Replacement Program	\$ 20	\$ 20	\$ 50	\$ 25	\$ 25	140
A1A10 Subtotal	\$ 65	\$ 65	\$ 150	\$ 75	\$ 75	430
A1A11 Replacements - Storage Tanks						
Ross Reservoir Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-
Bolsa Tank Replacement (Redwood Tank)	\$ 450	\$ -	\$ -	\$ -	\$ -	450
Scenic Avenue Tank Replacement (Redwood Tank)	\$ -	\$ -	\$ -	\$ 750	\$ -	750
Madera Park Tank Replacement (Redwood Tank)	\$ -	\$ -	\$ 400	\$ -	\$ -	400
Hind Tanks Replacement (Redwood Tanks)	\$ 200	\$ 300	\$ -	\$ -	\$ -	500
Water Quality Improvement Program	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	750
Pine Mountain Tunnel Replacement	\$ 4,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	24,000
<u>Large CIP</u>						
Smith Saddle Tank Rehabilitation	\$ -	\$ -	\$ 2,400	\$ 2,400	\$ 2,400	7,200
<u>Backlog Reduction</u>						
Madera Park Tank Replacement (Redwood Tank)	\$ -	\$ -	\$ 350	\$ -	\$ -	350
Hind Tanks Replacement (Redwood Tanks)	\$ -	\$ 1,000	\$ -	\$ -	\$ -	1,000
A1A11 Subtotal	\$ 4,800	\$ 6,450	\$ 8,300	\$ 8,300	\$ 7,550	35,400
A1A13 Replacements - Meters						
Service Meters	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	1,000
Large Production, Transmission Meter Replacement	\$ 40	\$ 50	\$ 50	\$ 50	\$ 50	240
AMI	\$ -	\$ -	\$ 200	\$ -	\$ -	200
<u>Systems</u>						
AMI	\$ -	\$ -	\$ -	\$ 2,600	\$ 2,700	5,300
A1A13 Subtotal	\$ 240	\$ 250	\$ 450	\$ 2,850	\$ 2,950	6,740
A1A14 Replacements - Fire Chief's Fund						
Fire Chief's Fund - Replacements	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	750
A1A14 Subtotal	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	750

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A1A16 Program Management						
Water System Master Plan	\$ 350	\$ -	\$ -	\$ -	\$ -	350
San Clemente System Improvement	\$ 200	\$ -	\$ -	\$ -	\$ -	200
Asset Management	\$ 35	\$ 50	\$ 50	\$ 50	\$ 50	235
<u>Backlog Reduction</u>						
San Clemente System Improvement	\$ 600	\$ -	\$ -	\$ -	\$ -	600
Bret Harte System Improvement	\$ -	\$ -	\$ 750	\$ -	\$ -	750
<u>Water Supply</u>						
SWSA Roadmap Planning/Pre-design	\$ 1,750	\$ 4,000	\$ 4,500	\$ 2,000	\$ 3,000	15,250
A1A16 Subtotal	\$ 2,935	\$ 4,050	\$ 5,300	\$ 2,050	\$ 3,050	17,385
A1E01 Watershed - Minor Structures I/R/R						
Lake Lagunitas Flush Toilets/Watershed Pit Toilets	\$ -	\$ 50	\$ 500	\$ -	\$ -	550
Misc. Non-water system Minor Structures Capital R	\$ 50	\$ 50	\$ 50	\$ 75	\$ 100	325
<u>Backlog Reduction</u>						
Misc. Non-water system Minor Structures Capital R	\$ -	\$ -	\$ -	\$ 200	\$ -	200
A1E01 Subtotal	\$ 50	\$ 100	\$ 550	\$ 275	\$ 100	1,075
A1E02 Watershed - Ranger Residence Improvements						
Lake Lagunitas Residence Repairs	\$ -	\$ -	\$ -	\$ -	\$ 300	300
Alpine Dam Residence Water System Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 150	150
Sky Oaks Residence Repairs	\$ -	\$ -	\$ -	\$ 200	\$ -	200
Misc Sky Oaks/Ranger Residence Repairs	\$ 100	\$ 115	\$ 115	\$ 150	\$ 150	630
<u>Backlog Reduction</u>						
Watershed Facility Hardening	\$ -	\$ 200	\$ 200	\$ 250	\$ 100	750
Lake Lagunitas Residence Repairs	\$ -	\$ -	\$ -	\$ -	\$ 344	344
A1E02 Subtotal	\$ 100	\$ 315	\$ 315	\$ 600	\$ 1,044	2,374
A1E04 Watershed - Trail Repair and Improvement						
Cataract Trail Rehabilitation	\$ 50	\$ 60	\$ -	\$ -	\$ -	110
Misc Trail Improvements/Rehabilitation	\$ 75	\$ 75	\$ 75	\$ 150	\$ 200	575
<u>Backlog Reduction</u>						
Cataract Trail Rehabilitation	\$ -	\$ 100	\$ 100	\$ 200	\$ 100	500
Misc Trail Improvements/Rehabilitation	\$ -	\$ 150	\$ 168	\$ 200	\$ 150	668
A1E04 Subtotal	\$ 125	\$ 385	\$ 343	\$ 550	\$ 450	1,853

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A1E05 Watershed - Road Repair and Improvements						
Culvert Planning & Permitting	\$ 35	\$ 35	\$ 35	\$ 35	-	\$ 140
Culvert & Stream Crossing Repairs	\$ 150	\$ 150	-	-	-	\$ 300
Culverts - Kent Pump Road	\$ 50	\$ 250	-	-	-	\$ 300
Culverts - Cross Marin Trail	-	-	\$ 200	\$ 300	\$ 600	\$ 1,100
Watershed Road Repair	\$ 130	\$ 182	\$ 190	\$ 250	\$ 300	\$ 1,052
Worn Springs Landslide Repair	\$ 450	-	-	-	-	\$ 450
Pine Mountain Tunnel Retaining Wall	-	-	-	\$ 400	-	\$ 400
Boat Ramps	-	\$ 100	\$ 50	-	-	\$ 150
ADA Watershed Improvements	\$ 70	\$ 20	\$ 50	-	-	\$ 140
Sky Oaks Road & Filter Plant Road Widening Project	-	-	-	\$ 400	-	\$ 400
<u>Backlog Reduction</u>						
Culvert & Stream Crossing Repairs	-	-	\$ 250	\$ 436	\$ 250	\$ 936
Watershed Road Repair	-	-	-	-	\$ 250	\$ 250
A1E05 Subtotal	\$ 885	\$ 737	\$ 775	\$ 1,821	\$ 1,400	\$ 5,618
A1E07 Watershed - Natural Capital and Green Infrastructure						
Misc Habitat Restoration & Revegetation Projects	\$ 50	\$ 65	\$ 80	\$ 200	\$ 250	\$ 645
Lagunitas Creek Habitat Project Planning	\$ 25	\$ 30	\$ 32	\$ 33	\$ 50	\$ 170
BFFIP Fire & Fuels Management	\$ 1,170	\$ 1,217	\$ 1,265	\$ 1,316	\$ 1,369	\$ 6,337
<u>Enhancements</u>						
BFFIP Fire & Fuels Management	\$ 500	\$ 525	\$ 551	\$ 579	\$ 608	\$ 2,763
<u>Backlog Reduction</u>						
Misc Habitat Restoration & Revegetation Projects	-	-	\$ 150	\$ 150	\$ 300	\$ 600
Fisheries Pit Tag Infrastructure	-	\$ 50	\$ 50	\$ 50	\$ 50	\$ 200
A1E07 Subtotal	\$ 1,745	\$ 1,887	\$ 2,128	\$ 2,328	\$ 2,627	\$ 10,715
A1F06 Reimbursable - Split Grant Funding						
Lag Creek Fisheries Restoration Grant	\$ 435	\$ 1,400	\$ 200	-	-	\$ 2,035
A1F06 Subtotal	\$ 435	\$ 1,400	\$ 200	\$ -	\$ -	\$ 2,035

Marin Water CIP (FY 24 - FY 28)

Fund Center/Project	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	Total
A2A Fire Flow Improvement Program						
Glenwood FFIP PRP	\$ 2,300	\$ -	\$ -	\$ -	\$ -	2,300
Redwood Dr FFIP PRP	\$ 700	\$ 1,250	\$ -	\$ -	\$ -	1,950
Treehaven FFIP PRP	\$ 1,300	\$ -	\$ -	\$ -	\$ -	1,300
Wolfback Ridge FFIP	\$ 200	\$ 250	\$ -	\$ -	\$ -	450
Rock Ridge FFIP PRP	\$ -	\$ 3,000	\$ -	\$ -	\$ -	3,000
Fire Flow Improvement Program	\$ -	\$ -	\$ 4,500	\$ 4,500	\$ 4,500	13,500
A2A Subtotal	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	22,500
A4B Information Technology - IT						
GIS Upgrade	\$ -	\$ -	\$ 600	\$ -	\$ -	600
Information Technology Improvement Program	\$ 300	\$ 300	\$ 400	\$ 500	\$ 500	2,000
<u>Systems</u>						
ERP Upgrade (SAP Replacement)	\$ 525	\$ 3,858	\$ 4,051	\$ 850	\$ 835	10,119
A4B Subtotal	\$ 825	\$ 4,158	\$ 5,051	\$ 1,350	\$ 1,335	12,719
Capital Equipment Purchases						
Capital Equipment Purchases	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,500	\$ 1,700	7,100
<u>Backlog Reduction</u>						
Capital Equipment Purchases	\$ -	\$ -	\$ 750	\$ 1,500	\$ 1,500	3,750
Capital Equipment Subtotal	\$ 1,300	\$ 1,300	\$ 2,050	\$ 3,000	\$ 3,200	10,850
Summary by Project Type						
Pipelines	\$ 12,010	\$ 15,276	\$ 18,575	\$ 20,977	\$ 21,677	88,515
Pump Stations	\$ 2,385	\$ 9,620	\$ 6,950	\$ 2,585	\$ 1,975	23,515
Storage Tanks	\$ 5,700	\$ 6,860	\$ 9,885	\$ 13,615	\$ 14,055	50,115
Treatment Plants	\$ 2,420	\$ 1,620	\$ 1,920	\$ 2,770	\$ 2,720	11,450
Watershed	\$ 4,455	\$ 3,824	\$ 6,211	\$ 5,874	\$ 6,021	26,385
System Improvements	\$ 6,011	\$ 12,251	\$ 13,623	\$ 7,871	\$ 9,425	49,181
TOTAL EXPENDITURES (in 1000's)	\$ 32,981	\$ 49,451	\$ 57,164	\$ 53,692	\$ 55,873	249,161

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APPENDIX



Single-Family Residential & Duplex Tier Allotments

Tiers	2022	2023	Summer/ Winter
	Summer	Winter	
	<i>CCF</i>	<i>CCF</i>	<i>CCF</i>
Tier 1	0 - 26	0 - 21	0 - 15
Tier 2	27 - 59	22 - 48	16 - 25
Tier 3	60 - 99	49 - 80	26 - 80
Tier 4	100+	81+	81+

Multi-Family Residential Tier Allotments

Tiers	2022	2023	Summer/ Winter
	Summer	Winter	
	<i>CCF</i>	<i>CCF</i>	<i>CCF</i>
Tier 1	0 - 10	0 - 10	0 - 10
Tier 2	11 - 20	11 - 18	11 - 20
Tier 3	21 - 28	19 - 26	21 - 28
Tier 4	29+	27+	29+

Commercial, Institutional, Irrigation & Single-Family Irrigation Tier Allotments

Tiers	Existing	as of July 1, 2023
	<i>% of Allocation</i>	<i>% of Allocation</i>
Tier 1	0 - 85%	0 - 85%
Tier 2	86 - 150	86 - 150
Tier 3	151+	151+

Commercial, Institutional, Irrigation & Single-Family Irrigation Tier Allotments

Tiers	Existing	as of July 1, 2023
	<i>% of Allocation</i>	<i>% of Allocation</i>
Tier 1	0 - 85%	0 - 85%
Tier 2	86 - 150	86 - 150
Tier 3	151+	151+

Volumetric Charges	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<i>(\$ per CCF)</i>					
Watershed Maintenance Volumetric Rate					
All Use	N/A	\$ 0.61	\$ 0.62	\$ 0.64	\$ 0.66
Single-Family Residential Volumetric Rates					
Tier 1	\$ 4.73	\$ 7.67	\$ 9.16	\$ 10.24	\$ 10.86
Tier 2	8.19	10.02	11.96	13.38	14.19
Tier 3	13.78	16.19	19.33	21.62	22.92
Tier 4	22.15	24.77	29.58	33.08	35.07
Duplex Volumetric Rates					
Tier 1	\$ 4.76	\$ 7.67	\$ 9.16	\$ 10.24	\$ 10.86
Tier 2	8.31	10.02	11.96	13.38	14.19
Tier 3	13.72	16.19	19.33	21.62	22.92
Tier 4	21.53	24.77	29.58	33.08	35.07
Multi-Family Residential Volumetric Rates					
Tier 1	\$ 4.82	\$ 8.19	\$ 9.78	\$ 10.94	\$ 11.60
Tier 2	8.11	10.30	12.30	13.76	14.59
Tier 3	12.85	14.94	17.84	19.95	21.15
Tier 4	21.56	19.69	23.51	26.29	27.87
Commercial, Institutional, Irrigation Volumetric Rates					
Tier 1	\$ 4.62	\$ 8.42	\$ 10.05	\$ 11.24	\$ 11.92
Tier 2	12.37	15.29	18.26	20.42	21.65
Tier 3	18.53	16.09	19.21	21.48	22.77
Single-Family Irrigation Volumetric Rates					
Tier 1	\$ 5.94	\$ 8.42	\$ 10.05	\$ 11.24	\$ 11.92
Tier 2	\$ 7.10	15.29	18.26	20.42	21.65
Tier 3	\$ 12.32	16.09	19.21	21.48	22.77
Recycled Water Rates					
Tier 1	\$ 3.70	\$ 5.43	\$ 5.63	\$ 5.84	\$ 6.06
Tier 2	11.49	5.43	5.63	5.84	6.06
Tier 3	21.35	5.43	5.63	5.84	6.06
Raw Water Rates					
All Use	\$ 4.31	\$ 5.32	\$ 6.35	\$ 7.10	\$ 7.53

Bi-Monthly Fixed**Charges****FY 2023****FY 2024****FY 2025****FY 2026****FY 2027***Meter Size***Service Charge***SFR + Duplex*

5/8"	\$	44.62	\$	48.04	\$	50.44	\$	52.96	\$	55.61
3/4"		57.09		61.99		65.09		68.34		71.76
1"		82.01		72.46		76.08		79.88		83.87
1.5"		144.30		142.22		149.33		156.80		164.64
2"		219.05		222.45		233.57		245.25		257.51

All Other Customer Classes (Except Private Fire Lines)

5/8"	\$	44.62	\$	48.04	\$	50.44	\$	52.96	\$	55.61
3/4"		57.09		65.48		68.75		72.19		75.80
1"		82.01		100.36		105.38		110.65		116.18
1.5"		144.30		187.57		196.95		206.80		217.14
2"		219.05		292.22		306.83		322.17		338.28
3"		455.77		710.82		746.36		783.68		822.86
4"		804.63		1,408.48		1,478.90		1,552.85		1,630.49
6"		1,763.97		2,454.97		2,577.72		2,706.61		2,841.94
8"		3,009.87		4,722.38		4,958.50		5,206.43		5,466.75
10"		4,754.13		6,989.78		7,339.27		7,706.23		8,091.54

Capital Maintenance Fee*SFR + Duplex*

5/8"	\$	30.42	\$	31.50	\$	33.08	\$	34.73	\$	36.47
3/4"		45.61		44.11		46.32		48.64		51.07
1"		76.03		53.56		56.24		59.05		62.00
1.5"		152.07		116.57		122.40		128.52		134.95
2"		243.32		189.03		198.48		208.40		218.82

All Other Customer Classes (Except Private Fire Lines)

5/8"	\$	30.42	\$	31.50	\$	33.08	\$	34.73	\$	36.47
3/4"		45.61		47.26		49.62		52.10		54.71
1"		76.03		78.76		82.70		86.84		91.18
1.5"		152.07		157.52		165.40		173.67		182.35
2"		243.32		252.04		264.64		277.87		291.76
3"		532.26		630.10		661.61		694.69		729.42
4"		958.09		1,260.19		1,323.20		1,389.36		1,458.83
6"		2,129.09		2,205.34		2,315.61		2,431.39		2,552.96
8"		3,649.85		4,253.15		4,465.81		4,689.10		4,923.56
10"		5,778.95		6,300.97		6,616.02		6,946.82		7,294.16

Bi-Monthly Fixed**Charges****FY 2023****FY 2024****FY 2025****FY 2026****FY 2027***Meter Size***Watershed Management Fee**

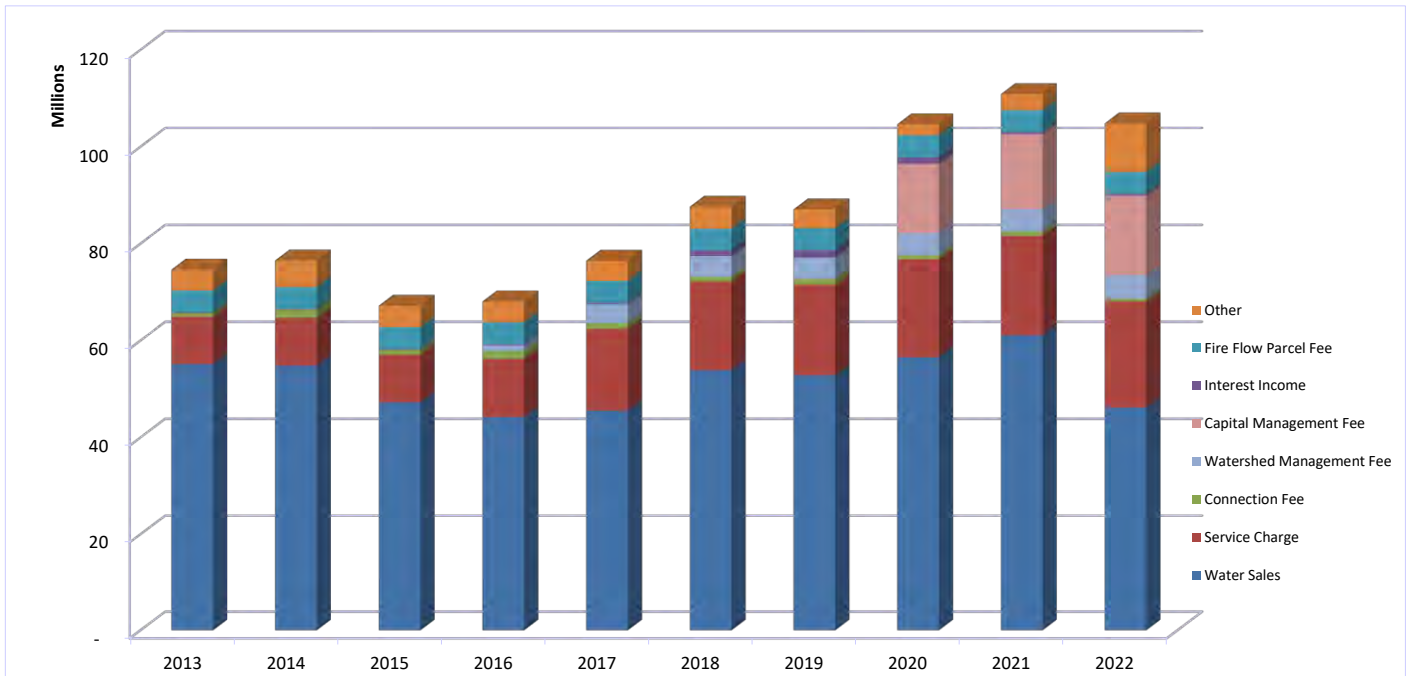
5/8"	\$	11.59
3/4"		13.86
1"		18.35
1.5"		29.61
2"		43.12
3"		85.91
4"		148.96
6"		322.37
8"		547.56
10"		862.84

Volumetric rate**Private Fire Line Service Charge**

2"	\$	40.59	\$	21.41	\$	22.48	\$	23.60	\$	24.78
4"		101.89		49.29		51.75		54.34		57.06
6"		202.33		95.66		100.44		105.46		110.73
8"		332.76		157.55		165.43		173.70		182.39
10"		515.38		240.06		252.06		264.66		277.89

**MARIN MUNICIPAL WATER DISTRICT
REVENUE BY SOURCE LAST TEN FISCAL YEARS**

Year Ended June 30,	Total	Water Sales	Service Charge	Connection Charges	Watershed Management Fee	Capital Management Fee	Interest Income	Fire Flow Parcel Fee	Other
2013	\$ 74,641,897	55,125,168	9,805,521	737,597			132,261	4,540,389	4,300,961
2014	\$ 76,536,722	54,840,298	9,837,195	1,705,549			147,055	4,524,178	5,482,447
2015	\$ 67,203,721	47,239,262	9,878,268	969,356			171,393	4,511,604	4,433,838
2016	\$ 68,077,139	44,206,306	11,996,081	1,603,209	1,244,800		229,316	4,511,652	4,285,775
2017	\$ 76,476,795	45,524,376	16,851,837	1,214,666	3,884,640		321,992	4,523,545	4,155,739
2018	\$ 87,639,692	53,888,079	18,291,565	999,336	4,259,747		1,145,072	4,518,478	4,537,415
2019	\$ 87,089,938	52,832,678	18,708,397	1,178,784	4,350,066		1,598,276	4,526,384	3,895,353
2020	\$ 104,646,989	56,563,572	20,242,669	810,182	4,545,973	14,301,460	1,384,318	4,520,242	2,278,573
2021	\$ 110,874,064	61,099,872	20,532,597	912,312	4,572,006	15,509,355	409,770	4,504,313	3,333,839
2022	\$ 104,816,473	46,192,851	21,867,256	540,349	4,899,012	16,444,158	317,362	4,525,100	10,030,385



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