

AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, March 13, 2025
7:30 p.m.
Westborough Water District Office
[2263 Westborough Boulevard, South San Francisco](#)

1. ROLL CALL:

2. PLEDGE OF ALLEGIANCE:

3. CONSENT CALENDAR:

All items listed under the Consent Calendar are approved by a single motion of the Board. A Board member may request removal of any item for discussion and separate action:

A. Approval of Minutes:

1. Regular Meeting of February 13, 2025.

B. Accountant's Report for Period Ending January 31, 2025.

C. Investment Report for Period Ending February 28, 2025.

D. Claims Register for February 28, 2025.

4. PUBLIC COMMENT:

Members of the public are invited to participate during the public comment period or when an item on the agenda is introduced. Anyone wishing to speak should, after the recognition, give their name and address, speak clearly, and direct their remarks only to the Board. Please limit your remarks to no more than five (5) minutes. Items not on the agenda may be referred to Staff for consideration at a later date.

5. BUSINESS (OLD): None

6. BUSINESS (NEW):

- A. Review/Approve June 30, 2024, Audit Report (*presented via Zoom*).

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March 13, 2025

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- B. Review/Approve EKI's Proposal for the 2025 Urban Water Use Objective Report and Annual Water Supply and Demand Assessments for Years 2025 to 2029.
 - C. Review/Approve Proposals for the Rowntree Lift Station Staircase Upgrade.
 - D. Consideration to Approve Resolutions of the Board of Directors of the Westborough Water District in Support of the Nominations of Melody McDonald, Brent Hastey, Randall Reed, and John Weed for ACWA/JPIA Executive Committee.
- 7. WRITTEN COMMUNICATIONS:** None
- 8. ATTORNEY'S REPORT:**
- 9. GENERAL MANAGER'S REPORT:**
- A. Report on District's Water Conservation for February 2025.
 - B. Update on the Skyline Tank No. 3 Structural Upgrade Project.
- 10. ITEMS FROM BOARD OF DIRECTORS:**
- 11. CLOSED SESSION:** None
- 12. ADJOURNMENT:**

Upon request, the Westborough Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the auxiliary aid or service at least 3 days before the meeting. Request should be sent to Westborough Water District at 2263 Westborough Boulevard, South San Francisco, CA 94080, or email wwd@westboroughwater.org. Availability of Public Records: all public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Acts, that are distributed to a majority of the legislative body will be available for public inspection at 2263 Westborough Boulevard, South San Francisco, CA 94080, at the same time that the public records are distributed or made available to the legislative body.

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS**

Thursday, February 13, 2025

The meeting was called to order at 7:30 p.m.

1. ROLL CALL:

Directors Present: Perry Bautista
Janet Medina
Julie Richards
Tom Chambers
Don Amuzie (*joined the meeting at 7:35pm*)

Staff Present: Michael Conneran, Attorney
Joubin Pakpour, Engineer
Patricia Mairena, General Manager

Visitors Present: Sergio Medina

2. PLEDGE OF ALLEGIANCE: Led by Director Chambers.

3. CONSENT CALENDAR:

Vice President Bautista presented the Consent Calendar.

Director Chambers moved to approve the Consent Calendar as written, seconded by Director Medina.

The motion was carried unanimously (with President Amuzie not yet present).

4. PUBLIC COMMENT: None

5. BUSINESS (OLD): None

6. BUSINESS (NEW):

A. Consideration to Approve Language Amendment to Fee Schedule Section of the Agreement with Pakpour Consulting Group, Inc., and Approve Billing Rate Increase Effective March 1, 2025.

Engineer Pakpour explained to the Board that the current sentence that covers what is being restated on the amendment was not clear, so he had been working with his attorney and Hanson Bridgett and all the other water districts they represented on clarifying this section of the agreement. Engineer Pakpour stated that there was no change to the rates being raised only once a year, but this amendment would clarify when the new rates would be effective, which would be once the new rates were approved.

Attorney Conneran commented that he liked the clarification but asked that the word "to" be added after "limited," so it would read: "limited to once."

General Manager Mairena mentioned that the suggested correction has already been made in the language of the amendment presented to the Board.

Engineer Pakpour stated that respectfully, they were also asking for an average increase of 4% to their current rates.

President Amuzie arrived at the meeting, and General Manager Mairena informed him about the current item being presented to the Board by Engineer Pakpour. Engineer Pakpour mentioned that as in previous years, they were also asking the Board for a 4% increase to their current rates in order to keep up with the industry.

President Amuzie asked if there were any comments.

Director Chambers moved to approve the Language Amendment to Fee Schedule Section of the Agreement with Pakpour Consulting Group, Inc., and Approve Billing Rate Increase Effective March 1, 2025, seconded by Director Bautista.

The motion was carried unanimously.

B. Consideration to Approve Billing Rate Increase from District's Attorney, Effective March 1, 2025. (Last increase was December 1, 2023).

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Attorney Conneran explained to the Board that this was a periodic increase with the last one being 15 months ago. Attorney Conneran mentioned that the rates were necessary to keep up with the rising costs and to ensure consistency among the rates being charged to the other similar agencies they represented.

President Amuzie asked if there were any comments.

Director Chambers commented that Attorney Conneran did a great job, and that we needed to keep the rates reasonable.

Director Chambers moved to Approve Billing Rate Increase from District's Attorney, Effective March 1, 2025. (Last increase was December 1, 2023), seconded by Director Medina.

The motion was carried unanimously.

C. Review/Approve District Newsletter.

General Manager Mairena stated that she had met with the Public Relations Committee to work on a newsletter which was now being presented to the Board.

Director Chambers commented that he would like to make some additions to the newsletter.

On page three of the newsletter:

- Under Credit Card Fees Being Implemented – after the words “this service,” add the text “to recover bank fees.”
- Under Is Your Bank Paying Your Bills on Time – before the word “ensure,” add the word “help”, and after the words “due date,” add the text “or sign up for WWD Direct Payment-ACH (read the next article).”

Director Chambers moved to Approve the District Newsletter with the modifications requested, seconded by Director Bautista.

The motion was carried unanimously.

D. Consideration to Approve Resolution No. 683 of the Board of Directors of the Westborough Water District in Support of the Nomination of Melody McDonald for ACWA/JPIA Executive Committee.

General Manager Mairena told the Board that the previous JPIA Director Medina had received this request, which was then forwarded to new JPIA Director Amuzie, who had in turn requested that this item be added to the agenda.

Attorney Conneran explained that in the past, the Board had adopted a resolution to support the candidacy of someone else, and he had used that resolution to draft this resolution. Attorney Conneran clarified that it was up to the discretion of the Board if they wanted to support any candidates. General Manager Mairena commented that the resolution being presented to the Board was only for support of Melody McDonald.

Director Chambers stated that he would prefer supporting someone with more local ties and asked how many more requests for support the District had received. Attorney Conneran explained that in order to be voted on, the candidates had to have at least three districts nominating them; hence, the requests for the resolutions.

President Amuzie suggested that the Board wait until the next meeting and put all the requests together for the Board to review and decide. Attorney Conneran stated that he could prepare a generic resolution for the next board meeting and the Board could decide on the name(s) to fill in.

General Manager Mairena reminded the Board that the resolutions would need to be returned to JPIA by April 11, 2024.

No action was taken by the Board.

7. WRITTEN COMMUNICATIONS: None

8. ATTORNEY'S REPORT: None

9. GENERAL MANAGER'S REPORT:

A. Engineer's Report. (Pakpour).

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Engineer Pakpour reported that the District had a project under design that was almost ready to go out-to-bid. Engineer Pakpour shared plans/drawings with the Board and explained the seismic work that Skyline Tank No. 3 needed per the analysis previously conducted which include: installation of a new foundation and attaching anchors to secure it, adding new rafters, recoating the inside of the tank, and doing touch-ups where the work is being done outside the tank. In addition, a “doghouse” would be added to let all the water out of the tank, and no new discharge pipes would be added.

Engineer Pakpour explained that per the District’s CIP, the expense of this project would be expanded to two fiscal years. Engineer Pakpour pointed out that this was a 7-month project and with the tank needing to be drained in the summer, he wanted to bring up for the Board’s consideration whether to go out to bid now, since the tank would be out-of-service during the high fire season or wait and go to bid in the fall with work being done in the winter. Engineer Pakpour mentioned that this area was very cool in the summer months.

Engineer Pakpour mentioned the looming steel tariffs situation and how that could escalate the cost to the project, since it would involve a large steel purchase and stated that he did not know how much waiting an additional 8 months would add to the project.

Director Chambers stated that an additional cost would be if others were to wait to do construction, as the higher demand for everyone wanting to do the work later would increase the cost of the project.

Director Chambers noted that his insurance had rated his area as a low-fire risk area.

Engineer Pakpour told the Board that the escalations in cost they were seeing were pretty dramatic, and based on what he heard back from the Board, the schedule for the project would be as follows:

March 10, 2025	Go out-to-bid
May 8, 2025	Bring agreement to the Board for approval
Mid-June 2025	After reviews are completed, start construction
January 2026	Project completion

Attorney Conneran and Engineer Pakpour commented on thoroughly reviewing the wording on the bids on the escalation of pricing due to tariffs and the provisions on the agreement.

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Engineer Pakpour shared drawings and reported on the Maps Update Project. Engineer Pakpour stated that the existing District maps were last updated 15 years ago, so all the new development and work is not reflected in the old maps. Engineer Pakpour mentioned that the new maps were cleaner and easier to read, especially during emergencies. Engineer Pakpour commented that the new maps have all the new subdivisions, shopping centers, etc., and they are currently being reviewed by Field Supervisor Kennedy and General Manager Mairena, and once the review is completed, they will be finalized. Engineer Pakpour noted that the different zones were colored coded and the software used was AutoCAD, and the maps could be accessed via a mobile device.

B. Report on District's Water Conservation for January 2025.

General Manager Mairena displayed the comparison chart of water use and reported that water consumption for January 2025 was lower in comparison to the base period SFPUC is using for comparison or 2020-2021 which was good for conservation, but not so much for revenue. General Manager Mairena stated that she expected next month's to be lower, as the District was now in a conservation period, January to February, to calculate sewer charges.

10. ITEMS FROM BOARD OF DIRECTORS:

A. Report on BAWSCA Meeting of January 16, 2025 (Chambers).

Director Chambers stated that his written report was on the board packet and asked if there were any questions. Director Chambers mentioned that the only update he had was on a Board Policy Committee he had yesterday, and that BAWSCA was looking for personnel support with better interfaces with CalPERS, rather than using their current Office Manager, who currently does their personnel matters. Director Chambers noted that they had not yet discussed any assessment increases. Director Chambers also mentioned that BAWSCA is trying to wrap up the Water Supply Agreement (WSA) by this July, but first, it would need to be approved by SFPUC, likely sometime in March, and once that is done, it would have to be approved along with Tier 2, by all 26 BAWSCA agencies.

General Manager Mairena stated that Danielle McPherson from BAWSCA was planning to attend the board meeting in March to review this with the Board, but she wanted to do it after the SFPUC had already approved everything. Director Chambers mentioned that to avoid the crunch, Danielle could still make her presentation in March and our Board could vote on it after the SFPUC approves it. General Manager Mairena mentioned she will be contacting Danielle to give her that option.

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Director Bautista remarked on Drekmeier comments on the SFPUC building too much capacity. Director Chambers expanded on Mr. Drekmeier's views.

11. CLOSED SESSION: None

12. ADJOURNMENT:

Without objection, President Amuzie adjourned the meeting.

Time 8:27 p.m.

Secretary

President

Date

Westborough Water District

Financial Statements
With Accountant's Compilation Report
January 31, 2025



Chavan & Associates, LLP

Certified Public Accountants
16450 Monterey Road, Ste. 5
Morgan Hill, CA 95037

Westborough Water District

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Accountant's Compilation Report

To the Board of Directors
Westborough Water District
City of South San Francisco, CA

Management is responsible for the accompanying financial statements of the business-type activities of the Westborough Water District, CA (the "District"), as of and for the seven months ended January 31, 2025, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information on pages 7 through 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. However, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

A statement of cash flows for the seven months ended January 31, 2025, has not been presented. Accounting principles generally accepted in the United States of America require that a statement of cash flows be presented when financial statements purport to present financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.



Chavan and Associates, LLP
Certified Public Accountants

We are not independent with respect to the District as of and for the seven months ended January 31, 2025, because we performed certain accounting services that impaired our independence. We were engaged to compile monthly summary reports of the District's transactions instead of a full set of financial statements. As such, we are required by the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants to disclose that the accompanying financial statements exclude the minimum required disclosures and statement of cash flows. This does not impact the credibility and accuracy of the information included in the accompanying financial statements.

C & A LLP

March 7, 2025
Morgan Hill, California

Westborough Water District
Statement of Net Position
January 31, 2025

ASSETS

Current Assets:

Cash (Including \$5,768,274 in Time Deposits)	\$ 7,072,523
Receivables	
Water	1,046,190
Sewer	280,265
Other	218,518
Prepaid Expenses and Other	74,097
Inventory	305,158
Total Current Assets	8,996,751

Non-Current Assets:

Lease Receivable	219,058
Utility Plant in Service (Note 5):	
Land	182,633
Work in Progress	267,221
Water Facility	8,231,334
Building	1,503,835
Joint-Use Facilities	94,907
Meters	946,125
Office Furniture and Equipment	160,172
Maintenance Facility	478,623
Sewer Facility	3,465,375
Total Utility Plant in Service (Capital Assets)	15,330,225
Less Accumulated Depreciation	(7,429,365)
Utility Plant in Service-Net Accumulated Depreciation	7,900,860
Total Non-Current Assets	8,119,918
Total Assets	\$ 17,116,669

DEFERRED OUTFLOWS

Deferred Pension Outflows	\$ 640,031
Deferred OPEB Outflows	173,441
Total Deferred Outflows	\$ 813,472

(continued)

See accompanying notes and accountant's compilation report

Westborough Water District
Statement of Net Position
January 31, 2025

LIABILITIES

Current Liabilities:

Accounts Payable (Note 2)	\$ 1,785,150
Customers' Deposits	412,860
Unearned Revenue	24,366
Total Current Liabilities	<u>2,222,376</u>

Long-term Liabilities:

Accrued Vacation	142,173
Net Pension Liability	1,254,767
Net OPEB Obligation	267,500
Total Long-term Liabilities	<u>1,664,440</u>
Total Liabilities	<u>\$ 3,886,816</u>

DEFERRED INFLOWS

Deferred Lease Inflows	\$ 181,200
Deferred Pension Inflows	148,489
Deferred OPEB Inflows	138,665
Total Deferred Inflows	<u>\$ 468,354</u>

NET POSITION

Net Investment in Capital Assets	\$ 7,900,860
Restricted for Capital Facilities	347,103
Unrestricted:	
Reserved for Contingencies	278,273
Reserved for Capital Expenditures	1,916,100
Non-spendable Inventory and Prepaids	379,255
Unappropriated	<u>2,753,380</u>
Total Net Position	<u>\$ 13,574,971</u>

(concluded)

See accompanying notes and accountant's compilation report

Westborough Water District
Statement of Activities
For the Seven Months Ended January 31, 2025

Operating Revenue:	
Water Sales (Note 3)	\$ 3,008,559
Sewer Svc. and Transfer Charges	1,986,029
Misc. Operations	13,402
Total Operating Revenue	<u>5,007,990</u>
Operating Expense:	
Water Expenditures	1,836,976
Sanitary Sewer Expenditures	1,685,665
Admin. and General Expenditures	849,733
Depreciation	197,852
Total Operating Expenses	<u>4,570,226</u>
Operating Income (Loss)	437,764
Non-operating Income (Expense):	
Property Taxes	679,148
Investment Interest	146,730
Other	97,047
Total Non-operating Income (Expense)	<u>922,925</u>
Change in Net Position	1,360,689
Net Position - Beginning	<u>12,214,282</u>
Net Position - Ending	<u>\$ 13,574,971</u>

See accompanying notes and accountant's compilation report

Westborough Water District
Selected Information - Substantially All Disclosures Required by
Generally Accepted Accounting Principles are Not Included
January 31, 2025

NOTE 1 - There was no Bad Debt expense during the month.

NOTE 2 - Accounts payable at January 31, 2025, includes \$1,578,594 of accrued treatment and disposal expense.

NOTE 3 - Estimated operating revenues are used in preparing the financial statements for the months of January, March, May, July, September and November because actual figures are not available until one and one-half months after the close of these months.

NOTE 4 - Accounts receivable are reported net an allowance for uncollectible accounts of \$2,476 to account for uncollectible water receivables for the period.

NOTE 5 - Changes in utility plant in-service for the seven months ended January 31, 2025, were as follows:

Beginning Balance	\$	15,284,425
Engineering		-
Surveying		-
Contractors		-
Other Fixed Assets		45,800
Ending Balance	\$	<u>15,330,225</u>

Westborough Water District
Schedule of Income and Expense - Budget to Actual
For the Seven Months Ended January 31, 2025

	January	Year to Date	2024-25 Budget	Percentage to Date	Percentage Variance	\$ Variance YTD Plan
Operating Revenue:						
Water Sales (Note 3)	\$ 360,175	\$ 3,008,559	\$ 4,953,010	60.74%	2.41%	\$ 119,303
Water Misc. Operations	1,651	13,402	20,000	67.01%	8.68%	1,735
Total Water Operating Revenue	361,826	3,021,961	4,973,010	60.77%	2.43%	121,038
Sewer Svc. and Transfer Charges	281,730	1,986,029	3,376,361	58.82%	0.49%	16,485
Total Sewer Operating Revenue	281,730	1,986,029	3,376,361	58.82%	0.49%	16,485
Total Operating Revenue	643,556	5,007,990	8,349,371	59.98%	1.65%	137,523
Operating Expense:						
Water Expenditures	219,083	1,836,976	3,117,576	58.92%	-0.59%	(18,390)
Admin. and General Expenditures	91,607	654,258	1,142,098	57.29%	1.05%	11,966
Depreciation	22,643	158,641	275,093	57.67%	0.67%	1,830
Total Water Operating Expenses	333,333	2,649,875	4,534,767	58.43%	-0.10%	(4,594)
Sanitary Sewer Expenditures	240,379	1,685,665	2,918,715	57.75%	0.58%	16,919
Admin. and General Expenditures	44,702	195,475	384,072	50.90%	7.44%	28,567
Depreciation	5,616	39,211	66,179	59.25%	-0.92%	(607)
Total Sewer Operating Expenses	290,697	1,920,351	3,368,966	57.00%	1.33%	44,879
Total Operating Expenses	624,030	4,570,226	7,903,733	57.82%	0.51%	40,285
Operating Income (Loss)	19,526	437,764	445,638	98.23%	39.90%	177,808
Non-operating Income (Expense):						
Water Property Taxes & Assessments	134,019	479,859	487,900	98.35%	40.02%	195,251
Water Investment Interest	11,006	61,001	52,949	115.21%	56.87%	30,114
Other Non-operating Water Income (Expense)	2,852	19,578	37,000	52.91%	-5.42%	(2,005)
Total Water Non-Operating Income (Expenses)	147,877	560,438	577,849	96.99%	38.65%	223,360
Sewer Property Taxes & Assessments	57,438	199,289	209,100	95.31%	36.97%	77,314
Sewer Investment Interest	15,683	85,729	79,424	107.94%	49.60%	39,398
Other Non-Operating Sewer Income (Expense)	-	77,469	-	100.00%	100.00%	77,469
Total Sewer Non-Operating Income (Expenses)	73,121	362,487	288,524	125.63%	67.30%	194,181
Total Non-operating Income (Expense)	220,998	922,925	866,373	106.53%	48.19%	417,541
Net Income (Loss)	\$ 240,524	\$ 1,360,689	\$ 1,312,011	103.71%	45.38%	\$ 595,349

Westborough Water District
Water Fund Schedule of Income and Expense - Budget to Actual
For the Seven Months Ended January 31, 2025

	January	Year to Date	2024-25 Budget	Percentage to Date	Percentage Variance	\$ Variance YTD Plan
Water Operating Revenue:						
Water Sales (Note 3)	\$ 360,175	\$ 3,008,559	\$ 4,953,010	60.74%	2.41%	\$ 119,303
Misc. Operations	1,651	13,402	20,000	67.01%	8.68%	1,735
Total Operating Revenue	361,826	3,021,961	4,973,010	60.77%	2.43%	121,038
Water Operating Expense:						
Salaries	36,975	280,662	464,924	60.37%	-2.03%	(9,456)
Salaries Overtime	402	6,618	9,000	73.53%	-15.20%	(1,368)
Benefits	8,916	100,559	134,692	74.66%	-16.33%	(21,989)
Payroll Taxes	3,213	21,060	43,575	48.33%	10.00%	4,359
Technical Communications	860	6,604	13,424	49.20%	9.14%	1,227
Utilities	14,192	108,679	203,679	53.36%	4.98%	10,134
Supplies and Small Tools	421	7,822	15,000	52.15%	6.19%	928
Maintenance of Sytem	-	36,434	62,900	57.92%	0.41%	258
Special Services	(5,939)	44,652	116,394	38.36%	19.97%	23,244
Vehicle Expense	9,209	17,828	35,000	50.94%	7.40%	2,589
Water Purchases	150,834	1,206,058	2,018,988	59.74%	-1.40%	(28,315)
Admin. and General Expenditures						
Salaries	38,682	298,936	477,321	62.63%	-4.29%	(20,499)
Salaries-Temporary	-	793	2,000	39.65%	18.70%	374
Salaries-Overtime	-	-	2,000	0.00%	58.35%	1,167
Employee Benefits	13,401	133,332	197,564	67.49%	-9.15%	(18,086)
Payroll Taxes	3,185	15,236	44,159	34.50%	23.83%	10,524
Office Supplies and Postage	630	3,824	9,905	38.61%	19.74%	1,955
Memberships	7,626	42,106	50,718	83.02%	-24.69%	(12,521)
Utilities	172	486	1,492	32.57%	25.74%	384
Telephone	269	1,879	3,333	56.38%	1.95%	65
Water Conservation	35	2,333	5,600	41.66%	16.68%	934
Building & Grounds Maintenance	1,189	8,645	17,057	50.68%	7.65%	1,305
Parking Rentals	315	2,205	4,234	52.08%	6.26%	265
Directors Fees	250	2,250	7,900	28.48%	29.85%	2,358
Engineering Services	11,042	25,511	45,185	56.46%	1.87%	847
Accounting	3,750	21,050	32,795	64.19%	-5.85%	(1,920)
Legal	(1,428)	10,610	15,400	68.90%	-10.56%	(1,627)
Billing	2,495	22,191	39,692	55.91%	2.43%	963
Communications	366	8,113	22,427	36.18%	22.16%	4,969
General Election	-	-	14,000	0.00%	58.34%	8,167
Insurance	6,057	30,887	59,240	52.14%	6.19%	3,669
Bad Debts (Note 1)	-	134	1,000	13.40%	44.90%	449
Travel	40	2,720	14,726	18.47%	39.86%	5,870
Miscellaneous	2,112	5,224	14,502	36.02%	22.31%	3,236
Banking and Cr. Card Fees	1,419	15,793	59,848	26.39%	31.94%	19,118
Total Admin. and General Expenditures	91,607	654,258	1,142,098	57.29%	1.05%	11,966
Depreciation Expense	22,643	158,641	275,093	57.67%	0.67%	1,830
Total Water Operating Expense	333,333	2,649,875	4,534,767	58.43%	-0.10%	(4,594)
Water Operating Income (Loss)	28,493	372,086	438,243	84.90%	26.57%	116,444
Water Non-operating Income (Expense):						
Property Taxes	134,019	479,859	487,900	98.35%	40.02%	195,251
Investment Interest	11,006	61,001	52,949	115.21%	56.87%	30,114
Other Non-Operating Water Income (Expense)	2,852	19,578	37,000	52.91%	-5.42%	(2,005)
Total Non-operating Income (Expense)	147,877	560,438	577,849	96.99%	38.65%	223,360
Net Income (Loss)	\$ 176,370	\$ 932,524	\$ 1,016,092	91.78%	33.44%	\$ 339,804

Westborough Water District
Sewer Fund Schedule of Income and Expense - Budget to Actual
For the Seven Months Ended January 31, 2025

	January	Year to Date	2024-25 Budget	Percentage to Date	Percentage Variance	\$ Variance YTD Plan
Sanitary Sewer Operating Revenue:						
Sewer Svc. and Transfer Charges	\$ 281,730	\$ 1,986,029	\$ 3,376,361	58.82%	0.49%	\$ 16,485
Total Operating Revenue	281,730	1,986,029	3,376,361	58.82%	0.49%	16,485
Sanitary Sewer Operating Expense:						
Treatment & Disposal	225,514	1,578,594	2,706,161	58.33%	0.00%	-
Utilities	11,602	86,697	174,117	49.79%	8.54%	14,871
Repair of Pipelines	-	-	5,000	0.00%	58.34%	2,917
Repair of Pumps	-	-	21,000	0.00%	58.33%	12,250
Miscellaneous Sewer Expenses	3,263	20,374	12,437	163.82%	-105.48%	(13,119)
Admin. and General Expenditure						
Salaries	6,641	44,212	98,263	44.99%	13.34%	13,108
Employee Benefits	1,508	15,512	40,273	38.52%	19.82%	7,981
Payroll Taxes	665	3,199	9,586	33.37%	24.96%	2,393
Office Supplies and Postage	270	1,685	4,246	39.68%	18.65%	792
Memberships	-	147	486	30.25%	28.19%	137
Telephone	115	805	1,428	56.37%	1.96%	28
Water Conservation	15	1,000	2,400	41.67%	16.67%	400
Building & Grounds Maintenance	36	616	3,571	17.25%	41.08%	1,467
Parking Rentals	135	945	1,814	52.09%	6.23%	113
Directors Fees	250	1,850	4,400	42.05%	16.30%	717
Engineering Services	22,612	40,076	40,880	98.03%	-39.70%	(16,229)
Accounting	3,750	20,350	32,795	62.05%	-3.72%	(1,220)
Legal	807	12,765	15,400	82.89%	-24.56%	(3,782)
Billing	1,065	9,738	17,011	57.25%	1.09%	185
Communications	366	8,573	24,096	35.58%	22.75%	5,483
General Election	-	-	14,000	0.00%	58.34%	8,167
Insurance	6,057	30,887	59,241	52.14%	6.20%	3,670
Bad Debts (Note 1)	-	134	1,000	13.40%	44.90%	449
Miscellaneous	249	937	6,532	14.34%	43.98%	2,873
Banking and Cr. Card Fees	161	2,044	6,650	30.74%	27.59%	1,835
Total Admin. and General Expenditures	44,702	195,475	384,072	50.90%	7.44%	28,567
Depreciation Expense	5,616	39,211	66,179	59.25%	-0.92%	(607)
Total Sanitary Sewer Operating Expense	290,697	1,920,351	3,368,966	57.00%	1.33%	44,879
Sanitary Sewer Operating Income (Loss)	(8,967)	65,678	7,395	888.14%	829.80%	61,364
Sanitary Sewer Non-operating Income (Expense):						
Property Taxes	57,438	199,289	209,100	95.31%	36.97%	77,314
Investment Interest	15,683	85,729	79,424	107.94%	49.60%	39,398
Other Non-operating Sewer Income (Expense)	-	77,469	-	100.00%	100.00%	77,469
Total Non-operating Income (Expense)	73,121	362,487	288,524	125.63%	67.30%	194,181
Net Income (Loss)	\$ 64,154	\$ 428,165	\$ 295,919	144.69%	86.36%	\$ 255,545

WESTBOROUGH WATER DISTRICT
INVESTMENT REPORT FOR PERIOD ENDING: FEBRUARY 28, 2025

LOCAL AGENCY INVESTMENT FUND
MONTHLY ACTIVITY REPORT

<u>DATE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>TRANSACTION BALANCE</u>
		Beginnning Balance	\$5,627,948.16
		No Transactions	\$5,627,948.16
		Ending Balance	\$5,627,948.16

Total Investments Last Report Period = \$5,627,948.16
Total Investments at End of Report Period = \$5,627,948.16

Effective Interest Rate: 4.366%
(as of 01/25)

Approved by:



Patricia Mairena
General Manager

PM/pm

The investments of the Westborough Water District as of this date are in compliance with the District's Statement of Investment Policy as adopted by the Board on February 8, 1996. The District has a sufficient cash position to meet its expenditure requirements for the next six months.

California State Treasurer

Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

March 07, 2025

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

WESTBOROUGH WATER DISTRICT

GENERAL MANAGER
P.O.BOX 2747
SOUTH SAN FRANCISCO, CA 94083-2747

[Tran Type Definitions](#)

Account Number: 90-41-004

February 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	5,627,948.16
Total Withdrawal:	0.00	Ending Balance:	5,627,948.16

WESTBOROUGH WATER DISTRICT
INVESTMENT REPORT FOR PERIOD ENDING: FEBRUARY 28, 2025

MULTI-BANK SECURITIES, INC.
MONTHLY ACTIVITY REPORT

<u>DATE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>TRANSACTION BALANCE</u>
Beginnning Balance			\$141,622.91
02/28/25	\$ 115.83	Change in Account Value	\$141,738.74
Ending Balance			\$141,738.74

Total Investments Last Report Period = \$141,622.91
Total Investments at End of Report Period = \$141,738.74

Effective Interest Rate: 3.700%
(to maturity - 10/08/26)

Approved by:



Patricia Mairena
General Manager

PM/pm

The investments of the Westborough Water District as of this date are in compliance with the District's Statement of Investment Policy as adopted by the Board on February 8, 1996. The District has a sufficient cash position to meet its expenditure requirements for the next six months.

Brokerage Account Statement

Scan for
Online Access



February 1, 2025 - February 28, 2025
Account Number: RMB-023565

WESTBOROUGH WATER DISTRICT
PO BOX 2747
S SAN FRAN CA 94083-2747

Portfolio at a Glance

	This Period
BEGINNING ACCOUNT VALUE	\$141,622.91
Net Change in Portfolio¹	115.83
ENDING ACCOUNT VALUE	\$141,738.74
Estimated Annual Income	\$5,291.00

¹ Net Change in Portfolio is the difference between the ending account value and beginning account value after activity.

Asset Summary

Percent	Asset Type	Last Period	This Period
100%	Fixed Income	141,622.91	141,738.74
100%	Account Total	\$141,622.91	\$141,738.74

Please review your allocation periodically with your Account Executive.
Your Account is 100% invested in Fixed Income.

Client Service Information

Your Account Executive: MBP

PAUL REHMUS
MULTI-BANK SECURITIES
1000 TOWN CENTER, STE 2300
SOUTHFIELD MI 48075-1239

Contact Information

Business: (800) 967-4513
E-Mail: customerservice@mbssecurities.com

Client Service Information

Service Hours: Weekdays 09:00 a.m. - 05:00 p.m. (EST)
Client Service Telephone Number: (800) 967-9045
Web Site: WWW.MBSSECURITIES.COM

Your Account Information

INVESTMENT OBJECTIVE

Investment Objective: NONE SPECIFIED

Please discuss your investment objective with your Account Executive.

TAX LOT DEFAULT DISPOSITION METHOD

Default Method for Mutual Funds: First In First Out
 Default Method for Stocks in a Dividend Reinvestment Plan: First In First Out
 Default Method for all Other Securities: First In First Out

BOND AMORTIZATION ELECTIONS

Amortize premium on taxable bonds based on Constant Yield Method: Yes
 Accrual market discount method for all other bond types: Constant Yield Method
 Include market discount in income annually: No

ELECTRONIC DELIVERY

You have **not** enrolled any documents for electronic delivery. The following documents are available for electronic delivery:

Statements and Reports	Notifications	Tax Documents
Trade Confirmations	Prospectus	Proxy/Shareholder Communications

Please log in to your account or contact your Account Executive to make any changes to your electronic delivery preferences.

Portfolio Holdings

Description	Quantity	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
FIXED INCOME 100.00% of Portfolio (In Maturity Date Sequence)						
Certificates of Deposit						
VALLEY NATL BK PASSAIC N J CTF DEP 3.700% 10/08/26 B/E DTD 10/08/24 ACT/365 1ST CPN DTE 04/08/25 Security Identifier: 919853PF2	143,000.0000	99.1180	141,738.74	2,072.91	5,291.00	3.73%
Total Certificates of Deposit	143,000.0000		\$141,738.74	\$2,072.91	\$5,291.00	
TOTAL FIXED INCOME	143,000.0000		\$141,738.74	\$2,072.91	\$5,291.00	
Total Portfolio Holdings				Market Value	Accrued Interest	Estimated Annual Income
				\$141,738.74	\$2,072.91	\$5,291.00

Portfolio Holdings Disclosures

Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. In some cases the pricing vendor may provide prices quoted by a single broker or market maker. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is not available are marked "N/A" and are omitted from the Total.

THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

February 1, 2025 - February 28, 2025
WESTBOROUGH WATER DISTRICT**Portfolio Holdings Disclosures (continued)****Estimated Annual Figures**

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to www.bny.com/pershing/us/en/disclosures.html for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions, including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.

Option Disclosure

Information with respect to commissions and other charges incurred in connection with the execution of option transactions has been included in confirmations previously furnished to you. A summary of this information is available to you promptly upon your written request directed to your introducing firm. In order to assist your introducing firm in maintaining current background and financial information concerning your option accounts, please promptly advise them in writing of any material change in your investment objectives or financial situation. Expiring options which are valuable are exercised automatically pursuant to the exercise by exception procedure of the Options Clearing Corporation. Additional information regarding this procedure is available upon written request to your introducing firm.

Certificates of Deposit

Certificates of Deposit acquired through the Certificate of Deposit Account Registry Service ("CDARS") and held in your brokerage account are subject to Securities Investor Protection Corporation (SIPC) coverage. Please see additional information about SIPC under Important Information and Disclosures on this statement.

Please be advised that the secondary market for CDs is generally illiquid; the actual value of CDs may be different from their purchase price; and a significant loss of principal could result if your CDs are sold prior to maturity. In the event that the CDs listed above do not indicate a market valuation, an accurate market value could not be determined. In the event that a price is listed above for your CDs, Pershing has obtained a price from sources deemed to be reliable or has priced your CDs using a matrix formula. Prices are estimates and the actual value you may obtain for your CD may be different if you elect to sell your CD in the secondary market.

Foreign Currency Transactions

Pershing will execute foreign currency transactions as principal for your account. Pershing may automatically convert foreign currency to or from U.S. dollars for dividends and similar corporate action transactions unless you instruct your financial organization otherwise. Pershing's currency conversion rate will not exceed the highest interbank conversion rate identified from customary banking sources on the conversion date or the prior business day, increased by up to 1%, unless a particular rate is required by applicable law. Your financial organization may also increase the currency conversion rate. This conversion rate may differ from rates in effect on the date you executed a transaction, incurred a charge, or received a credit. Transactions converted by agents (such as depositories) will be billed at the rates such agents use.

Proxy Vote

Securities not fully paid for in your margin account may be lent by Pershing to itself or others in accordance with the terms outlined in the Margin Agreement. The right to vote your shares held on margin may be reduced by the amount of shares on loan. The Proxy Voting Instruction Form sent to you may reflect a smaller number of shares entitled to vote than

Portfolio Holdings Disclosures (continued)

Proxy Vote (continued)

the number of shares in your margin account.

Variable Rate Securities

Interest rate data for certain complex and/or variable rate securities is provided to Pershing by third-party data service providers pursuant to contractual arrangements. Although we seek to use reliable sources of information, the accuracy, reliability, timeliness, and completeness of interest rate data may vary sometimes, particularly for complex and/or variable rate securities and those with limited or no secondary market. As a result, we can offer no assurance as to the accuracy, reliability, timeliness, or completeness of interest rate data for such securities. Pershing may also occasionally make interest rate updates and adjustments based on its reasonable efforts to obtain accurate, reliable, timely, and/or complete interest rate data from other data sources, but we can similarly provide no assurance that those rates or adjustments will be accurate, reliable, timely, or complete.

When updated interest rate data is received from a third-party data service provider or adjusted by Pershing, the updated data will be reflected in various sources where interest rate data is used or viewed, including both paper and electronic communications and data sources. Prior use or communication of interest rate-related data will not be revised. Since variable interest rates may be subject to change at any time and are only as accurate as the data received from third-party data service providers or otherwise obtained by Pershing, interest rate data should not be relied on for making investment, trading, or tax decisions. All interest rate data and other information derived from and/or calculated using interest rates are not warranted as to accuracy, reliability, timeliness, or completeness and are subject to change without notice. Pershing disclaims any responsibility or liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of the interest rate data or other information derived from and/or calculated using interest rates in any way. You should request a current valuation for your securities from your financial adviser or broker prior to making a financial decision or placing an order or requesting a transaction in these securities.

Structured Products

Structured products in this section are complex products and may be subject to special risks, which may include, but are not limited to: loss of initial investment; issuer credit risk; limited or no appreciation; risks associated with the underlying reference asset(s); no periodic payments; call prior to maturity (a redemption could affect the yield represented); early redemption fees or other applicable fees; price volatility resulting from issuer's and/or guarantor's credit quality; lower interest rates and/or yield compared to conventional debt with a comparable maturity; unique tax implications; concentration risk of owning the related security; limited or no secondary market; restrictions on transferability; conflicts of interest; and limits on participation in appreciation of underlying asset(s). To review a complete list of risks, please refer to the offering documents for the structured product. For more information about the risks specific to your structured products, you should contact your financial institution or advisor. Certain structured products are designed to make periodic distributions to you and any such structured product distributions you receive will be listed in the Transactions section of your statement. Structured product distributions may be listed there as "Bond Interest Received"; however, this description is not intended to reflect a determination as to either the asset classification of the product or the U.S. tax treatment of such distributions.

Messages

Although a money market mutual fund (money fund) seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in a money fund. Shares of a money fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information. Pursuant to SEC Rule 10b-10(b)(1) confirmations are not sent for purchases into money funds processed on the sweep platform. Pursuant to applicable regulation, account statements will be produced monthly or quarterly. Balances in Federal Deposit Insurance Corporation (FDIC)-insured bank deposit sweep products are not protected by Securities Investor Protection Corporation (SIPC).



Important Information and Disclosures

The Role of Pershing

- **Pershing LLC, member FINRA, NYSE, carries your account as clearing broker pursuant to a clearing agreement with your financial institution.** Pershing is not responsible or liable for any acts or omissions of your financial institution or its employees and it does not supervise them. Pershing provides no investment advice nor does it assess the suitability of any transaction or order. Pershing acts as the agent of your financial institution and you agree that you will not hold Pershing or any person controlling or under common control with it liable for any investment losses incurred by you.
- Pershing performs several key functions at the direction of your financial institution. It acts as custodian for funds and securities you may deposit with it directly or through your financial institution or that it receives as the result of securities transactions it processes.
- Your financial institution is responsible for adherence to the securities laws, regulations and rules which apply to it regarding its own operations and the supervision of your account, its sales representatives and other personnel. Your financial institution is also responsible for approving the opening of accounts and obtaining account documents; the acceptance and, in certain instances, execution of securities orders; the assessment of the suitability of those transactions, where applicable; the rendering of investment advice, if any, to you and in general, for the ongoing relationship that it has with you.
- Inquiries concerning the positions and balances in your account may be directed to the **Pershing Customer Service Department at (201) 413-3333**. All other inquiries regarding your account or activity should be directed to your financial institution. Your financial organization's contact information can be found on the first page of this statement.
- For a description of other functions performed by Pershing please consult the Disclosure Statement provided to you upon the opening of your account. This notice is not meant as a definitive enumeration of every possible circumstance, but as a general disclosure. If you have any questions regarding this notice or if you would like additional copies of the Disclosure Statement, please contact your financial institution.
- Pershing is a member of the Securities Investor Protection Corporation (SIPC®). Please note that SIPC does not protect against loss due to market fluctuation. An explanatory brochure is available upon request at www.sipc.org. In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits. For more detailed information please visit: www.bny.com/pershing/us/en/about/strength-and-stability.html
- This statement will be deemed conclusive. You are advised to report any inaccuracy or discrepancy (including unauthorized trading) promptly, but no later than ten days after receipt of this statement, to your financial organization and Pershing. Please be advised that any oral communication should be re-confirmed in writing to further protect your rights, including your rights under the Securities Investor Protection Act.
- Your financial organization's contact information can be found on the first page of this statement. Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330**. Errors and Omissions excepted.

Important Arbitration Disclosures

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Important Arbitration Agreement

Any controversy between you and Pershing LLC shall be submitted to arbitration before the Financial Industry Regulatory Authority. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (I) the class certification is denied; (II) the class is decertified; or

Important Information and Disclosures (continued)

Important Arbitration Agreement (continued)

(III) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein. The laws of the State of New York govern.

Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.**

3.C.9

CLAIMS REGISTER: FEBRUARY 2025

1. GENERAL ACCOUNT FUND:

Total from Cash Disbursements \$ 117,639.66

Checks Issued During Month:

ACWA-JPIA (Health Benefits & Ins.- 03/25)	15,287.45
AT&T (P.S. Phone Bill to 02/01/25)	853.51
AT&T Mobility (Field & Office Cell Phones, 01/03/25-02/02/25)	335.97
Bay Area Air Quality Mgmt. (Permit Renewal for Rowntree P.S., 04/25-04/26)	622.00
CalPERS (Social Security Admin 218 - Annual Fee)	80.00
CalPERS (Retirement Contributions-02/14/25)	6,825.90
CalPERS (Retirement Contributions-02/28/25)	6,825.92
Chang, Wesley (Sewer Adjustment - Refund)	4,635.17
C.J. Brown & Company CPA's (FY 2023-2024 Audit Services, 01/25)	780.00
Colina Association (Three Parking Spaces Rental, 03/25)	450.00
Contreras, David R. (Sewer Adjustment - Refund)	1,369.76
Costco Wholesale (Membership Renewal)	260.00
City of Daly City (Sewer Service Fee, 07/24-12/24)	1,320,786.97
Dan's Drilling (WIP - Rowntree L.S. - New Gates)	2,425.00
Direct Line (Answering Service, 01/15-02/14)	301.62
EFTPS (Employment Taxes-02/14/25)	12,118.88
EFTPS (Employment Taxes-02/28/25)	11,879.23
EDD (Employment Taxes-02/14/25)	2,846.71
EDD (Employment Taxes-02/28/25)	2,732.13
Gopanapalli Venkata, Pradeep (Sewer Adjustment - Refund)	3,629.16
Gor, Jerry (Sewer Adjustment - Refund)	154.18
Hanson Bridgett LLP (Special Legal Services - Admin & Monthly Retainer-01/25)	1,740.00
Home Depot Credit Services (Field Supplies to 02/13/25)	492.13
Liftoff Digital, LLC (Web Reporting & Hosting, 02/25)	75.00
Lowe's Business (Field Supplies to 02/17/25)	481.55
Mairena, Patricia (GM Mairena's Internet Services, 01/27-02/26 and Gym Enrollment Fee & 01/25 Membership Dues)	84.99
MRC (Xerox Copier Maintenance Agreement, 10/19/24-11/18/24 & 01/19/25-02/18/25)	67.67
Office Depot (Office Supplies & Toners)	951.67
O'Reilly Auto Parts (Field Truck Supplies)	231.12
PG&E (Summary Bill to 02/19/25)	28,218.48
Precise Printing & Mailing (Printing & Mailing, 01/15/25 Bills)	863.80
Quadient Leasing USA, Inc. (Postage Meter, 03/09/25-06/08/25)	177.15
Quadient Finance USA, Inc. (Postage Meter Refill)	496.68
San Mateo County Assessor (File with Parcels Information for FY24-25)	405.00
SF Water Dept. (Water Purchases, 01/07-02/05)	142,987.42
So. SF Scavengers (Garbage Services, 01/25)	122.40
Tri Counties Bank (Monthly Credit Card Charges Thur 01/31/25)	4,018.34
United State Postal Serv. (Semi-Annual PO Box Fee, No 2747)	266.00
WEX Bank (Wright Express-Gas Purchases to 02/15/25)	1,152.76

SUB-TOTAL \$ 1,695,671.38

Updated Checks Voided During Month:

--	--

TOTAL CLAIMS REGISTER AMOUNT \$ 1,695,671.38

REPORT.: Mar 10 25 Monday
 RUN....: Mar 10 25 Time: 09:40
 Run By.: Wendy Bellinger
 Control Date.: 03/10/25

WESTBOROUGH WATER DISTRICT
 Accounts Payable Cash Requirements

PAGE: 001
 ID #: PY-RP
 CTL.: 000

Posting Period.: 03-25 Fiscal Period...: (09-25) Cash Account No...: 13110

VENDOR I.D.: AMU01 (AMUZIE, DON)

Invoice No	Description	Invoice Date	Actual Period	Tm	G/L Account # Discount	Gross Amount	Discount Amount	Net Amount
		Due Date	Fiscal					
020125-	DIRECTOR AMUZIE'S INTERNET SERVICE, 02/10-03/09	02/01/25 02/01/25	03-25 09-25	A	59450	65.00	.00	65.00
** Vendor's Subtotal - ---->						65.00	.00	65.00

VENDOR I.D.: BAU02 (BAUTISTA, PERRY H.)

022225-	DIRECTOR BAUTISTA'S INTERNET SERVICE, 03/25	02/22/25 02/22/25	03-25 09-25	A	59450	65.00	.00	65.00
** Vendor's Subtotal - ---->						65.00	.00	65.00

VENDOR I.D.: CAN01 (CANCELLER, QUENNIE)

021025-	ONE WWD WASHING MACHINE REBATE FOR ACCT NO CAN0035	02/10/25 02/10/25	03-25 09-25	A	59450	100.00	.00	100.00
** Vendor's Subtotal - ---->						100.00	.00	100.00

VENDOR I.D.: CAS01 (PETTY CASH)

022825-	MISC. EXPENSES, 02/25	02/28/25 02/28/25	03-25 09-25	A	59450	27.62	.00	27.62
** Vendor's Subtotal - ---->						27.62	.00	27.62

VENDOR I.D.: CHA03 (CHAVAN & ASSOCIATES, LLP)

C&A-18584-	ACCOUNTING SERVICES, 12/24	02/25/25 02/25/25	03-25 09-25	A	59450	2500.00	.00	2500.00
** Vendor's Subtotal - ---->						2500.00	.00	2500.00

VENDOR I.D.: CHA04 (CHAMBERS, TOM)

021125-	DIRECTOR CHAMBERS' INTERNET SERVICE, 02/16-03/15	02/11/25 02/11/25	03-25 09-25	A	59450	65.00	.00	65.00
** Vendor's Subtotal - ---->						65.00	.00	65.00

VENDOR I.D.: DAL02 (DALY CITY, CITY OF)

020525-	2555 DONEGAL AV, SSF - SEWER LATERAL PERMIT	02/05/25	03-25	A	59450	100.00	.00	100.00
022525-	3130 DUBLIN DR, SSF - SEWER LATERAL PERMIT	02/05/25	09-25	A	59450	100.00	.00	100.00
022525_2-	3132 DUBLIN CT, SSF - SEWER LATERAL PERMIT	02/25/25	03-25	A	59450	100.00	.00	100.00
		02/25/25	09-25					
** Vendor's Subtotal - ---->						300.00	.00	300.00

VENDOR I.D.: ERL01 (ERLER & KALINOWSKI, INC.)

C40300.01-	2025 URBAN WATER USE OBJECTIVE REPORT	03/04/25 03/04/25	03-25 09-25	A	59450	8000.00	.00	8000.00
** Vendor's Subtotal - ---->						8000.00	.00	8000.00

VENDOR I.D.: JAV01 (JAVELLANA, JENNIFER)

022025-	ONE WWD WASHING MACHINE REBATE FOR ACCT NO JAV0010	02/20/25 02/20/25	03-25 09-25	A	59450	100.00	.00	100.00
** Vendor's Subtotal - ---->						100.00	.00	100.00

REPORT.: Mar 10 25 Monday
 RUN....: Mar 10 25 Time: 09:40
 Run By.: Wendy Bellinger
 Control Date.: 03/10/25

WESTBOROUGH WATER DISTRICT
 Accounts Payable Cash Requirements

PAGE: 002
 ID #: PY-RP
 CTL.: 000

Posting Period.: 03-25 Fiscal Period.: (09-25) Cash Account No.: 13110

VENDOR I.D.: JRO01 (JROCKET77 DESIGN & MARKETING (DBA))

Invoice No	Description	Invoice Date	Actual Period	G/L Tm	Account #	Discount	Gross Amount	Discount Amount	Net Amount
		Due Date	Fiscal						
2884-	OFFICE SUPPLIES - #10 SECURITY ENVELOPES	03/04/25	03-25	A	59450		717.53	.00	717.53
		03/04/25	09-25						
** Vendor's Subtotal ----->							717.53	.00	717.53

VENDOR I.D.: LIF01 (LIFTOFF DIGITAL, LLC)

36435-	WEB REPORTING & HOSTING, 03/25	03/01/25	03-25	A	59450		75.00	.00	75.00
		03/01/25	09-25						
** Vendor's Subtotal ----->							75.00	.00	75.00

VENDOR I.D.: MED01 (MEDINA, JANET)

020125-	DIRECTOR MEDINA'S INTERNET SERVICE, 02/10-03/09	02/01/25	03-25	A	59450		65.00	.00	65.00
		02/01/25	09-25						
** Vendor's Subtotal ----->							65.00	.00	65.00

VENDOR I.D.: PAK01 (PAKPOUR CONSULTING GROUP, INC.)

4676-	ENGINEERING SERVICES, 02/25	03/06/25	03-25	A	59450		18613.45	.00	18613.45
		03/06/25	09-25						
** Vendor's Subtotal ----->							18613.45	.00	18613.45

VENDOR I.D.: RIC03 (RICHARDS, JULIE L)

013125-	DIRECTOR RICHARDS' INTERNET SERVICE, 02/25	01/31/25	03-25	A	59450		65.00	.00	65.00
		01/31/25	09-25						
** Vendor's Subtotal ----->							65.00	.00	65.00

VENDOR I.D.: SAN02 (SFPUC FINANCIAL SERV.-FINANCE)

I0003881-	BACTERIA ANALYSES, 01/25	02/04/25	03-25	A	59450		400.00	.00	400.00
		02/04/25	09-25						
** Vendor's Subtotal ----->							400.00	.00	400.00

VENDOR I.D.: SAR02 (SARDESAI, POOJA M)

030725-	TWO WWD HET REBATES FOR ACCT NO SAR0025	03/07/25	03-25	A	59450		100.00	.00	100.00
		03/07/25	09-25						
** Vendor's Subtotal ----->							100.00	.00	100.00

VENDOR I.D.: STA03 (SWRCB)

LW1050043-	WATER SYSTEM FEES, 07/01/24-06/30/25	12/20/24	03-25	A	59450		30557.72	.00	30557.72
		12/20/24	09-25						
** Vendor's Subtotal ----->							30557.72	.00	30557.72

VENDOR I.D.: TRA01 (TRAP'S TIRE & AUTO CTR.)

000078110-	TRUCK #83 REPAIR - AIRBAG LIGHT	02/04/25	03-25	A	59450		952.66	.00	952.66
		02/04/25	09-25						
** Vendor's Subtotal ----->							952.66	.00	952.66

VENDOR I.D.: WES02 (W.W.D. PAYROLL ACCOUNT)

REPORT.: Mar 10 25 Monday
 RUN....: Mar 10 25 Time: 09:40
 Run By.: Wendy Bellinger
 Control Date.: 03/10/25

WESTBOROUGH WATER DISTRICT
 Accounts Payable Cash Requirements

PAGE: 003
 ID #: PY-RP
 CTL.: 000

Posting Period... 03-25 Fiscal Period... (09-25) Cash Account No... 13110

VENDOR I.D.: WES02 (W.W.D. PAYROLL ACCOUNT)

Invoice No	Description	Invoice Date	Actual Period	G/L Account #	Discount	Gross Amount	Discount Amount	Net Amount
		Due Date	Fiscal Tm					
022825-	PAYROLL TRANSFER, 02/25	02/28/25	03-25	A	59450	54325.16	.00	54325.16
		02/28/25	09-25					
** Vendor's Subtotal --- >						54325.16	.00	54325.16

VENDOR I.D.: \C040 (YUHAO LI & JOE YENYU CHEN)

000C50201-	MQ CUSTOMER REFUND FOR CHE0238	03/03/25	03-25	Z	59450	80.70	.00	80.70
		03/03/25	09-25					
** Vendor's Subtotal -- -->						80.70	.00	80.70

VENDOR I.D.: \D003 (LAWRENCE W. DEHAY)

000C50201-	MQ CUSTOMER REFUND FOR DEH0001	03/03/25	03-25	Z	59450	50.10	.00	50.10
		03/03/25	09-25					
** Vendor's Subtotal ----->						50.10	.00	50.10

VENDOR I.D.: \H018 (KENNETH & REGINA HANOVER)

000C50201-	MQ CUSTOMER REFUND FOR HAN0045	03/03/25	03-25	Z	59450	118.16	.00	118.16
		03/03/25	09-25					
** Vendor's Subtotal ----->						118.16	.00	118.16

VENDOR I.D.: \K003 (SALLY KOEN)

000C50201-	MQ CUSTOMER REFUND FOR KOE0001	03/03/25	03-25	Z	59450	37.18	.00	37.18
		03/03/25	09-25					
** Vendor's Subtotal ----->						37.18	.00	37.18

VENDOR I.D.: \P019 (AUDREY PARKER)

000C50201-	MQ CUSTOMER REFUND FOR PAR0100	03/03/25	03-25	Z	59450	98.40	.00	98.40
		03/03/25	09-25					
** Vendor's Subtotal ----->						98.40	.00	98.40

VENDOR I.D.: \T017 (ALAN TAM)

000C50201-	MQ CUSTOMER REFUND FOR TAM0077	03/03/25	03-25	Z	59450	65.87	.00	65.87
		03/03/25	09-25					
** Vendor's Subtotal ----->						65.87	.00	65.87

VENDOR I.D.: \W004 (KEJIA WU)

000C50201-	MQ CUSTOMER REFUND FOR WU 0036	03/03/25	03-25	Z	59450	95.11	.00	95.11
		03/03/25	09-25					
** Vendor's Subtotal ----->						95.11	.00	95.11

** Report's Total -----> 117639.66 .00 117639.66
 =====

** Total Vendors On This Report -----> 26
 =====

** Total Vendors Needing Checks -----> 26
 =====

A IMMEDIATE

Westborough Water District

Management Report

June 30, 2024

Presentation Version

Westborough Water District

Management Report

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Board of Directors
Westborough Water District
South San Francisco, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of the Westborough Water District (District) as of and for the years ended June 30, 2024 and 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

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

Current Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at June 30, 2024.

Prior Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at June 30, 2023.

* * * * *

This report is intended solely for the information and use of management and the Board of Directors of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company, CPAs
Cypress, California
March 13, 2025

APPENDIX

Westborough Water District

Audit/Finance Committee Letter

June 30, 2024

Board of Directors
Westborough Water District
South San Francisco, California

We have audited the financial statements of the business-type activities of the Westborough Water District (District) for the years ended June 30, 2024 and 2023 and have issued our report thereon dated March 13, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 1, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated March 13, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards:

As auditors of the District, we are required per AU-C Section 240, "Consideration of Fraud in a Financial Statement Audit", to "ordinarily" presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management's estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for delinquent/doubtful accounts is based on historical write-offs of past due delinquent/doubtful customer accounts, customer creditworthiness, and calculated assumptions of expected future write-offs. We evaluated the key factors and assumptions used to develop the allowance for delinquent/doubtful accounts in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other post-employment benefits (OPEB) plan: deferred outflows of resources, net OPEB liability, and deferred inflows of resources is based on the alternative measurement method to determine the liability balance. This alternative measurement method was determined and prepared by the District's third-party actuary. We evaluated the basis, methods, and assumptions used by the actuary in determining that they are reasonable in relation to the financial statements taken as a whole.

Qualitative Aspects of the Entity's Significant Accounting Practices, continued

Significant Accounting Estimates, continued

Management's estimate of the defined benefit pension plan's: deferred outflows of resources, net pension liability, and deferred inflows of resources is based on an actuarial evaluation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods, and assumptions used by the actuary to calculate these amounts for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The disclosure of fair value of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of the District's allowance for delinquent/doubtful accounts in Note 3 to the basic financial statements represents amounts susceptible to external factors the District has no control over, such as, the state of the economy in the District's service area.

The disclosure of capital assets, net in Note 5 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the District's other post-employment benefits plan, in Note 7 to the basic financial statements is based on information which could differ from those in future periods.

The disclosure of the District's defined benefit pension plan in Note 8 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Uncorrected and Corrected Misstatements, continued

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 6 through 8 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 13, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

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

We were engaged to report on combining schedules and budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Matters, continued

We were not engaged to report on the introductory section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended us by Patricia Mairena, General Manager and the District's administrative staff in the performance of our audit testwork. We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

C.J. Brown & Company, CPAs

Cypress, California

March 13, 2025

**Westborough Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024**

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
AJE - To correct beginning net position to agree with net position as issued in the fiscal year 2023 financial statements.			
31100	UNAPPROPRIATED FUND BAL.	353,498.75	
56830	ENGINEERING SERVICES	8,369.92	
31100	UNAPPROPRIATED FUND BAL.		8,369.92
57320	TREATMENT & DISPOSAL		353,498.75
Total		361,868.67	361,868.67
Adjusting Journal Entries JE # 2			
AJE - To 1) reclass sick leave from accrued vacation account and 2) adjust accrued vacation to actual at June 30, 2024.			
22500	ACCRD.VACATION	86,169.17	
51110	SALARIES	7,432.87	
56110	SALARIES	4,784.69	
22500	ACCRD.VACATION		12,217.56
22510	ACCRD SICK LV		86,169.17
Total		98,386.73	98,386.73
Adjusting Journal Entries JE # 3			
AJE - To remove payables located during our Search Testing for improperly accrued for vendor BAWSCA, check 25467, invoice 7656 for FY24/25 1st quarter assessment at June 30, 2024.			
22200	ACCOUNTS PAYABLE	7,626.00	
56230	MEMBERSHIPS		7,626.00
Total		7,626.00	7,626.00
Adjusting Journal Entries JE # 4			
AJE - To accrue payable located during our Search Testing for improperly excluded for vendor Hanson Bridgett, check 25514, invoice 1500098/1500108 for June Legal Services at June 30, 2024.			
56841	LEGAL SERVICES	2,225.00	
56841	LEGAL SERVICES	450.00	
57390	SEWER MISC.	2,225.00	
57390	SEWER MISC.	450.00	
22200	ACCOUNTS PAYABLE		4,450.00
22200	ACCOUNTS PAYABLE		900.00
Total		5,350.00	5,350.00
Adjusting Journal Entries JE # 5			
AJE - To accrue payables located during our Search Testing for improperly excluded for vendor Erler & Kalinowski, Inc, check 25594, invoice C40032.00 for CIP AWSDA construction 2/8/24-7/31/24 (allocation of 5/6 months) at June 30, 2024.			
11190	WORK IN PROGRES	15,000.00	
22200	ACCOUNTS PAYABLE		15,000.00
Total		15,000.00	15,000.00
Adjusting Journal Entries JE # 6			
GASB 68 Entry #1 - To reclassify 2023 contributions to NPL at June 30, 2024.			
25000	PENSION LIAB.	90,692.00	
17000	DEF. PEN. O/F		90,692.00
11181	WATER FACILITY		
Total		90,692.00	90,692.00
Adjusting Journal Entries JE # 7			
GASB 68 Entry #2 - To reclassify 2024 contributions to Deferred Outflows of Resources at June 30, 2024.			
17000	DEF. PEN. O/F	153,550.00	
51115	CALPERS-FIELD		64,491.00
56115	CALPERS-ADMIN		89,059.00
Total		153,550.00	153,550.00

**Westborough Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 8			
GASB 68 Entry #3 - To record changes in pension liability during FY22/23 at June 30, 2024. Note - Deferred Inflows and Outflows are posted in net.			
17000	DEF. PEN. O/F	248,731.00	
27000	DEF. PEN. I/F	1.00	
51115	CALPERS-FIELD	80,329.00	
51115	CALPERS-FIELD	1.36	
56115	CALPERS-ADMIN	110,930.00	
56115	CALPERS-ADMIN	2.00	
17000	DEF. PEN. O/F		2.00
25000	PENSION LIAB.		314,070.00
25000	PENSION LIAB.		1.36
27000	DEF. PEN. I/F		125,920.00
56115	CALPERS-ADMIN		1.00
Total		439,994.36	439,994.36
Adjusting Journal Entries JE # 9			
GASB 68 Entry #4 - To record changes in the deferred outflows and deferred inflows (amortization) during FY22/23 at June 30, 2024. Note - Deferred Inflows and Outflows are posted in net.			
27000	DEF. PEN. I/F	82,662.00	
51115	CALPERS-FIELD	54,086.00	
56115	CALPERS-ADMIN	74,690.00	
17000	DEF. PEN. O/F		211,438.00
Total		211,438.00	211,438.00
Adjusting Journal Entries JE # 10			
AJE - To adjust beginning balance of OPEB liability for ADC amounts accrued. Note: please do not post to these liability accounts. These accounts are only adjusted by the actuarial valuation report provided by the actuary.			
24000	NET OPEB LIAB.	8,968.53	
51450	OPEB BENEFITS		1,793.71
56450	PRE-FUNDING OPB		7,174.82
Total		8,968.53	8,968.53
Adjusting Journal Entries JE # 11			
GASB 75 Entry #1 - To reclassify 2023 contributions to a reduction in Net OPEB Liability at June 30, 2024.			
24000	NET OPEB LIAB.	41,939.00	
16000	DEFERRED OUTFL		41,939.00
Total		41,939.00	41,939.00
Adjusting Journal Entries JE # 12			
GASB 75 Entry #2 - To contra reclassify 2024 contributions for retiree benefits to deferred outflows of resources from expense at June 30, 2024.			
16000	DEFERRED OUTFL	47,455.00	
51470	GASB 75 CONTRA EXPENSE (INCOME) - FIELD		9,491.00
56470	GASB 75 CONTRA EXPENSE (INCOME) - ADMIN		37,964.00
Total		47,455.00	47,455.00
Adjusting Journal Entries JE # 13			
GASB 75 Entry #3 - To record changes in OPEB liability and related deferrals during FY22/23 in the current year.			
16000	DEFERRED OUTFL	43,593.00	
26000	DEF. IN - OPEB	33,300.00	
51470	GASB 75 CONTRA EXPENSE (INCOME) - FIELD	6,945.00	
56470	GASB 75 CONTRA EXPENSE (INCOME) - ADMIN	27,782.00	
16000	DEFERRED OUTFL		823.00
24000	NET OPEB LIAB.		110,797.00
Total		111,620.00	111,620.00

**Westborough Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 14			
GASB 75 Entry #4 - To record changes in the deferred outflows and deferred inflows (amortization) at June 30,			
26000	DEF. IN - OPEB	36,114.00	
16000	DEFERRED OUTFL		9,870.00
16000	DEFERRED OUTFL		16,555.00
51470	GASB 75 CONTRA EXPENSE (INCOME) - FIELD		1,938.00
56470	GASB 75 CONTRA EXPENSE (INCOME) - ADMIN		7,751.00
Total		36,114.00	36,114.00
Adjusting Journal Entries JE # 15			
AJE - To reclass recurring frequent amounts / transactions from miscellaneous expense to descriptive accounts for the purpose of account propriety from account 56890 analysis at June 30, 2024.			
51140	SUPPLIES & SMALL TOOLS	2,734.80	
56210	OFFICE SUPPLIES	191.88	
56210	OFFICE SUPPLIES	3,986.89	
56230	MEMBERSHIPS	363.88	
56400	EMPLOYEE BENEFITS	1,234.97	
56400	EMPLOYEE BENEFITS	900.00	
56840	ACCOUNTING SERVICES	2,200.00	
56842	ADMIN CONSULTING	52,441.65	
58002	Property Tax Expense	2,483.04	
49700	NON OPERATING - OTHER		1,752.83
56890	MISCELLANEOUS		64,784.28
Total		66,537.11	66,537.11
Adjusting Journal Entries JE # 16			
AJE - To reclass recurring frequent amounts / transactions from miscellaneous expense to descriptive accounts for the purpose of account propriety from account 57390 analysis at June 30, 2024.			
57381	Legal - Sewer	15,058.25	
57382	Accounting - Sewer	32,865.49	
57383	Permits / Fees - Sewer	9,693.00	
57384	Outreach / Website - Sewer	7,878.44	
42346	Misc. Operations Revenue - Sewer		400.00
57390	SEWER MISC.		65,095.18
Total		65,495.18	65,495.18
Adjusting Journal Entries JE # 17			
PPA - To adjust the prior year payables for check 24811 to vendor Daly City for 6 month sewer charges calculated in error at June 30, 2024.			
22210	ACCRUED SEWER SERV.CHGS.	353,498.27	
31100	UNAPPROPRIATED FUND BAL.		353,498.27
Total		353,498.27	353,498.27
Adjusting Journal Entries JE # 18			
AJE - To reverse prior year accrual adjustment recorded in PPA #18 at June 30, 2024.			
57320	TREATMENT & DISPOSAL	353,498.27	
22210	ACCRUED SEWER SERV.CHGS.		353,498.27
Total		353,498.27	353,498.27
Total Adjusting Journal Entries		2,469,031.12	2,469,031.12
Total All Journal Entries		2,469,031.12	2,469,031.12

Legend:

AJE	Audit Adjusting Journal Entry
GASB 68 Entry	GASB 68 Adjusting Journal Entry
GASB 75 Entry	GASB 75 Adjusting Journal Entry
GASB 87 Entry	GASB 87 Adjusting Journal Entry
PPA	Prior Period Adjusting Journal Entry

Westborough Water District Annual Financial Report

**For the Fiscal Years Ended
June 30, 2024 and 2023**



Mission Statement

The mission of the Westborough Water District is to provide a stable supply of high quality safe drinking water at a fair price to all customers of the District. In addition, the District has the mission to provide reliable sewer service through the North San Mateo County Sanitation District. The Board, the staff and all employees of Westborough Water District are committed to providing its customers with high quality, cost-effective and environmentally sensitive customer service.

Board of Directors as of June 30, 2024

Name	Title	Elected/ Appointed	Current Term
Tom Chambers	President	Elected	11/2022-11/2026
Don Amuzie	Vice President	Elected	11/2022-11/2024
Perry H. Bautista	Director	Elected	11/2022-11/2026
Julie L. Richards	Director	Elected	11/2022-11/2024
Janet G. Medina	Director	Elected	11/2022-11/2024

**Patricia Mairena, General Manager
Westborough Water District
2263 Westborough Boulevard
So. San Francisco, California 94080
(650) 589-1435 – www.westboroughwater.org**

Westborough Water District

Annual Financial Report

For the Fiscal Years Ended June 30, 2024 and 2023

Presentation Version
Subject to Board Approval

**Westborough Water District
Annual Financial Report
For the Fiscal Years Ended June 30, 2024 and 2023**

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Introductory Section

Presentation Version
Subject to Board Approval

March 13, 2025

Board of Directors
Westborough Water District

Introduction

It is our pleasure to submit the Annual Financial Report for the Westborough Water District for the fiscal years ended June 30, 2024 and 2023, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. The report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately after the Independent Auditor's Report.

District Structure and Leadership

The Westborough Water District is an independent special district, which operates under the authority of Division 12 of the California Water Code. The Westborough Water District has been providing services to the residents within the district's boundaries since 1961. The District is governed by a five-member Board of Directors. The District General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The Westborough Water District employs a full-time staff of 6 employees. The District's Board of Directors meets on the second Thursday of each month. Meetings are publicly noticed, and citizens are encouraged to attend.

The District provides water, sewer, or a combination of both services to residents and businesses within its service area. The service area lies within the South San Francisco area. The District's boundaries comprise approximately one square mile. The District currently provides service to approximately 4,000 residential, commercial, and irrigation connections.

The District's administrative offices are located in the City of South San Francisco in San Mateo County.

Economic Condition and Outlook

The economic condition for the District's service area has experienced some challenges since March 2020 with the onset of the COVID-19 pandemic. Local restaurants, educational, fitness and religious facilities, as well as local entertainment and recreation venues were required to temporarily cease their operations in response to federal, state, and local government mandates in efforts to promote public health and safety and mitigate the risk of spreading the COVID-19 virus. The economic effects of the pandemic continue to ripple through the District's service area throughout fiscal year 2024.

Economic Condition and Outlook, (continued)

In complying with Governor Newsom's Executive Order (EO) N-42-20 of April 2, 2020, the District suspended assessing late fees and disconnection/shutting off water service of customer connections for nonpayment (Health and Safety Code: Section 116902, Subdivision (c)). Though the EO restricted water shutoffs due to nonpayment, the obligation of water customers to pay for water service was neither eliminated nor reduced. On February 10, 2022, the Westborough Water District Board of Directors moved to allow the General Manager to Reinstate Late Payment Fees, Water Shutoffs for Non-Payment, Door Collection Fees, and Reconnection of Water Service Fees.

As a Special District having rate setting authority, the District's risk of/exposure of revenue loss, during the effective period of the EO, is minimal and immaterial. The District's revenue is generated through rates approved by the Board of Directors in accordance with California's Proposition 218. District revenue is not dependent on voter approved tax assessments. It is the intent of the governing body to ensure the costs of providing goods and services to the general public on a continuing basis be recovered primarily through approved rates and charges.

California's water supply continues to be a concern due to environmental and regulatory restriction that threaten the State's ability to provide storage, preserve water supply, and maintain a conveyance system throughout the Sacramento-San Joaquin Delta, all of which lead to increasing supply costs. Although Northern California, through the San Francisco Public Utility Commission has invested heavily in local storage to shield against drought events, the areas outside of the San Francisco Public Utility Commission have failed to make similar investments in storage that could have some impact on local water supply at some point in the future.

Considering the District's ability to meet future water conservation requirements, particularly in the times of drought, the District approved Ordinance No. 69, prohibiting wasteful water use with the District's boundaries. In times of drought, wasteful water use practices constitute a potential threat to the District's ability to meet water conservation measures not only in times of drought, but at all times, and is essential to ensure a reliable supply of water to meet current and future water supply needs.

Major Initiatives

The activities of the Board and staff of the District are driven by its Mission Statement: "The mission of the Westborough Water District is to provide a stable supply of high-quality safe drinking water at a fair price to all customers of the District. In addition, the District has the mission to provide reliable sewer service through the North San Mateo County Sanitation District. The Board, the staff, and all employees of Westborough Water District are committed to providing its customers with high quality, cost-effective, and environmentally sensitive customer service."

1. To supply clean, wholesome water to the community and provide water for the future.
2. To plan, construct, operate, maintain, and upgrade the water system facilities to adequately serve customer needs.
3. To utilize the District's financial resources in an effective, responsible, and prudent manner.
4. To provide quality customer service for District customers.
5. To inform, educate, and communicate with the community on District and water issues.
6. To review and maintain a plan to be proactive in preventative maintenance of the District's water and sewer systems.

All programs and operations of the District are developed and performed in order to provide the highest level of service to its customers.

Internal Control Structure

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

Budgetary Control

The District Board of Directors adopts an operating and capital budget every year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity, and yield.

Water and Sewer Rates and District Revenues

District policy direction ensures that all revenues from user charges and surcharges generated from District customers must support all District operations including capital project funding. Accordingly, water and sewer rates are reviewed periodically. Water rates are user charges imposed on customers for services and are the primary component of the District's revenue. Water rates are composed of a commodity (usage) charge and a fixed (readiness-to-serve) charge. Sewer rates are based on customer's water consumption during January through February each year. There is a minimum charge of 12 units annually or 2 HCF (hundred cubic feet) for the base period of January through February.

Water Conservation Programs

The District has implemented conservation management practices. The District distributes materials to encourage water conservation. The District offers the following conservation programs:

1. Free Water Conservation Items
2. Low-Flow Toilet Retrofit Program
3. Hi-Efficiency Washer Program
4. Water Usage Audit Program

Audit and Financial Reporting

State law requires the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of C.J. Brown & Company, CPAs has conducted the audit of the District's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Risk Management

The District participates in a joint powers agreement with the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). The District participates in the Liability, Property, and Workers' Compensation programs. The Property program includes Fidelity Coverage and Boiler and Machinery Coverage.

Other References

More information is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the District. We would like to thank the members of the Board of Directors and especially the Finance Committee members for their continued support in planning and implementation of the Westborough Water District's fiscal policies.

Respectfully submitted,



Patricia Mairena
General Manager

Presentation Version
Subject to Board Approval

Financial Section

Presentation Version
Subject to Board Approval

Independent Auditor's Report

Board of Directors
Westborough Water District
South San Francisco, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Westborough Water District (District) for the years ended June 30, 2024 and 2023, and the related statements of revenues, expenses, and changes in net position for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Westborough Water District, as of June 30 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Emphasis of Matter

As described in Note 10 to the financial statements, the 2023 financial statements have been restated to correct an adjustment related to accounts payable for the sewer fund. Our opinion is not modified with respect to this matter.

Independent Auditor's Report, continued

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 8 through 12, and the Required Supplementary Information on pages 47 through 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section on pages 1 through 4, and the supplemental information on pages 51 through 58, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of net position and combining schedules of revenues, expenses, and changes in net position are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 59 and 60.

C.J. Brown & Company, CPAs
Cypress, California
March 13, 2025

Westborough Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Westborough Water District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with the transmittal letter in the Introductory Section and with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In fiscal year 2024, the District's net position increased 7.90% or \$895,806 to \$12,229,284 as a result of ongoing operations. In fiscal year 2023, the District's net position increased 8.86% or \$922,430 to \$11,333,478 as a result of ongoing operations.
- Total revenues increased 3.98% or \$321,792 to \$8,400,642. In fiscal year 2023, the District's total revenues increased 6.81% or \$515,020 to \$8,078,850.
- Operating revenues increased 2.62% or \$190,378 to \$7,461,999. In fiscal year 2023, the District's operating revenues increased 7.99% or \$538,075 to \$7,271,621.
- Non-operating revenues increased 16.28% or \$131,414 to \$938,643. In fiscal year 2023, the District's non-operating revenues decreased 2.78% or \$23,055 to \$807,229.
- Total expenses increased 4.87% or \$348,416 to \$7,504,836. In fiscal year 2023, the District's total expenses increased 9.07% or \$595,205 to \$7,156,420.
- Operating expenses increased 5.01% or \$341,963 to \$7,163,253. In fiscal year 2023, the District's operating expenses increased 9.19% or \$574,126 to \$6,821,290.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The District's statements consist of two funds: the Water Fund and the Sewer Fund. The District's records are maintained on an enterprise basis, as it is the intent of the Board of Directors that the costs of providing water and sewer to customers of the District are financed primarily through user charges.

The Statement of Net Position includes all the District's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. These statements can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments, and net change in cash resulting from operations, investing, non-capital financing, and capital and related financing activities, and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Westborough Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that help answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. These two statements report the District's *net position* and changes in it. One can think of the District's net position (assets and deferred outflows of resources, less liabilities and deferred inflows of resources), as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 18 through 46.

Statement of Net Position

Condensed Statements of Net Position

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>	<u>As Restated 2022</u>	<u>Change</u>
Assets:					
Current assets	\$ 7,054,283	6,309,900	744,383	5,088,222	1,221,678
Non-current assets	8,187,097	8,084,455	102,642	8,182,041	(97,586)
Total assets	<u>15,241,380</u>	<u>14,394,355</u>	<u>847,025</u>	<u>13,270,263</u>	<u>1,124,092</u>
Deferred outflows of resources	<u>813,472</u>	<u>691,462</u>	<u>122,010</u>	<u>360,350</u>	<u>331,112</u>
Liabilities:					
Current liabilities	1,708,832	1,874,609	(165,777)	1,857,462	17,147
Non-current liabilities	1,628,896	1,330,566	298,330	465,121	865,445
Total liabilities	<u>3,337,728</u>	<u>3,205,175</u>	<u>132,553</u>	<u>2,322,583</u>	<u>882,592</u>
Deferred inflows of resources	<u>487,840</u>	<u>547,164</u>	<u>(59,324)</u>	<u>896,982</u>	<u>(349,818)</u>
Net position:					
Net investment in capital assets	7,981,835	7,846,834	135,001	7,914,025	(67,191)
Restricted for capital projects	271,523	141,540	129,983	124,645	16,895
Unrestricted	3,975,926	3,345,104	630,822	2,372,378	972,726
Total net position	<u>\$ 12,229,284</u>	<u>11,333,478</u>	<u>895,806</u>	<u>10,411,048</u>	<u>922,430</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,229,284 and \$11,333,478, as of June 30, 2024 and 2023, respectively.

Westborough Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Statement of Net Position, (continued)

By far the largest portion of the District's net position (65% and 69% as of June 30, 2024 and 2023, respectively) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District had no outstanding long-term debt at June 30, 2024 and 2023. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal years 2024 and 2023, the District showed a positive balance in its unrestricted net position of \$3,975,926 and \$3,345,104, respectively. See Note 9 to the basic financial statements for further information.

Statement of Revenues, Expenses, and Changes in Net Position

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>As Restated 2023</u>	<u>Change</u>	<u>As Restated 2022</u>	<u>Change</u>
Revenues:					
Operating revenues	\$ 7,461,999	7,271,621	190,378	6,733,546	538,075
Non-operating revenues	938,643	807,229	131,414	830,284	(23,055)
Total revenues	<u>8,400,642</u>	<u>8,078,850</u>	<u>321,792</u>	<u>7,563,830</u>	<u>515,020</u>
Expenses:					
Operating expenses	7,163,253	6,821,290	341,963	6,247,164	574,126
Depreciation	341,583	335,130	6,453	314,051	21,079
Total expenses	<u>7,504,836</u>	<u>7,156,420</u>	<u>348,416</u>	<u>6,561,215</u>	<u>595,205</u>
Changes in net position	895,806	922,430	(26,624)	1,002,615	(80,185)
Net position, beginning of year, as restated	<u>11,333,478</u>	<u>10,411,048</u>	<u>922,430</u>	<u>9,408,433</u>	<u>1,002,615</u>
Net position, end of year	<u>\$ 12,229,284</u>	<u>11,333,478</u>	<u>895,806</u>	<u>10,411,048</u>	<u>922,430</u>

The Statement of Revenues, Expenses, and Changes of Net Position shows how the District's net position changed during the fiscal years. In the case of the District, net position increased 7.90% or \$895,806 to \$12,229,284 as a result of ongoing operations. In fiscal year 2023, the District's net position increased 8.86% or \$922,430 to \$11,333,478 as a result of ongoing operations.

A closer examination of the sources of changes in net position reveal that:

Total revenues increased 3.98% or \$321,792 to \$8,400,642. Operating revenues increased 2.62% or \$190,378 to \$7,461,999, primarily due to increases of \$132,436 in water consumption sales and \$57,348 in wastewater service. Non-operating revenues increased 16.28% or \$131,414 to \$938,643, primarily due to increases of \$186,549 in investment earnings, offset by decreases of 51,286 in insurance recovery, and \$5,652 in property taxes as compared to the prior year.

Westborough Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Statement of Revenues, Expenses, and Changes in Net Position, continued

In fiscal year 2023, total revenues increased 6.81% or \$515,020 to \$8,078,850. Operating revenues increased 7.99% or \$538,075 to \$7,271,621, due to increases of \$390,297 in water consumption sales, \$136,743 in wastewater service, and \$11,035 in other charges and services. Non-operating revenues decreased 2.78% or \$23,055 to \$807,229, due to decreases of \$116,069 in pension income due to actuarial valuation adjustments, \$36,241 in other non-operating revenue, and \$28,679 in OPEB income due to actuarial valuation adjustments, offset by increases of \$80,576 in investment earnings, \$51,286 in insurance recovery, and \$28,765 in property taxes as compared to the prior year.

Total expenses increased 4.87% or \$348,416 to \$7,504,836. Operating expenses increased 5.01% or \$341,963 to \$7,163,253, primarily due to increases of \$102,053 in treatment and disposal, \$79,864 in water purchases, \$49,869 in system maintenance, \$49,341 in utilities, \$43,125 in general and administrative expenses, and \$41,951 in salaries and employee benefits, which were offset by decreases of \$22,754 in employee benefits and \$18,027 in vehicle expenses as compared to the prior year.

In fiscal year 2023, total expenses increased 9.07% or \$595,205 to \$7,156,420. Operating expenses increased 9.19% or \$574,126 to \$6,821,290, primarily due to increases of \$324,698 in general and administrative expenses, \$197,983 in water purchases, \$97,800 in employee benefits, \$88,541 in treatment and disposal, and \$30,276 in utilities, which were offset by a decrease of \$181,380 in system maintenance as compared to the prior year.

Capital Asset Administration

Changes in capital asset amounts for 2024 were as follows:

	Balance 2023	Additions	Transfers/ Deletions	Balance 2024
Capital assets:				
Non-depreciable assets	\$ 191,002	483,718	(285,964)	388,756
Depreciable assets	14,545,762	278,830	-	14,824,592
Accumulated depreciation	(6,889,930)	(341,583)	-	(7,231,513)
Total capital assets, net	\$ 7,846,834	420,965	(285,964)	7,981,835

Changes in capital asset amounts for 2023 were as follows:

	Balance 2022	Additions	Transfers/ Deletions	Balance 2023
Capital assets:				
Non-depreciable assets	\$ 1,510,558	33,326	(1,352,882)	191,002
Depreciable assets	12,958,266	1,587,496	-	14,545,762
Accumulated depreciation	(6,554,799)	(335,131)	-	(6,889,930)
Total capital assets, net	\$ 7,914,025	1,285,691	(1,352,882)	7,846,834

At the end of fiscal year 2024 and 2023, the District's investment in capital assets net of accumulated depreciation amounted to \$7,981,835 and \$7,846,834, respectively. These investments in capital assets includes land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment, and vehicles, etc. See Note 5 to the basic financial statements for further information.

Westborough Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Conditions Affecting Current Financial Position

Management is unaware of any other conditions which could have a significant impact on the District's current financial position, net position, or operating results in terms of past, present, and future periods.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Patricia Mairena, General Manager of Westborough Water District, 2263 Westborough Blvd., South San Francisco, CA 94080-5406.

Presentation Version
Subject to Board Approval

Basic Financial Statements

Presentation Version
Subject to Board Approval

Westborough Water District
Statements of Net Position
June 30, 2024 and 2023

	2024	As Restated 2023
Current assets:		
Cash and cash equivalents (note 2)	\$ 5,593,965	5,070,321
Cash and cash equivalents – restricted (note 2)	256,504	140,635
Accrued interest receivable	35,138	32,620
Accrued interest receivable – restricted	15,019	905
Accounts receivable – water sales and services, net (note 3)	776,681	729,295
Property tax receivable	4,890	42,152
Lease receivable (note 4)	32,798	30,395
Materials and supplies inventory	305,158	233,238
Prepaid expenses and other deposits	34,130	30,339
Total current assets	7,054,283	6,309,900
Non-current assets:		
Lease receivable (note 4)	205,262	237,621
Capital assets – not being depreciated (note 5)	388,756	191,002
Capital assets – being depreciated, net (note 5)	7,593,079	7,655,832
Total non-current assets	8,187,097	8,084,455
Total assets	15,241,380	14,394,355
Deferred outflows of resources:		
Deferred other post-employment benefit outflows (note 7)	173,441	151,580
Deferred pension outflows (note 8)	640,031	539,882
Total deferred outflows of resources	\$ 813,472	691,462

Continued on next page

See accompanying notes to the basic financial statements

Westborough Water District
Statements of Net Position, (continued)
June 30, 2024 and 2023

	<u>2024</u>	<u>As Restated 2023</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 196,351	185,315
Accrued sewer service charge	1,042,340	1,274,742
Deposits	410,232	365,378
Unearned revenue	24,366	15,662
Long-term liabilities – due within one year:		
Compensated absences (note 6)	35,543	33,512
Total current liabilities	<u>1,708,832</u>	<u>1,874,609</u>
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 6)	106,629	100,536
Net other post-employment benefit liability (note 7)	267,500	198,642
Net pension liability (note 8)	1,254,767	1,031,388
Total non-current liabilities	<u>1,628,896</u>	<u>1,330,566</u>
Total liabilities	<u>3,337,728</u>	<u>3,205,175</u>
Deferred inflows of resources:		
Deferred lease inflows (note 4)	200,686	233,853
Deferred other post-employment benefit inflows (note 7)	138,665	208,079
Deferred pension inflows (note 8)	148,489	105,232
Total deferred inflows of resources	<u>487,840</u>	<u>547,164</u>
Net position:		
Net investment in capital assets	7,981,835	7,846,834
Restricted (note 9)	271,523	141,540
Unrestricted (note 9)	3,975,926	3,345,104
Total net position	<u>\$ 12,229,284</u>	<u>11,333,478</u>

See accompanying notes to the basic financial statements

Westborough Water District
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>As Restated 2023</u>
Operating revenues:		
Water consumption sales	\$ 4,143,441	4,011,005
Wastewater service	3,293,969	3,236,621
Other charges and services	24,589	23,995
Total operating revenues	<u>7,461,999</u>	<u>7,271,621</u>
Operating expenses:		
Salaries	456,397	414,446
Employee benefits	193,850	216,604
Payroll taxes	33,734	31,258
Water purchases	1,814,651	1,734,787
Utilities	322,887	273,546
System maintenance	154,072	104,203
Supplies and small tools	18,337	13,047
Special services	76,886	68,394
Technical communications	9,903	9,620
Vehicles	30,917	48,944
Treatment and disposal	2,660,121	2,558,068
General and administrative	1,391,498	1,348,373
Total operating expenses	<u>7,163,253</u>	<u>6,821,290</u>
Operating income before depreciation	298,746	450,331
Depreciation	(341,583)	(335,130)
Operating income	<u>(42,837)</u>	<u>115,201</u>
Non-operating revenues, net:		
Property taxes	647,270	652,922
Investment earnings, net of fair value	234,277	47,728
Interest on rental income	7,471	8,074
Rental revenue	33,448	33,408
Insurance recovery	-	51,286
Other non-operating revenue	16,177	13,811
Total non-operating revenues, net	<u>938,643</u>	<u>807,229</u>
Changes in net position	895,806	922,430
Net position, beginning of year, as restated (note 10)	<u>11,333,478</u>	<u>10,411,048</u>
Net position, end of year, as restated	<u>\$ 12,229,284</u>	<u>11,333,478</u>

See accompanying notes to the basic financial statements

Westborough Water District
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>As Restated 2023</u>
Cash flows from operating activities:		
Cash receipts from customers for sales and services	\$ 7,461,027	7,359,256
Cash paid to vendors and suppliers for materials and services	(6,235,382)	(5,622,123)
Cash paid to employees for salaries and wages	(981,934)	(911,916)
Net cash provided by operating activities	<u>243,711</u>	<u>825,217</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes	647,270	652,922
Net cash provided by non-capital financing activities	<u>647,270</u>	<u>652,922</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(476,584)	(267,939)
Net cash used in capital and related financing activities	<u>(476,584)</u>	<u>(267,939)</u>
Cash flows from investing activities:		
Interest and investment earnings	225,116	28,010
Net cash provided by investing activities	<u>225,116</u>	<u>28,010</u>
Net increase in cash and cash equivalents	639,513	1,238,210
Cash and cash equivalents, beginning of year	<u>5,210,956</u>	<u>3,972,746</u>
Cash and cash equivalents, end of year	<u>\$ 5,850,469</u>	<u>5,210,956</u>
Reconciliation of cash and cash equivalents to statements of net position:		
Cash and cash equivalents	\$ 5,593,965	5,070,321
Cash and cash equivalents – restricted	256,504	140,635
Total cash and cash equivalents	<u>\$ 5,850,469</u>	<u>5,210,956</u>

Continued on next page

See accompanying notes to the basic financial statements

Westborough Water District
Statements of Cash Flows, (continued)
For the Fiscals Year Ended June 30, 2024 and 2023

	<u>2024</u>	<u>As Restated 2023</u>
Reconciliation of operating income to net cash used in operating activities:		
Operating income	\$ (42,837)	115,201
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	341,583	335,130
Rental income	33,448	33,408
Insurance recovery	-	51,286
Other non-operating, net	16,177	13,811
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in assets and deferred outflows of resources:		
Accounts receivable – sales and services, net	(47,386)	(5,580)
Property tax receivable	37,262	(38,093)
Lease receivable	29,956	28,116
Materials and supplies inventory	(71,920)	113,309
Prepaid expenses and other deposits	(3,791)	(23,033)
Deferred other post-employment benefit outflows	(21,861)	(23,589)
Deferred pension outflows	(100,149)	(307,523)
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable and accrued expenses	(221,366)	9,035
Deposits	44,854	6,266
Unearned revenue	8,704	2,734
Compensated absences	8,124	(3,551)
Net other post-employment benefit liability	68,858	115,968
Net pension liability	223,379	752,140
Deferred lease inflows	(33,167)	(33,406)
Deferred other post-employment benefit inflows	(69,414)	(115,207)
Deferred pension inflows	43,257	(201,205)
Total adjustments	<u>286,548</u>	<u>710,016</u>
Net cash provided by operating activities	<u>\$ 243,711</u>	<u>825,217</u>
Non-cash investing, capital, and financing transactions:		
Change in fair-market value of funds deposited with LAIF	<u>\$ (19,276)</u>	<u>(68,185)</u>

See accompanying notes to the basic financial statements

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Westborough Water District (District) is an independent special district, which operates under the authority of Division 12 of the California Water Code. The District has been providing water and sewer services to the residents of the South San Francisco area since 1961. The District is governed by a five-member Board of Directors who serve overlapping four-year terms.

Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water and sewer services to its customers on a continuing basis be financed or recovered primarily through user charges (water and sewer service fees). Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and sewer services, as well as water purchases and sewer treatment, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

The District recognizes revenue from water and sewer service charges based on cycle billings performed bi-monthly. The District accrues revenues with respect to water and sewer service sold but not billed at the end of a fiscal period.

Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 99

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

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 99, continued

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period.

Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, (continued)

Investments and Investment Policy

The District has adopted an investment policy directing the General Manager to deposit funds in financial institutions. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Restricted Assets

Certain assets of the District are restricted for use by ordinance and, accordingly, are shown as restricted assets on the accompanying statements of net position. The District uses restricted resources, prior to using unrestricted resources, to pay expenditures meeting the criteria imposed on the use of restricted resources by a third party.

Accounts Receivable and Allowance for Uncollectible Accounts

The District extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the District uses the allowance method for the reservation and write-off of those accounts.

Property Taxes and Assessments

The County of San Mateo Assessor's Office assesses all real and personal property within the County each year. The County of San Mateo Tax Collector's Offices bills and collects the District's share of property taxes and assessments. The County of San Mateo Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by the County of San Mateo, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

Lease Receivable

Lease receivables are measured at the present value of payments expected to be received during the lease term.

Prepays

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

Inventory

Inventory consists primarily of materials used in construction and maintenance of the water and sewer systems and is stated at cost using the average-cost method.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, (continued)

Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$500. Contributed assets are recorded at estimated fair market value at the date of contribution. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Sewer facilities	40 to 50 years
Water facilities	50 years
Buildings	5 to 10 years
Joint-use-facilities	50 years
Meters	5 to 15 years
Office equipment	5 to 15 years
Maintenance facilities	30 to 40 years

Deferred Outflows of Resources

The statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources applicable to future periods and, therefore, will *not* be recognized as an outflow of resources (expenditure) until that time.

The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow which is equal to employer contributions made after the measurement date of the net other post-employment benefit liability. This amount will be amortized-in-full against the net other post-employment benefit liability in the next fiscal year.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with post-employment benefits through the Plan.
- Deferred outflow for the net difference between projected and actual earnings on investments of the other post-employment benefit plan's fiduciary net position. This amount is amortized over a 5 year period.

Pensions

- Deferred outflow which is equal to employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the Plan.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the Plan.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, (continued)

Deferred Outflows of Resources, continued

Pensions, continued

- Deferred outflow for the net difference between projected and actual earnings on investments of the pension plan's fiduciary net position. This amount is amortized over a 5 year period.
- Deferred outflow for the net change in the proportion of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the Plan.

Compensated Absences

The District's policy is to permit employees to accumulate earned vacation and sick leave according to the number of years of service with the District. The liability for vested vacation and sick leave is recorded as an expense when earned.

Upon separation from the District as a result of retirement, disability, or death, permanent employees are entitled to receive compensation at their current base salary for all unused vacation, up to a maximum of 30 days, and sick leave, up to a maximum of 120 days. Sick leave is paid if the employee is retirement eligible and meets vesting requirements. Sick leave is not paid for those circumstances where an employee has not completed the probationary period or is separated from the District upon termination.

As of June 30, 2024, the vacation accrual schedule is as follows:

<u>Years of service completed</u>	<u>Days of vacation earned annually</u>
1 to 4	10 (two weeks)
5 to 9	15 (three weeks)
10 to 14	20 (four weeks)
15 to 19	25 (five weeks)
20 to 24	30 (six weeks)

Post-Employment Benefits Other Than Pensions (OPEB)

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

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation dates: June 30, 2023 and June 30, 2021
- Measurement dates: June 30, 2023 and 2022
- Measurement periods: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, (continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation dates: June 30, 2022 and June 30, 2021
- Measurement dates: June 30, 2023 and June 30, 2022
- Measurement periods: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

Deferred Inflows of Resources

The statements of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of resources applicable to future periods and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time.

The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with post-employment benefits through the Plan.

Pensions

- Deferred inflow for the net difference between the actual and proportionate share of employer contribution and net changes in proportion which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the Plan.

Deposit Connection Fees

Connection fees are collected by the District to cover the cost of service connections within the District. Funds in excess of connection costs are refunded to the customer.

Water and Sewer Sales

The District recognizes water and sewer service charges based on cycle billings rendered to customers each month.

Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners or real estate developers desiring services that require capital expenditures or capacity commitment.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies, (continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, (continued)

Net Position

The District follows the financial reporting requirements of the GASB and reports net position under the following classifications:

- *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding balances of any debt or other long-term borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – Consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- *Unrestricted* – The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that is not included in the determination of the net investment in capital assets or restricted component of net position.

Budgetary Policies

The District adopts a one year non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

Reclassification

The District has reclassified certain prior year information to conform with current year presentations.

Note 2 – Cash and Investments

Cash and investments as of June 30 are classified in the accompanying financial statements as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 5,593,965	5,070,321
Cash and cash equivalents – restricted	<u>256,504</u>	<u>140,635</u>
Total cash and cash equivalents	<u>\$ 5,850,469</u>	<u>5,210,956</u>

Cash and investments as of June 30 consist of the following:

	<u>2024</u>	<u>2023</u>
Cash on hand	\$ 600	600
Deposits with financial institutions	496,350	646,501
Deposits held with California Local Agency Investment Fund (LAIF)	<u>5,353,519</u>	<u>4,563,855</u>
Total cash and investments	<u>\$ 5,850,469</u>	<u>5,210,956</u>

As of June 30, the District's authorized deposits had the following maturities:

	<u>2024</u>	<u>2023</u>
Deposits held with California Local Agency Investment Fund (LAIF)	217 days	260 days

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 2 – Cash and Investments, continued

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rate. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide requirements for cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

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

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 3 – Accounts Receivable – Water Sales and Services, Net

At fiscal year end, the District reviews its receivables balance for uncollectible accounts. At fiscal years ending 2024 and 2023, accounts receivable was determined to be fully collectible at fiscal year-end.

The balance at June 30 consists of the following:

		<u>2024</u>	<u>2023</u>
Accounts receivable – water sales and services	\$	776,681	729,295
Accounts receivable – water sales, net	\$	<u>776,681</u>	<u>729,295</u>

Note 4 – Lease Receivable

Changes in lease receivable for the year ended June 30, were as follows:

	<u>Balance 2023</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>	<u>Deferred Inflows</u>
Lease receivable:							
Crown Castle	\$ 268,016	-	(29,956)	238,060	32,798	205,262	\$ (200,686)
Total lease receivable	\$ 268,016	-	(29,956)	238,060	32,798	205,262	\$ (200,686)

Changes in lease receivable for the year ended June 30, were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long-term Portion</u>	<u>Deferred Inflows</u>
Lease receivable:							
Crown Castle	\$ 296,132	-	(28,116)	268,016	30,395	237,621	\$ (233,853)
Total lease receivable	\$ 296,132	-	(28,116)	268,016	30,395	237,621	\$ (233,853)

Crown Castle

On July 1, 1995, the District entered into a lease agreement with AT&T Wireless. On March 28, 2014, AT&T transferred ownership to its subsidiary Crown Castle ATT, LLC (Crown Castle). Crown Castle has agreed to pay the District for purpose of leasing communication tower space at its Skyline Boulevard site. The terms of the agreement require Crown Castle to pay the District in monthly installments through June 2030 and is adjusted annually by a rate of 3.00% and 7.00%.

Following the provisions set forth by *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 2.85%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024 and 2023, deferred inflows were reported at \$200,686 and \$233,853, respectively.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 4 – Lease Receivable, continued

Crown Castle, continued

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

Fiscal Year		Principal	Interest	Total		Deferred Inflows
2025	\$	32,798	6,346	39,144	\$	(33,407)
2026		35,331	5,378	40,709		(33,408)
2027		38,001	4,337	42,338		(33,407)
2028		40,815	3,217	44,032		(33,407)
2029		43,778	2,015	45,793		(33,408)
2030		47,337	727	48,064		(33,649)
Total		238,060	22,020	260,080	\$	(200,686)
Current		(32,798)				
Non-current	\$	205,262				

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 5 – Capital Assets

Changes in capital assets for 2024 were as follows:

	<u>Balance 2023</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2024</u>
Non-depreciable assets:				
Land	\$ 182,632	-	-	182,632
Construction in progress	8,370	483,718	(285,964)	206,124
Total non-depreciable assets	191,002	483,718	(285,964)	388,756
Depreciable assets:				
Buildings	1,503,834	-	-	1,503,834
Water facilities	8,095,129	111,367	-	8,206,496
Sewer facilities	3,382,231	63,669	-	3,445,900
Joint use facilities	94,907	-	-	94,907
Maintenance facilities	478,624	-	-	478,624
Water meters	833,296	102,560	-	935,856
Furniture and equipment	157,741	1,234	-	158,975
Total depreciable assets	14,545,762	278,830	-	14,824,592
Accumulated depreciation:				
Buildings	(726,031)	(37,495)	-	(763,526)
Water facilities	(3,379,677)	(166,622)	-	(3,546,299)
Sewer facilities	(1,812,471)	(66,301)	-	(1,878,772)
Joint use facilities	(80,613)	(512)	-	(81,125)
Maintenance facilities	(455,843)	(11,183)	-	(467,026)
Water meters	(323,576)	(46,884)	-	(370,460)
Furniture and equipment	(111,719)	(12,586)	-	(124,305)
Total accumulated depreciation	(6,889,930)	(341,583)	-	(7,231,513)
Total depreciable assets, net	7,655,832	(62,753)	-	7,593,079
Total capital assets, net	\$ 7,846,834	420,965	(285,964)	7,981,835

Major changes to capital assets consisted primarily of additions of \$483,718 in construction in progress, \$111,367 in upgrades to water facilities, \$102,560 in additions to water meters, \$63,669 in upgrades to sewer facilities, and \$1,234 in upgrades to furniture and equipment. Construction in progress transfers included \$277,596 to water facilities. There were \$8,368 in deletions to construction in progress.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 5 – Capital Assets, (continued)

Changes in capital assets for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Non-depreciable assets:				
Land	\$ 182,632	-	-	182,632
Construction in progress	1,327,926	33,326	(1,352,882)	8,370
Total non-depreciable assets	1,510,558	33,326	(1,352,882)	191,002
Depreciable assets:				
Buildings	1,493,829	10,005	-	1,503,834
Water facilities	6,678,889	1,416,240	-	8,095,129
Sewer facilities	3,367,856	14,375	-	3,382,231
Joint use facilities	94,907	-	-	94,907
Maintenance facilities	478,624	-	-	478,624
Water meters	687,633	145,663	-	833,296
Furniture and equipment	156,528	1,213	-	157,741
Total depreciable assets	12,958,266	1,587,496	-	14,545,762
Accumulated depreciation:				
Buildings	(688,608)	(37,423)	-	(726,031)
Water facilities	(3,216,872)	(162,805)	-	(3,379,677)
Sewer facilities	(1,733,944)	(78,527)	-	(1,812,471)
Joint use facilities	(80,102)	(511)	-	(80,613)
Maintenance facilities	(443,457)	(12,386)	-	(455,843)
Water meters	(292,543)	(31,033)	-	(323,576)
Furniture and equipment	(99,273)	(12,446)	-	(111,719)
Total accumulated depreciation	(6,554,799)	(335,131)	-	(6,889,930)
Total depreciable assets, net	6,403,467	1,252,365	-	7,655,832
Total capital assets, net	\$ 7,914,025	1,285,691	(1,352,882)	7,846,834

Major changes to capital assets consisted primarily of additions of \$33,326 in construction in progress, \$1,416,240 in upgrades to water facilities, \$145,663 in additions to water meters, \$14,375 in upgrades to sewer facilities, and \$10,005 in upgrades to buildings. There were no deletions. Construction in progress transfers included \$1,352,882 to water facilities.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 6 – Compensated Absences

Compensated absences comprise unpaid vacation leave, sick leave and compensating time off which are accrued as earned. The District's liability for compensated absences is determined annually.

The change to compensated absences balances at June 30, 2024 was as follows:

<u>Balance 2023</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$ 134,085	143,993	(135,906)	142,172	35,543	106,629

The change to compensated absences balances at June 30, 2023 was as follows:

<u>Restated 2022</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$ 137,289	122,560	(125,764)	134,085	33,512	100,536

Note 7 – Other Post-Employment Benefits (OPEB) Plan

Plan Description

The District provides other post-employment benefits (OPEB) to qualified employees who retire from the District and meet the District's vesting requirements. The Plan is a single employer defined benefit OPEB plan administered by the District. The District participates in CalPERS California Employer's Retiree Benefit Trust Program (CERBT), a Prefunding Plan trust fund intended to perform an essential government function within the meaning of Section 115 of the Internal Revenue Code. Copies of CalPERS CERBT audited financial report may be obtained from their executive Office: 400 P Street, Sacramento, CA 95814. The reporting requirements for these benefit programs as they pertain to the District are set forth below.

Benefits Provided

The District offers post-employment medical benefits to retired employees who satisfy the eligibility rules. Spouses and surviving spouses are eligible to receive benefits. Retirees may enroll in any plan available through the District's medical program. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors.

The following requirements must be satisfied in order to be eligible for post-employment medical benefits:

- Employees hired before May 1, 2011, who retire from the District after attainment of age 55 and with 15 years of service.
- Employees hired on or after January 1, 2013, who retire from the District after attainment of age 60 and with 15 years of service.

Employees Covered by Benefit Terms

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

	<u>2024</u>	<u>2023</u>
Active plan members	6	6
Retiree plan members	1	1
Total Plan membership	<u>7</u>	<u>7</u>

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 7 – Other Post-Employment Benefits (OPEB) Plan, (continued)

Contributions

The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays 100% of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. The annual contribution is based on the actuarially determined contribution.

As of the fiscal years ended June 30, the contributions were as follows:

	<u>2024</u>	<u>2023</u>
Contributions – employer	\$ 9,315	10,367
Total employer paid contribution:	<u>\$ 9,315</u>	<u>10,367</u>

As of June 30 2024 and 2023, employer OPEB contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$9,315 and \$10,367 will be/were recognized as a reduction of the net OPEB liability for the fiscal years ended June 30, 2025 and 2024, respectively.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2023 and 2022, and the total OPEB liability used to calculate the net OPEB liability were determined by actuarial valuation dates as of June 30, 2023 and 2021, respectively. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 7 – Other Post-Employment Benefits (OPEB) Plan, (continued)

Actuarial Assumptions

The net OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2024 – 2.50 percent 2023 – 2.50 percent
Salary increases	2024 – 2.75 percent, average, including inflation 2023 – 2.75 percent, average, including inflation
Discount rate	2024 – 6.25 percent 2023 – 6.25 percent
Healthcare cost trend rates – 2024	Non-Medicare – 7.85/7.10 percent (HMO/PPO) for 2024, decreasing to an ultimate rate of 5.00% percent in 2043 Medicare (Kaiser) – 5.75/5.90 percent (HMO/PPO) for 2024, decreasing to an ultimate rate of 3.75 percent in 2038
Healthcare cost trend rates – 2023	Non-Medicare – 6.50 percent for 2023, decreasing to an ultimate rate of 3.75 percent in 2076 Medicare (Kaiser) – 4.60 percent for 2023, decreasing to an ultimate rate of 3.75 percent in 2076 Medicare (UHC) – 5.65 percent for 2023, decreasing to an ultimate rate of 3.75 percent in 2076
Retirees' share of benefit-related costs	100 percent of the District's share of projected health insurance premiums for retirees age 55 with a minimum 15 years of service hired before January 1, 2013. 100 percent of the District's share of projected health insurance premiums for retirees age 65 with a minimum 15 years of service hired on or after January 1, 2013.

The actuarial assumptions used in the June 30, 2023 and 2021 valuations were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the District. The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The asset class percentages were taken from the current composition of the CERBT trust, and the expected yields were taken from a CalPERS publication for the Pension Fund. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2024 and 2023, are summarized in the table on the following page.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 7 – Other Post-Employment Benefits (OPEB) Plan, (continued)

Actuarial Assumptions, (continued)

<u>Asset Class</u>	<u>Target Allocation* CERB-Strategy 1</u>	<u>Expected Real Return**</u>
Global equity	49.0%	5.69%
Fixed income	23.0%	1.41%
Treasury inflation-protected securities	5.0%	2.26%
Commodities	3.0%	2.81%
Real estate trusts	20.0%	6.86%
Total	<u>100%</u>	

* CalPERS 2022 Asset Liability Management (ALM) Study

** JP Morgan arithmetic Long-Term Capital Market Assumptions

Discount Rate

As of June 30, 2024 and 2023, the discount rate used to measure the net OPEB liability was 6.25%, respectively. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the retirees' benefits. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

Changes in the net OPEB liability as of June 30, 2024 (measured at June 30, 2023) were as follows:

	June 30, 2024			June 30, 2023
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Net OPEB Liability
Balance at beginning of year	\$ 833,106	634,464	198,642	82,674
Changes for the year:				
Service cost	22,036	-	22,036	21,447
Interest	52,474	-	52,474	49,957
Benefit payments	(31,572)	(31,572)	-	-
Difference between expected and actual experience	33,300	-	33,300	(563)
Change in assumptions	43,593	-	43,593	-
Employer contributions	-	41,939	(41,939)	(50,131)
Net investment income	-	40,790	(40,790)	95,078
Administrative expenses	-	(184)	184	180
Net change	119,831	50,973	68,858	115,968
Balance at end of year	\$ 952,937	685,437	267,500	198,642

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 7 – Other Post-Employment Benefits (OPEB) Plan, (continued)

Change of Benefit Terms

There were no changes in benefit terms.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following tables present the District's net OPEB liability calculated using the discount rate, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

At June 30, 2024, the discount rate comparison are the following:

	Discount Rate - 1%	Current Discount Rate 6.25%	Discount Rate + 1%
Net OPEB liability \$	398,716	267,500	160,003

At June 30, 2023, the discount rate comparison are the following:

	Discount Rate - 1%	Current Discount Rate 6.25%	Discount Rate + 1%
Net OPEB liability \$	298,875	198,642	115,168

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

At June 30, 2024, the healthcare cost trend rate comparison was the following:

	1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB liability \$	150,747	267,500	411,386

At June 30, 2023, the healthcare cost trend rate comparison was the following:

	1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB liability \$	115,417	198,642	294,618

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 7 – Other Post-Employment Benefits (OPEB) Plan, (continued)

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

For the fiscal years ended June 30, 2024 and 2023, the District recognized OPEB expense of \$25,038 and \$19,111, respectively.

At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	June 30, 2024		June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to measurement date	\$ 47,455	-	41,939	-
Changes in assumptions	83,198	-	56,160	-
Differences between expected and actual experience	-	(138,665)	-	(208,079)
Net differences between expected and actual return on investments	42,788	-	53,481	-
Total	\$ 173,441	(138,665)	151,580	(208,079)

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

Fiscal Year Ending June 30:	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ (10,518)
2026	(13,497)
2027	8,294
2028	(6,925)
2029	(4,930)
Thereafter	14,897

OPEB Plan Fiduciary Net Position

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

See pages 47 and 48 for the Required Supplementary Information.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's separate Miscellaneous Employee, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website or may be obtained from their executive office: 400 P Street, Sacramento, CA, 95814.

Benefits Provided

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

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 55 Risk Pool Retirement Plan to new employee entrants, not previously employed by an agency under CalPERS, effective December 31, 2012. All employees hired after January 1, 2013 are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

The Plan's provision and benefits in effect at June 30, 2024 and 2023, are summarized as follows:

	Miscellaneous Plan	
	Tier 1	Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
2024:		
Required employee contribution rates	6.92%	7.75%
Required employer contribution rates	11.84%	7.68%
2023:		
Required employee contribution rates	6.91%	6.75%
Required employer contribution rates	10.34%	7.47%

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan, (continued)

Contributions

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

As of the fiscal years ended June 30, the contributions for the Plan were as follows:

		Miscellaneous Plan	
		2024	2023
District paid contributions:			
Employer	\$	153,550	90,693
Employee (paid by employer)		5,443	5,023
Total District paid contributions	\$	158,993	95,716

Net Pension Liability

As of the fiscal years ended June 30, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

		Proportionate Share of Net Pension Liability	
		2024	2023
Miscellaneous Plan	\$	1,254,767	1,031,388

The District's net pension liability for the PERF C is measured as the proportionate share of the net pension liability for the miscellaneous pool. As of June 30, 2024 and 2023, the net pension liability of the Plan is measured as of June 30, 2023 and 2022 (the measurement dates), respectively. The total pension liability for the PERF C's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 and 2021 (valuation dates), rolled forward to June 30, 2023 and 2022, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the net pension liability as of the fiscal years ended June 30, were as follows:

		Miscellaneous Plan	
		2024	2023
Proportion – beginning of year		0.00893%	0.00516%
Proportion – end of year		0.01006%	0.00893%
Change – Increase (Decrease)		0.00113%	0.00377%

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan, (continued)

Deferred Pension Outflows (Inflows) of Resources

As of June 30, 2024 and 2023, the District recognized pension expense of \$320,035 and \$334,104, respectively.

Deferred Pension Outflows (Inflows) of Resources, continued

As of June 30, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Description	June 30, 2024		June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 153,550	-	90,693	-
Differences between actual and expected experience	54,156	-	6,840	-
Change in assumptions	75,755	-	105,688	-
Net difference between projected and actual earnings on plan investments	203,156	-	188,925	-
Differences between actual contribution and proportionate share of contribution	-	(148,489)	-	(105,232)
Net adjustment due to differences in proportions of net pension liability	153,414	-	147,736	-
Total	\$ 640,031	(148,489)	539,882	(105,232)

As of June 30 2024 and 2023, the District reported \$153,550 and \$90,693, respectively, as deferred outflows of resources related to contributions subsequent to the measurement dates. Pension contributions subsequent to the measurement date for the year ended June 30, 2024, will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Pension contributions subsequent to the measurement date for the year ended June 30, 2023, were recognized as a reduction of the net pension liability for the year ended June 30, 2024.

At June 30, 2024, other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/ (Inflows) of Resources
2025	\$ 120,536
2026	86,656
2027	117,897
2028	12,903

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan, (continued)

Actuarial Assumptions

The total pension liability in the June 30, 2022 and 2021, actuarial valuation reports were determined using the following actuarial assumptions:

Valuation dates	June 30, 2022 and 2021
Measurement dates	June 30, 2023 and 2022
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68

Actuarial assumptions:

Discount rate	2024 - 6.90%
	2023 - 6.90%
Inflation	2024 - 2.30%
	2023 - 2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90% Net of pension plan investment and administrative expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' membership data for all funds
Period upon which actuarial Experience Survey assumption were based	2023 and 2022 – 1997-2015
Post retirement benefit	2023 and 2022 – Contract COLA up to 2.50% until Purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

* The mortality table above was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan, (continued)

Discount Rate, continued

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

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

As of June 30, 2024 and 2023, the target allocation and the long-term expected real rate of return by asset class were as follows:

Asset Class	New Strategic Allocation	Real Return Years 1–10^{1,2}
Global Equity - Cap-weighted	30.0%	4.45%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage-backed securities	5.0%	50.00%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100%</u>	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Mangement study.

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

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

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 8 – Defined Benefit Pension Plan, (continued)

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

At June 30, 2024, the discount rate comparison was the following:

	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
District's net pension liability	\$ 2,129,175	1,254,767	535,054

At June 30, 2023, the discount rate comparison was the following:

	Discount Rate - 1% 5.90%	Prior Discount Rate 6.90%	Discount Rate + 1% 7.90%
District's net pension liability	\$ 1,767,069	1,031,388	426,106

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued CalPERS financial reports. See pages 49 and 50 for the Required Supplementary Information.

Payable to the Pension Plan

At June 30, 2024 and 2023, the District reported no payables for the outstanding amount of contribution to the pension plan.

Note 9 – Net Position

Restricted net position is comprised of the following:

	2024	As Restated 2023
Restricted net position:		
Cash and cash equivalents – restricted	\$ 256,504	140,635
Accrued interest receivable – restricted	15,019	905
Total restricted net position	\$ 271,523	141,540

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 9 – Net Position, continued

Unrestricted net position is comprised of the following:

	<u>2024</u>	<u>As Restated 2023</u>
Non-spendable net position:		
Materials and supplies inventory	\$ 305,158	233,238
Prepaid expenses	34,130	30,339
Total non-spendable net position	<u>339,288</u>	<u>263,577</u>
Spendable net position are designated as follows:		
Unrestricted (reserved for operations)	3,636,638	3,081,527
Total spendable net position	<u>3,636,638</u>	<u>3,081,527</u>
Total unrestricted net position	\$ <u>3,975,926</u>	<u>3,345,104</u>

Note 10 – Adjustments to Net Position

In fiscal year 2024, the District determined that the semi-annual sewer charges were overstated in accounts payable as of June 30, 2023. This was due to an error in the District's self-reporting to the City of Daly City (the City). As a result, the District has restated both accounts payable and Wastewater service charges as of June 30, 2023.

The adjustment to net position was as follows:

Net position at July 1, 2022, as previously stated	\$ <u>10,411,048</u>
Effect of the adjustments to the sewer service charges to sewer accounts payable and treatment and disposal expense	353,498
Change in net position at June 30, 2023, as previously stated	<u>568,932</u>
Net position at June 30, 2023, as restated	\$ <u><u>11,333,478</u></u>

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 10 – Adjustments to Net Position, continued

In fiscal year 2023, the District determined that compensated absences was understated. The compensated absence balance did not include sick leave which should be included for employees who are retirement eligible and meet vesting requirements. In addition, prior year amounts did not include executive leave liability amounts.

As a result of the District recorded has recorded prior period adjustments to restate net position as of June 30, 2020, 2021, and 2022. Please see Note 6 for further information.

The adjustments to net position were as follows:

Net position at July 1, 2019, as previously stated	\$ <u>9,338,216</u>
Effect of the adjustments to record sick leave liability accrual to compensated absences	(64,579)
Change in net position at June 30, 2020, as previously stated	<u>347,101</u>
Net position at June 30, 2020, as restated	\$ <u>9,620,738</u>
Effect of the adjustments to record sick leave liability accrual to compensated absences	22,565
Change in net position at June 30, 2021, as previously stated	<u>(234,870)</u>
Net position at June 30, 2021, as restated	\$ <u>9,408,433</u>
Effect of the adjustments to record sick leave liability accrual to compensated absences	(27,123)
Effect of the adjustments to record executive leave liability accrual to compensated absences	(17,768)
Change in net position at June 30, 2022, as previously stated	<u>1,047,506</u>
Net position at June 30, 2022, as restated	\$ <u>10,411,048</u>

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 11 – Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

At June 30, 2024, the District participates in the ACWA/JPIA pooled programs for liability, property, and workers' compensation programs as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of \$5,000,000 per occurrence. The ACWA/JPIA purchased additional excess coverage layers: \$55 million for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.

In addition to the coverage above, the District also has the following insurance coverage:

- Crime coverage up to \$100,000 per loss includes public employee dishonesty, depositor's forgery or alteration, theft, computer, and funds transfer fraud coverage's, subject to \$1,000 deductible per loss.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis. The ACWA/JPIA is self-insured up to \$10,000,000 per loss and has purchased re-insurance coverage for scheduled values up to a combined total of \$500 million per loss. The District's deductible for scheduled value is \$2,500 per loss. Mobile equipment and vehicles, on file, are paid on actual cost value basis at time of loss and subject to \$1,000 deductible per loss. The property Program includes Earthquake with aggregate limit of \$2,500,000, and is subject to minimum \$75,000 deductible, Flood Coverage with aggregate limit of \$25,000,000 and subject to a \$100,000 deductible.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment, on file.
- Cyber Liability: including Cyber Security up to \$3,000,000 per member and \$5,000,000 Aggregate Limit. Cyber Liability deductible varies from \$10,000 to \$50,000 depending on District Total Scheduled Values.
- Workers' compensation coverage up to California statutory limits for all work-related injuries/illnesses covered by California law; a pooled self-insured limit of \$2,000,000 and excess insurance coverage has been purchased.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ended June 30, 2024, 2023, and 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2024, 2023, and 2022.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 12 – Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2024, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 102

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Westborough Water District
Notes to the Basic Financial Statements, (continued)
For the Fiscal Years Ended June 30, 2024 and 2023

Note 12 – Governmental Accounting Standards Board Statements Issued, Not Yet Effective

Governmental Accounting Standards Board Statement No. 103

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 104

In September 2024, the GASB issued Statement No. 104 – *Disclosure of Certain Capital Assets*. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Note 13 – Commitments and Contingencies

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Note 14 – Subsequent Events

Events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statements or disclosure as of March 13, 2025, which is the date the financial statements were available to be issued. The District is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

Required Supplementary Information

Presentation Version
Subject to Board Approval

Westborough Water District
Schedules of Changes in the Net OPEB Liability and Related Ratios
As of June 30, 2024
Last Ten Years*

Fiscal year ending	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability							
Service cost	\$ 22,036	21,447	19,217	18,969	17,393	23,118	22,390
Interest	52,474	49,957	57,675	53,738	57,894	57,894	52,467
Differences in expected and actual experience	33,300	(563)	(161,612)	-	(167,988)	-	-
Changes in assumptions	43,593	-	42,515	(14,635)	65,593	-	-
Benefit payments	(31,572)	(30,760)	-	-	-	-	-
Actuary valuation adjustment	-	-	-	-	(75,287)	-	-
Net change in total OPEB liability	119,831	40,081	(42,205)	58,072	(102,395)	81,012	74,857
Total OPEB liability – beginning	833,106	793,025	835,230	777,158	879,553	798,541	723,684
Total OPEB liability – ending	\$ 952,937	833,106	793,025	835,230	777,158	879,553	798,541
Plan fiduciary net position							
Contributions employer	\$ 41,939	50,131	41,088	53,336	51,657	51,657	50,031
Net investment income	40,790	(95,078)	144,363	15,990	23,513	23,695	24,637
Benefit payments	(31,572)	(30,760)	-	-	-	-	-
Administrative expense	(184)	(180)	(199)	(224)	(82)	(188)	(160)
Actuary valuation adjustment	-	-	-	-	(75,287)	-	-
Net change in plan fiduciary net position	50,973	(75,887)	185,252	69,102	(199)	75,027	74,392
Plan fiduciary net position – beginning	634,464	710,351	525,099	455,997	456,196	381,169	306,777
Plan fiduciary net position – ending	\$ 685,437	634,464	710,351	525,099	455,997	456,196	381,169
Net OPEB liability – ending	\$ 267,500	198,642	82,674	310,131	321,161	423,357	417,372
Covered payroll	\$ 798,358	697,597	684,359	736,560	758,050	478,714	N/A
Net OPEB liability as a percentage of covered payroll	33.51%	28.48%	12.08%	42.11%	42.37%	88.44%	N/A

Notes to Schedule

Valuation dates	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Methods and assumptions used to determine contribution rates:							
Single and agent employers	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market value	Market value	Market value	Market value	Market value	Market value	Market value
Inflation	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%
Salary increases	2.75%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
Investment rate of return	6.25%	6.25%	6.25%	6.75%	6.75%	7.25%	7.25%
Mortality, retirement, disability							
Termination	(4)	(4)	(4)	(3)	(3)	(2)	(2)
Other information	(6)	(6)	(6)	(5)	(5)	N/A	N/A

- (1) Level percentage of payroll, closed
(2) Pre-retirement mortality based on RP-2014 Employee Mortality Tables, Post-retirement mortality rates based on RP-2014 Health Annuitant Mortality Table
(3) CalPERS 1997-2015 Experience Study
(4) CalPERS 2000-2019 Experience Study
(5) Mortality projected fully generational with Scale MP-2019
(6) Mortality projected fully generational with Scale MP-2021

*The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Westborough Water District
Schedules of OPEB Plan Contributions
As of June 30, 2024
Last Ten Years*

Fiscal year ending	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Actuarially determined contribution	\$ 30,724	31,686	42,403	41,088	53,336	51,657	50,031
Contributions in relation to the actuarially determined contribution	<u>(47,455)</u>	<u>(41,939)</u>	<u>(50,131)</u>	<u>(41,088)</u>	<u>(53,336)</u>	<u>(51,657)</u>	<u>(50,031)</u>
Contribution deficiency (excess)	\$ <u>(16,731)</u>	<u>(10,253)</u>	<u>(7,728)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ <u>715,723</u>	<u>798,358</u>	<u>697,597</u>	<u>684,359</u>	<u>736,560</u>	<u>758,050</u>	<u>478,714</u>
Contribution's as a percentage of covered payroll	<u>6.63%</u>	<u>5.25%</u>	<u>7.19%</u>	<u>6.00%</u>	<u>7.24%</u>	<u>6.81%</u>	<u>10.45%</u>

*The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Presentation Version
Subject to Board Approval

Westborough Water District
Schedules of the District's Proportionate Share of the Net Pension Liability
As of June 30, 2024
Last Ten Years

Measurement dates	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability	0.01006%	0.00893%	0.00516%	0.00740%	0.00700%	0.00659%	0.00659%	0.00622%	0.00560%	0.00596%
District's proportionate share of the net pension liability	\$ 1,254,767	1,031,388	279,248	805,442	717,152	634,828	653,647	538,400	384,145	370,615
District's covered payroll	\$ 755,204	941,063	761,676	666,767	646,536	616,165	585,652	564,574	546,648	518,567
District's proportionate share of the net pension liability as a percentage of its covered payroll	166.15%	109.60%	36.66%	120.80%	110.92%	103.03%	111.61%	95.36%	70.27%	71.47%
District's fiduciary net position as a percentage of the District's total pension liability	80.59%	80.89%	94.09%	81.26%	81.20%	81.79%	79.00%	79.63%	84.06%	83.03%

Notes to schedule:

Benefits changes:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that long-term expected rate of return should be determined net of pension plan investment expense but without reduction of pension plan administrative expense.

The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced from 7.15% to 6.90%.

The inflation rate was reduced from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

Westborough Water District
Schedules of Pension Plan Contributions
As of June 30, 2024
Last Ten Years

Fiscal year ending	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Actuarially determined contribution	\$ 206,333	153,411	133,340	120,567	104,440	87,578	74,208	67,046	59,092	55,655	54,569
Contributions in relation to the actuarially determined contribution	(206,333)	(153,411)	(133,340)	(120,567)	(104,440)	(87,578)	(74,208)	(67,046)	(59,092)	(55,655)	(54,569)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-	-
Covered payroll	\$ 822,927	755,204	941,063	761,676	666,767	646,536	616,165	585,652	564,574	546,648	518,567
Contribution's as a percentage of covered payroll	25.07%	20.31%	14.17%	15.83%	15.66%	13.55%	12.04%	11.45%	10.47%	10.18%	10.52%
Notes to schedule:											
Valuation dates	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
Methods and assumptions used to determine contribution rates:											
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market value	Market value	Market value	Market value	Market value	Market value	Market value	Market value	Market value	15 year Smoothed Market Method	Market value
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%	2.750%	2.750%	2.750%	2.750%	2.750%	2.750%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	6.90% (3)	7.150% (3)	7.000% (3)	7.250% (3)	7.375% (3)	7.500% (3)	7.500% (3)	7.500% (3)	7.500% (3)	7.500% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation¹

(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

Supplemental Information

Presentation Version
Subject to Board Approval

Westborough Water District
Combining Schedule of Net Position
June 30, 2024

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Current assets:			
Cash and cash equivalents	\$ 623,015	4,970,950	5,593,965
Cash and cash equivalents – restricted	177,011	79,493	256,504
Accrued interest receivable	1,518	33,620	35,138
Accrued interest receivable – restricted	612	14,407	15,019
Accounts receivable – water sales and services, net	698,584	78,097	776,681
Property tax receivable	4,890	-	4,890
Lease receivable	32,798	-	32,798
Materials and supplies inventory	305,158	-	305,158
Prepaid expenses and other deposits	34,130	-	34,130
Total current assets	1,877,716	5,176,567	7,054,283
Non-current assets:			
Lease receivable	205,262	-	205,262
Capital assets – not being depreciated	388,756	-	388,756
Capital assets – being depreciated, net	6,025,951	1,567,128	7,593,079
Total non-current assets	6,619,969	1,567,128	8,187,097
Total assets	8,497,685	6,743,695	15,241,380
Deferred outflows of resources:			
Deferred OPEB outflows	173,441	-	173,441
Deferred pension outflows	640,031	-	640,031
Total deferred outflows of resources	813,472	-	813,472
Current liabilities:			
Accounts payable and accrued expenses	196,351	-	196,351
Accrued sewer service charge	-	1,042,340	1,042,340
Deposits	410,232	-	410,232
Unearned revenue	24,366	-	24,366
Long-term liabilities – due within one year:			
Compensated absences	35,543	-	35,543
Total current liabilities	666,492	1,042,340	1,708,832
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences	106,629	-	106,629
Net OPEB liability	267,500	-	267,500
Net pension liability	1,254,767	-	1,254,767
Total non-current liabilities	1,628,896	-	1,628,896
Total liabilities	2,295,388	1,042,340	3,337,728
Deferred inflows of resources:			
Deferred lease inflows	200,686	-	200,686
Deferred OPEB inflows	138,665	-	138,665
Deferred pension inflows	148,489	-	148,489
Total deferred inflows of resources	487,840	-	487,840
Net position:			
Net investment in capital assets	6,414,707	1,567,128	7,981,835
Restricted	177,623	93,900	271,523
Unrestricted	(64,401)	4,040,327	3,975,926
Total net position	\$ 6,527,929	5,701,355	12,229,284

Westborough Water District
Combining Schedule of Net Position
June 30, 2023

	Enterprise Funds		As Restated
	Water Fund	Sewer Fund	Total
Current assets:			
Cash and cash equivalents	\$ 206,549	4,863,772	5,070,321
Cash and cash equivalents – restricted	-	140,635	140,635
Accrued interest receivable	-	32,620	32,620
Accrued interest receivable – restricted	-	905	905
Accounts receivable – water sales and services, net	645,974	83,321	729,295
Property tax receivable	42,152	-	42,152
Lease receivable	30,395	-	30,395
Materials and supplies inventory	233,238	-	233,238
Prepaid expenses and other deposits	30,339	-	30,339
Total current assets	1,188,647	5,121,253	6,309,900
Non-current assets:			
Lease receivable	237,621	-	237,621
Capital assets – not being depreciated	191,002	-	191,002
Capital assets – being depreciated, net	6,086,072	1,569,760	7,655,832
Total non-current assets	6,514,695	1,569,760	8,084,455
Total assets	7,703,342	6,691,013	14,394,355
Deferred outflows of resources:			
Deferred OPEB outflows	151,580	-	151,580
Deferred pension outflows	539,882	-	539,882
Total deferred outflows of resources	691,462	-	691,462
Current liabilities:			
Accounts payable and accrued expenses	185,315	-	185,315
Accrued sewer service charge	-	1,274,742	1,274,742
Deposits	365,378	-	365,378
Unearned revenue	15,662	-	15,662
Long-term liabilities – due within one year:			
Compensated absences	33,512	-	33,512
Total current liabilities	599,867	1,274,742	1,874,609
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences	100,536	-	100,536
Net OPEB liability	198,642	-	198,642
Net pension liability	1,031,388	-	1,031,388
Total non-current liabilities	1,330,566	-	1,330,566
Total liabilities	1,930,433	1,274,742	3,205,175
Deferred inflows of resources:			
Deferred lease inflows	233,853	-	233,853
Deferred OPEB inflows	208,079	-	208,079
Deferred pension inflows	105,232	-	105,232
Total deferred inflows of resources	547,164	-	547,164
Net position:			
Net investment in capital assets	6,277,074	1,569,760	7,846,834
Restricted	-	141,540	141,540
Unrestricted	(359,867)	3,704,971	3,345,104
Total net position	\$ 5,917,207	5,416,271	11,333,478

Westborough Water District
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2024

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating revenues:			
Water consumption sales	\$ 4,143,441	-	4,143,441
Wastewater service	-	3,293,969	3,293,969
Other charges and services	23,589	1,000	24,589
Total operating revenues	4,167,030	3,294,969	7,461,999
Operating expenses:			
Salaries	456,397	-	456,397
Employee benefits	193,850	-	193,850
Payroll taxes	33,734	-	33,734
Water purchases	1,814,651	-	1,814,651
Utilities	176,485	146,402	322,887
System maintenance	72,813	81,259	154,072
Supplies and small tools	18,337	-	18,337
Special services	76,886	-	76,886
Technical communications	9,903	-	9,903
Vehicles	30,917	-	30,917
Treatment and disposal	-	2,660,121	2,660,121
General and administrative	1,335,696	55,802	1,391,498
Total operating expenses	4,219,669	2,943,584	7,163,253
Operating income before depreciation	(52,639)	351,385	298,746
Depreciation	(275,282)	(66,301)	(341,583)
Operating (loss) income	(327,921)	285,084	(42,837)
Non-operating revenue(expense), net:			
Property taxes	647,270	-	647,270
Investment earnings, net of fair value	234,277	-	234,277
Interest on rental income	7,471	-	7,471
Rental revenue	33,448	-	33,448
Other non-operating revenue	16,177	-	16,177
Total non-operating revenues, net	938,643	-	938,643
Changes in net position	610,722	285,084	895,806
Net position, beginning of year, as restated	5,917,207	5,416,271	11,333,478
Net position, end of year	\$ 6,527,929	5,701,355	12,229,284

Westborough Water District
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	Enterprise Funds		As Restated
	Water Fund	Sewer Fund	Total
Operating revenues:			
Water consumption sales	\$ 4,011,005	-	4,011,005
Wastewater service	-	3,236,621	3,236,621
Other charges and services	23,395	600	23,995
Total operating revenues	4,034,400	3,237,221	7,271,621
Operating expenses:			
Salaries and benefits	414,446	-	414,446
Employee benefits	216,604	-	216,604
Payroll taxes	31,258	-	31,258
Water purchases	1,734,787	-	1,734,787
Utilities	154,843	118,703	273,546
System maintenance	63,574	40,629	104,203
Supplies and small tools	13,047	-	13,047
Special services	68,394	-	68,394
Technical communications	9,620	-	9,620
Vehicles	48,944	-	48,944
Treatment and disposal	-	2,558,068	2,558,068
General and administrative	1,287,653	60,720	1,348,373
Total operating expenses	4,043,170	2,778,120	6,821,290
Operating (loss) income before depreciation	(8,770)	459,101	450,331
Depreciation	(256,606)	(78,524)	(335,130)
Operating (loss) income	(265,376)	380,577	115,201
Non-operating revenue:			
Property taxes	652,922	-	652,922
Investment earnings, net of fair value	47,728	-	47,728
Interest on rental income	8,074	-	8,074
Rental revenue	33,408	-	33,408
Insurance recovery	51,286	-	51,286
Other non-operating revenue	13,811	-	13,811
Total non-operating revenues, net	807,229	-	807,229
Changes in net position	541,853	380,577	922,430
Net position, beginning of year, as restated	5,375,354	5,035,694	10,411,048
Net position, end of year, as restated	\$ 5,917,207	5,416,271	11,333,478

**Westborough Water District
Budgetary Comparison Schedule
For the Year Ended June 30, 2024**

	Adopted Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
Operating revenues:				
Water consumption sales	\$ 4,196,733	4,196,733	4,143,441	(53,292)
Wastewater service	3,284,888	3,284,888	3,293,969	9,081
Other charges and services	19,200	19,200	24,589	5,389
Total operating revenues	7,500,821	7,500,821	7,461,999	(38,822)
Operating expenses:				
Salaries and benefits	514,236	514,236	456,397	57,839
Employee benefits	61,266	61,266	193,850	(132,584)
Payroll taxes	34,825	34,825	33,734	1,091
Water purchases	1,906,743	1,906,743	1,814,651	92,092
Utilities	300,316	300,316	322,887	(22,571)
System maintenance	84,905	84,905	154,072	(69,167)
Supplies and small tools	15,000	15,000	18,337	(3,337)
Special services	91,717	91,717	76,886	14,831
Technical communications	11,260	11,260	9,903	1,357
Vehicles	35,000	35,000	30,917	4,083
Treatment and disposal	2,762,425	2,762,425	2,660,121	102,304
General and administrative	1,302,458	1,302,458	1,391,498	(89,040)
Total operating expenses	7,120,151	7,120,151	7,163,253	(43,102)
Operating income before depreciation and amortization	380,670	380,670	298,746	(81,924)
Depreciation	(365,000)	(365,000)	(341,583)	23,417
Operating income (loss)	15,670	15,670	(42,837)	(58,507)
Non-operating revenues, net:				
Property taxes	676,549	676,549	647,270	(29,279)
Interest and investment unrealized loss	90,107	90,107	234,277	144,170
Interest on rental income	-	-	7,471	7,471
Rental revenue	36,192	36,192	33,448	(2,744)
Other non-operating revenue	-	-	16,177	16,177
Total non-operating revenues, net	802,848	802,848	938,643	135,795
Changes in net position	\$ 818,518	818,518	895,806	77,288
Net position, beginning of year			11,333,478	
Net position, end of year			\$ 12,229,284	

**Westborough Water District
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Adopted Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
Operating revenues:				
Water consumption sales	\$ 4,058,845	4,058,845	4,011,005	(47,840)
Wastewater service	3,200,831	3,200,831	3,236,621	35,790
Other charges and services	-	-	23,995	23,995
Total operating revenues	<u>7,259,676</u>	<u>7,259,676</u>	<u>7,271,621</u>	<u>11,945</u>
Operating expenses:				
Salaries and benefits	476,491	476,491	414,446	62,045
Employee benefits	67,874	67,874	216,604	(148,730)
Payroll taxes	32,220	32,220	31,258	962
Water purchases	1,800,586	1,800,586	1,734,787	65,799
Utilities	239,921	239,921	273,546	(33,625)
System maintenance	80,148	80,148	104,203	(24,055)
Supplies and small tools	15,000	15,000	13,047	1,953
Special services	74,526	74,526	68,394	6,132
Technical communications	9,052	9,052	9,620	(568)
Vehicles	30,400	30,400	48,944	(18,544)
Treatment and disposal	2,648,143	2,648,143	2,558,068	90,075
General and administrative	1,213,815	1,213,815	1,348,373	(134,558)
Total operating expenses	<u>6,688,176</u>	<u>6,688,176</u>	<u>6,821,290</u>	<u>(133,114)</u>
Operating income before depreciation and amortization	571,500	571,500	450,331	(121,169)
Depreciation	(365,000)	(365,000)	(335,130)	29,870
Operating income	<u>206,500</u>	<u>206,500</u>	<u>115,201</u>	<u>(91,299)</u>
Non-operating revenues, net:				
Property taxes	613,231	613,231	652,922	39,691
Interest and investment unrealized loss	12,052	12,052	47,728	35,676
Interest on rental income	-	-	8,074	8,074
Rental revenue	36,000	36,000	33,408	(2,592)
Insurance recovery	-	-	51,286	51,286
Other non-operating revenue	-	-	13,811	13,811
Total non-operating revenues, net	<u>661,283</u>	<u>661,283</u>	<u>807,229</u>	<u>145,946</u>
Changes in net position	<u>\$ 867,783</u>	<u>867,783</u>	<u>922,430</u>	<u>54,647</u>
Net position, beginning of year, as restated			<u>10,411,048</u>	
Net position, end of year			<u>\$ 11,333,478</u>	

**Westborough Water District
Schedule of Capacity Charges
For the Year Ended June 30, 2024**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Beginning balance as of July 1, 2023	\$ 313,837	140,635	454,472
Capacity fees received for the fiscal year ended June 30, 2024			
Storage and transmission fees	-	8,156	8,156
Total capacity charges	\$ <u>313,837</u>	<u>148,791</u>	<u>462,628</u>

Public improvement expenditures for the fiscal year ended June 30, 2024 are as follows:

	Project expenditures			Percentage complete	Project expenditures funded with the above fees	
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>		<u>Amount</u>	<u>Percentage</u>
Public improvement projects						
Skyline tanks structural analysis, coating, and inspection	\$ 117,109	-	117,109	5%	117,109	100%
Greendale easement sanitary improvements	-	69,298	69,298	22%	69,298	100%
MAP update	4,717	-	4,717	8%	4,717	100%
AWSDA payment	15,000	-	15,000	N/A	-	N/A
Total expenditures	<u>136,826</u>	<u>69,298</u>	<u>206,124</u>			
Excess fees over expenditures	177,011	79,493	256,504			
Ending balance as of June 30, 2024	\$ <u>177,011</u>	<u>79,493</u>	<u>256,504</u>			

**Westborough Water District
Schedule of Capacity Charges
For the Year Ended June 30, 2023**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Beginning balance as of July 1, 2022	\$ 313,837	140,635	454,472
Capacity fees received for the fiscal year ended June 30, 2023			
Storage and transmission fees	-	-	-
Total capacity charges	\$ <u>313,837</u>	<u>140,635</u>	<u>454,472</u>

Public improvement expenditures for the fiscal year ended June 30, 2023 are as follows:

	<u>Project expenditures</u>			<u>Percentage complete</u>	<u>Project expenditures funded with the above fees</u>	
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>		<u>Amount</u>	<u>Percentage</u>
Public improvement projects						
Athy Drive / Skyline Village improvements	\$ 4,079	-	4,079	95%	4,079	100%
Skyline tanks structural analysis, coating, and inspection	20,877	-	20,877	2%	20,877	100%
Total expenditures	<u>24,956</u>	<u>-</u>	<u>24,956</u>			
Excess fees over expenditures	288,881	140,635	429,516			
Less: excess	24,956	-	24,956			
Ending balance as of June 30, 2023	\$ <u>24,956</u>	<u>140,635</u>	<u>404,560</u>			

Report on Internal Controls and Compliance

Presentation Version
Subject to Board Approval

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on Audits of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Westborough Water District
South San Francisco, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Westborough Water District (District), as of and for the years June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated March 13, 2025.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

**Independent Auditor's Report on Internal Controls Over Financial Reporting
and on Compliance and Other Matters Based on Audits of Financial Statements
Performed in Accordance with *Government Auditing Standards*, (continued)**

Purpose of this Report

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

C.J. Brown & Company, CPAs
Cypress, California
March 13, 2025

Presentation Version
Subject to Board Approval

10 March 2025

Patricia Mairena
Westborough Water District
2263 Westborough Blvd.
South San Francisco, CA 94080

Subject: 2025 Urban Water Management Plan and Multi-Year Annual Water Supply and Demand Assessments

Dear Ms. Mairena:

EKI Environment & Water, Inc. (EKI) is pleased to submit this proposal for preparation of (1) the 2025 Urban Water Management Plan (UWMP) and (2) the 2025 through 2029 Annual Water Supply and Demand Assessments (AWSAs) for the Westborough Water District (Client or District).

PROPOSED SCOPE OF WORK

Task 1 – Prepare 2025 Urban Water Management Plan

Task 1.1 – Project Management and Coordination

EKI places high value on collaboration with, and input from, the District's staff throughout the project development process. This task consists of initial preparatory work to set up and manage the project, with an emphasis on transparency and coordination, as well as continued management throughout the duration of the project.

Kick-off and Data Needs Meeting

Specific information will be required for the 2025 UWMP regarding water demands and supplies, coordination efforts, and water conservation. Prior to the kick-off meeting, EKI will review the District's 2020 UWMP with respect to anticipated changes and updates in relevant regulations and DWR guidance. EKI will provide the District with a tabular summary of the additional data and information needed and will work with District staff to identify when the relevant information is likely to become available. The table will be organized by UWMP section so the intended use of the data and the manner in which the data will be utilized in the UWMP document is clear. The following tasks assume that the requested data will be provided in a timely manner, consistent with the agreed-upon project schedule.

At the kick-off meeting (one of three coordination meetings proposed herein), EKI and District staff will discuss UWMP requirements, project goals, opportunities, constraints, information needs, roles, responsibilities, schedule, and expectations. A key topic for discussion will be the project schedule to ensure efficient development of the UWMP in coordination with other information, DWR guidance and District plans. It is assumed that this meeting and subsequent workshops will be conducted remotely using teleconference tools.

Project Management

EKI will provide project management throughout the UWMP development process. This task includes coordination and communication with District staff and general consultation and technical project management services by EKI, including the preparation of invoices, coordination of staff, and progress reports. It is anticipated that regular, brief conference calls with the District will also occur on an as-needed basis throughout the duration of the project.

EKI will prepare a detailed project schedule that will include: (1) a timeline for District staff to submit data; and (2) a detailed timeline for the preparation of the 2025 UWMP, including project milestones. All project work is currently anticipated to be completed in advance of the July 1, 2026 DWR submittal deadline.

Task 1.1 Deliverables:

- Project kick-off meeting, with agenda and meeting notes
- Detailed data request
- Task-based project schedule, updated as needed
- Monthly invoices and task-based progress status reports

Task 1.1 Assumptions:

- The kick-off meeting will not exceed one (1) hour in duration and will be held virtually upon a mutually agreed upon schedule.

Task 1.2 – Prepare Water Supply and Demand Assessment

This task consists of collecting and reviewing pertinent information needed to prepare the 2025 UWMP and summarizing the key results for presentation to District staff in a working review meeting.

Water System Description

Based on information provided or approved by the District, the characteristics of the District's water service area including the water system, average rainfall, average temperature, demographics, water use sectors, and service area will be updated. This task assumes that EKI can largely build from the information and format included in the 2020 UWMP and other key documents and information provided by the District.

Current and Future Population Estimates

EKI has assumed that it will rely on information provided by the District, the 2020 Census data, California Department of Finance data, Association of Bay Area Governments (ABAG), the Bay Area Water Supply and Conservation Agency (BAWSCA) Demand Study, and/or DWR's population tool to estimate the current and future population.

Current and Future Water Demand Estimates

It is anticipated that the District will provide EKI with complete (final) water use records in total and by customer sector between 2020 and 2025¹, as well as information related to distribution system losses based on validated annual reports from the Water Loss Program. Based on analysis of the water use data, appropriate water demand factors will be developed for each sector and applied to projections of population and employment growth to estimate future water demands in five-year increments through 2050. Current and future water demands will be presented by customer classes, including distribution system losses, in five-year increments through 2050. We will compare the results of our analysis to the assumptions included in the BAWSCA Demand Study and will alert the District of any discrepancies.

Senate Bill X7-7 Per-Capita Water Usage Analysis

EKI will complete a water use analysis to demonstrate continued compliance with the Water Conservation Act of 2009 (Senate Bill X7-7 [SBX7-7]) and account for potential implications of the SB 606/Assembly Bill (AB) 1668 Urban Water Use Objective (UWUO). Pursuant to SBX7-7 and preliminary guidance from DWR, the District's 2025 UWMP will need to report compliance of 2020 water use targets if the system was compliant in 2020 and there was no service area changes between 2020 and 2025. It is assumed that limited analysis will be required as the District was well below its SBX7-7 target in 2020 and there was no service area changes. This Subtask will also leverage findings from the 2025 UWUO Report that was prepared by EKI for the District.

Water Supply and Reliability Estimates

The District's water supply will be analyzed in five-year increments for the next 25 years for both normal conditions and an extended five-year drought period. To the extent appropriate, the 2025 UWMP will incorporate information regarding the source, nature and projected availability of the District's current water supply based upon information provided by the San Francisco Public Utilities Commission (SFPUC) and BAWSCA.

The 2025 UWMP will also discuss any potential future water supplies considered by the District, including projects identified in the SFPUC Alternative Water Supply Program (AWSP) and BAWSCA Strategy 2050 (Strategy), and supply reliability and/or constraints identified by the District (e.g., water quality).

Evaluation of Supply Versus Demand

EKI will compare the District's projected water supply to projected water demand in five-year increments for the next 25 years, for normal years and for an extended five-year drought period. To the extent that there are significant shortfalls or uncertainties identified, EKI will bring these issues to the District's attention so that they can be addressed prior to drafting the Administrative Draft UWMP.

Conduct the District Review Workshop #1

Review Workshop #1 will include a presentation of the information identified above and will consist of an approximately one- to two-hour teleconference meeting with appropriate stakeholders as identified by

¹ If the District selects a calendar year basis for UWMP reporting, EKI will complete current water demand estimates using 2019 through 2024 for Task 1, and update the analyses using calendar year 2025 billing data when it becomes available.

the District. During Review Workshop #1, EKI will obtain input regarding the presentation of initial findings and guidance from the District on how to include the information into the Administrative Draft UWMP.

Task 1.2 Deliverables:

- Incorporation of demand projections and descriptions of the methodology
- Draft supply projections including descriptions of methodology and water source quality, availability, and reliability
- Draft description of current and future water projects
- Draft supply versus demand projection comparisons
- Review Workshop #1, with agenda and meeting notes

Task 1.2 Assumptions:

- The 2025 UWMP Guidebook will not require significant updates to the 2025 UWMPs, and no additional analyses will be required.
- Review Workshop #1 will not exceed two (2) hours in duration and will be held virtually upon a mutually agreed upon schedule.

Task 1.3 - Water Shortage Contingency Planning and Incorporation of Water Conservation Information

Task 1.3 includes incorporating information regarding the District's water conservation measures as well as information regarding water shortage contingency planning.

Evaluate Historic, Current and Projected Future Water Conservation

EKI will incorporate the water conservation information provided by the District into the 2025 UWMP, using the revised Demand Management Measure (DMM) framework required per AB 2067 and California Water Code (CWC) §10631.

Water Shortage Contingency Planning

EKI will work with the District to update the existing Water Shortage Contingency Plan (WSCP), drawing from insights gained during the recent 2021-2023 drought, and ensuring that options are robust enough to reduce water demands under projected dry-year scenarios. This task assumes that EKI can largely build from the District's existing WSCP and format included in the 2020 UWMP.

Conduct the District Review Workshop #2

Review Workshop #2 will include a presentation of the information identified above and will consist of a one-hour teleconference meeting with appropriate stakeholders as identified by the District. During Review Workshop #2 EKI will obtain input from the District and stakeholders regarding the content and potential effectiveness of the current WSCP and how best to include the information into the Administrative Draft UWMP.

Task 1.3 Deliverables:

- Incorporation of conservation (DMM) summary
- Updated WSCP Chapter in UWMP

- Review Workshop #2, with agenda and minutes

Task 1.3 Assumptions:

- The 2025 UWMP Guidebook will not require significant updates to the 2025 WSCPs, and no additional analyses will be required.
- Review Workshop #2 will not exceed one (1) hour in duration and will be held virtually upon a mutually agreed upon schedule.

Task 1.4 – Prepare and Submit Administrative Draft, Public Draft, and Final 2025 UWMP

Task 1.4 includes the preparation of the written UWMP documents for the District and public review, incorporation of feedback, and subsequent preparation and submission of a Final 2025 UWMP.

Administrative Draft UWMP and Public Draft UWMP

Based upon the results of Tasks 1.1 through 1.3, EKI will prepare an Administrative Draft UWMP. EKI will provide one (1) electronic Word version of the Administrative Draft UWMP to District staff for a 30-day review and comment period. EKI will incorporate the District's comments as appropriate and produce a Public Draft UWMP.

EKI will provide one (1) electronic PDF version of the Public Draft UWMP to District staff for public and regional agencies' review. Following a 30-day review period, EKI will communicate with key District staff to discuss comments received by the District as a result of external review and to agree on an approach to modify the Public Draft UWMP.

Preparation and Filing of Final UWMP

As directed by the District, EKI will incorporate comments received on the Public Draft UWMP and at the public hearing into a Final 2025 UWMP, as well as the District Board's resolution to adopt the 2025 UWMP (**Task 1.5**). Within 30 days of adoption by the District Board, EKI will forward the Final 2025 UWMP on the District's behalf to DWR, the California State Library, and San Mateo County Library. The Final 2025 UWMP will be delivered, including supporting documentation in the following formats: five (5) paper copies of the Final 2025 UWMP; electronic file in Adobe PDF format; and electronic files in Word and Excel formats.

Task 1.4 Deliverables:

- Administrative Draft UWMP (1 electronic [Word] copy)
- Public Draft UWMP (1 electronic [PDF] copy)
- Final 2025 UWMP (5 hard copies, 2 electronic copies [PDF and Word/Excel versions])
- Final 2025 UWMP submittal to DWR

Task 1.4 Assumptions:

- The 2025 UWMP Guidebook will not require significant updates to the 2025 UWMPs, and no additional analyses will be required.

Task 1.5 – Public Outreach

EKI will support the District in key aspects of the public outreach elements of the 2025 UWMP. This support will include:

- Drafting the 60 Day Notification and Public Hearing notices required by CWC Sections 10621(b); Section 10620(d)(2); and Section 10642; and
- Attending and presenting at one (1) District Board meeting.

Task 1.5 Deliverables:

- Draft and final versions of outreach letters, notices and other materials
- Meeting agendas and minutes
- Presentation materials (e.g., handouts and presentations)

Task 1.5 Assumptions:

- The 2025 UWMP Guidebook will not require significant updates to the outreach process.
- The District Board meeting will not exceed two (2) hours in duration and will be in-person.

Task 2 – Prepare Annual Water Supply and Demand Assessments

EKI will prepare the District's AWSDAs for 2025 through 2029, due July 1st of each year, based on the procedures outlined in the District's WSCP, DWR and District guidance offered during the prior AWSDA processes, and the Final DWR AWSDA Guidebook. EKl anticipates the following tasks will be needed in order to prepare the District's AWSDA:

- Submit a detailed request for information to the District;
- Estimate unconstrained demand for the next year, based on a review of demand over the last three years and consideration of other factors (e.g., influences from expected growth, major developments, trends related to the pandemic, etc.) and compare the unconstrained demand to the District's most recent UWUO report;
- Incorporate potable water supply information for the current year and the next dry year assumed to be provided by the SFPUC;
- Populate the five DWR-required tables;
- Participate in one meeting with the District to present key findings, and facilitate discussion of key decision points;
- Prepare a brief technical memorandum focused on documenting key data assumptions and consistency with the AWSDA procedures outlined in the District's WSCP; and,
- Electronic submission of the completed AWSDA (tables and memorandum) to DWR's electronic WUE Data Portal.

Major Assumptions

- Based on the AWSDA procedures outlined in SFPUC's WSCP, customer agencies should receive supply projections by early Spring of each year; however, based on the 2022 AWSDA efforts, the date could be as late as June 2024.
- Collection of information in 2025 and 2026 will be coordinated with Task 1 to achieve efficiencies.

- EKI will prepare and submit one draft set of tables and technical memorandum for District review, and revisions will be minimal.
- DWR guidance identifies narrative and written documentation beyond the required tables as “optional,” thus we have assumed that the District has full discretion as to the content and format of the proposed technical memorandum.
- One meeting to present draft supply/demand analysis results and discuss any comments on the methodology and any WSCP actions to be taken. It is assumed that this meeting will be conducted via remote web conference (e.g., Zoom or Microsoft Teams).

Deliverables

- Draft and final 2025, 2026, 2027, 2028, 2029 AWSDAs, including tables and technical memoranda
- Submittal of the 2025, 2026, 2027, 2028, 2029 AWSDA to DWR’s WUE Data Portal

SCHEDULE

EKI is prepared to start work on the above Scope of Work immediately upon authorization from the District to proceed. It is anticipated that Task 1 will begin after 1 July 2025 and be completed no later than 1 July 2026. Task 2 will be completed no later than July 1 of each year in 2025 through 2029. We will inform the District of any issues that arise that may affect the schedule for completion or impact on the anticipated level of effort.

COMPENSATION

Inasmuch as the exact level of effort required to complete the above Scope of Work cannot be known precisely, EKI proposes to perform the above services on a lump sum basis upon percent completion of each task and provision of deliverables under the task. A breakdown of the budget is provided in **Table 1** below.

Table 1. Proposed Project Budget

Task	Cost
Task 1 – Prepare 2025 Urban Water Management Plan	\$50,000
Task 2 – Prepare Each Annual Water Supply and Demand Assessment, 2025 – 2029 (a)	\$10,500
TOTAL	\$60,500

- (a) Budget for each AWSDA, with a total of five AWSDAs to be prepared between 2025 and 2029. We appreciate your consideration of a multi-year contract with us. In recognition of this, we are waiving the inflation escalation for subsequent years (2026 – 2029). As a result, the budget for each report from 2025 through 2029 will remain constant.

It is understood that at times the receipt of data and key information may be necessarily delayed, but it is noted that significant delays or multiple additional rounds of document revision or meetings are beyond the proposed scope of work and would result in additional charges. In the event that such out of scope conditions occur, EKI will notify the District of the additional anticipated level of effort, and any additional work will be billed on a time and materials expense reimbursement basis in accordance with our current Schedule of Charges, dated 1 January 2025 included as **Attachment A**.

If this proposal meets with your approval, please sign where noted below. Please return a fully executed copy to our office to confirm your authorization to proceed. We are pleased and excited to have the opportunity to work with the District on this very important project. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

EKI ENVIRONMENT & WATER, INC.



Andree Lee
Vice President / Principal in Charge



Tina Wang, PE
Project Manager

Westborough Water District (CLIENT)

By _____

Title _____

Date _____

Attachments

- A. EKI Schedule of Charges, dated 1 January 2025

Attachment A

EKI Schedule of Charges, dated 1 January 2025

Client/Address: **Westborough Water District**
2263 Westborough Blvd., South San Francisco, CA 94080



Proposal/Agreement Date: **10 March 2025**

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.

1 January 2025

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	355
Principal Engineer-Scientist	343
Supervising I, Engineer-Scientist	333
Supervising II, Engineer-Scientist	319
Senior I, Engineer-Scientist	306
Senior II, Engineer-Scientist	295
Associate I, Engineer-Scientist	283
Associate II, Engineer-Scientist	267
Engineer-Scientist, Grade 1	248
Engineer-Scientist, Grade 2	234
Engineer-Scientist, Grade 3	215
Engineer-Scientist, Grade 4	193
Engineer-Scientist, Grade 5	170
Engineer-Scientist, Grade 6	148
Project Assistant	139
Technician	133
Senior GIS / Database Analyst	175
CADD Operator / GIS Analyst	152
Senior Administrative Assistant	167
Administrative Assistant	132
Secretary	111

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus fifteen percent (15%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel, and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD and other specialized software computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

STAFF REPORT

TO: Board of Directors

FROM: Patricia Mairena, General Manager

DATE: March 10, 2025

RE: Review/Approve Proposals for the Rowntree Lift Station Staircase Upgrade

BACKGROUND

The staircase at the Rowntree Lift Station is made out of wood and it has been decaying for a while. The staircase was built back in the 1980s by WWD staff. Safety concerns have been expressed by workers of the North San Mateo Sanitation District (NSMCSD) and also by WWD contractors.

INFORMATION

The NSMCSD and WWD staff have requested quotes to have the staircase upgraded to concrete.

ATTACHMENTS

- Pictures of the current wooden staircase.
- Quote from Bradshaw Construction for \$56,750
- Quote from Mission Constructors, Inc. for \$32,882
- Quote from Coastline Construction, Inc. for \$35,385.13

FISCAL IMPACT

This will be a capital improvement project for the sewer enterprise. As of now, there are no other planned CIP improvements, and the Board has already approved a \$1M worth of sewer improvements for FY 2024/2025.

RECOMMENDATION

WWD staff recommends that the Board approve a proposal for the upgrade of the staircase and handrails which would improve the safety of workers and contractors. Both Mission Constructors, Inc. and Coastline Construction, Inc. are unionized. All three quotes are for prevailing wages.

STAIRCASE AT THE ROWNTREE LIFT STATION – AS OF MARCH 10, 2025







Estimate

Date	Estimate No.	Project
03/18/24	962-79	

6.C.5

BRADSHAW CONSTRUCTION
 30 Malavear Ct
 Pacifica, Ca
 94044
 License #952547

Estimate

Name/Address
Attn: Patricia Mairera Westborough Water District P.O. Box 2747 South San Francisco, Ca. 94083-2747

Date	Estimate No.	Project
03/18/24	962-80	

Item	Description	Quantity	Cost	Total
Scope	SCOPE OF WORK This Estimate is for the proposed handrails for the new staircase install. All work done at Prevailing Wage. -Galvanized with spray paint coating both sides. \$7750 -Galvanized with black Powder Coating both sides. \$8500 Sales Tax		8,500.00	8,500.00
			0.00	0.00
			Total	\$8,500.00



3/11/25

Sent Via Email: jkennedy@westboroughwater.org

Attention: Johnny Kennedy

Reference: Lift Station Staircase Upgrade

Subject: Bid Proposal

Coastline Construction is happy to provide you the following lump sum proposal for the above referenced project. All work is to be completed based on the bid description provided.

Coastline Construction proposes to furnish and install the work at the lump sum price for the following activities.

Lump Sum Base Price of \$ 32,138.40

Add Alternate 1 - \$ 2,225.53

- To include drilling piers (8 total) 4 on each side of the stairs going down with #4 rebar 3' deep 12" dia.

Add Alternate 2 - \$ 1,021.20

- Landing at the bottom of the stairs with 90 deg kick to step off toward pump station with handrail

Total with Add Alternates - \$ 35,385.13

Inclusions:

- Traffic control as needed - signage
- Demo and off haul existing wood stair case and appurtenances
- Adjust/fix existing grade adding a minimum 4" of compacted base
- Trench a thickened edge on each side of the staircase from top to bottom. This is for added structural integrity to the stairs and helps lock it in.
- All existing soil to remain on site and re compacted in holes at various locations where erosion has occurred

Coastline Construction Inc.
20 Avenue Portola, Suite 625
El Granada Ca 94018
650-554-1718
LIC# 1127827
DIR# 2000008326



- Form, Place, Finish new concrete staircase constructed of approx 25 steps with rebar #4 bar 18" on center
- All concrete to be poured with a boom pump not a line pump.
- Back up all concrete with existing soil
- Strip and clean away forms/general site clean up
- Install 1 ½" tube steel galvanized handrail surface mounted to the steps from top to bottom on both sides of the staircase 36" tall hardware included
- Union Wage is included

Clarifications: Per field walk

1. Access for work would be granted through lower parking in easement of Mercedes dealer and at top of stairs through gate
2. Dirt subgraded can be left onsite and filled in where landscape is low
3. Concrete is assumed to be 3000-3500psi mix
4. Soil under stairs assumed to be clean (not contaminated)
5. Boom pump will be used, not a line pump for the **safety** of the crew. This prevents a tripping hazard, especially working on a slope. Pricing includes priming the pump and washing out off site to prevent a mess inside the easement to maintain good neighbor efforts.

Exclusions:

1. Unstable excavation bottom will be corrected on a T&M basis, rates provide upon request
2. Hazardous soils or special precautions to work with them
3. Handling, removal or disposal of the spoils generated by others.
4. Adjusting existing utility castings.
5. Relocation, protection and removal of existing utilities, sub-surface obstructions or debris. It is assumed that all proposed improvements are free of conflicts.
6. Handling, removal or disposal of hazardous or contaminated substances (all off haul assumed to be clean).
7. SWPPP Plans, QSP/QSD services, BMP installation/maintenance/removal, inspection, sampling, monitoring, reporting and post construction BMP's.
8. All permits and testing (to be done by others)
9. Special inspections or compaction test

Coastline Construction Inc.
20 Avenue Portola, Suite 625
El Granada Ca 94018
650-554-1718
LIC# 1127827
DIR# 2000008326



Thank you for the opportunity to provide you with this Proposal. If you have any questions, please feel free to call us.

Submitted Respectfully,

Billy Maxwell
Coastline Construction Inc.
650-554-1718
Billy@coastlineconstructioninc.com

Please sign below to agree to this proposal.

Thank you,

X _____ Date _____
Coastline Construction, Inc.

X _____ Date _____
Westborough Water District Rep.

Coastline Construction Inc.
20 Avenue Portola, Suite 625
El Granada Ca 94018
650-554-1718
LIC# 1127827
DIR# 2000008326



3/10/2025

To: John Kennedy / Field Supervisor
Westborough Water District
2263 Westborough Boulevard
So. San Francisco, CA 94080

From: Alfredo Olguin, Project Manager
Mission Constructors, Inc.
San Francisco, CA 94124

RE: New Concrete Stairway (Gellert Substation) **REVISED**

As you requested, please herein find our price to replace the existing wooden stairway with new concrete steps (24 ea). Our scope of work includes remove and disposal of existing wooden stairs, adjust and grade the area for the new concrete steps, forming, and pour the new concrete, add a concrete pad 6 x 8 – includes clearing and fine grading – reinforced with rebar # 4 @ 12inch, both ways, also 8 concrete anchor (4 ea side – 12" diameter and 36 inch deep, reinforces with rebar #4 and stirrups # 3 @ 10inch))
Please check it out and get back to me with your comments.

OUR PRICE INCLUDES: All labor, materials and equipment necessary to complete the work including demolition of the existing wooden steps, trucking, dump fees, level and fine grade the area, forming, New concrete for the stairway, pumping, finish concrete and clean up.

OUR PRICE EXCLUDES: Permits, engineering, special inspections, any testing, any landscape, tree work, any bond, any liquidated damages, any unforeseen conditions, any Over time, any evening work, any protection of our work after installation, and / or any other activities not related with the new concrete stairway and clean up

Project Base Bid:	\$ 14,817.00
Add (concrete pad)	\$ 1,187.00
Add concrete anchors	\$ 2,178.00
Add for Handrail – galvanized	\$ 7,840.00
for prime and paint	\$ 6,860.00

Best Regards.

Alfredo Olguin | Project Manager |



195 Bayshore Blvd
San Francisco, CA 94124
C: (650)797-4351
O: (415)282-8453
F: (415)282-8455

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTBOROUGH WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("JPIA")

WHEREAS, this district is a member district of the JPIA; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another JPIA member district, the San Bernardino Valley Water Conservation District has requested that this district concur in its nomination of its member of the JPIA Board of Directors to the **Executive Committee** of the JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Westborough Water District, that this district concurs with the nomination of Melody McDonald of San Bernardino Valley Water Conservation District to the **Executive Committee** of the JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

Passed and adopted by the Westborough Water District Board of Directors at a regular meeting held on the 13th day of March, 2025, by the following vote of the Board.

AYES:

NOES:

ABSENT:

President, Board of Directors
Westborough Water District

ATTEST:

Secretary of the Board

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTBOROUGH WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("JPIA")

WHEREAS, this district is a member district of the JPIA; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another JPIA member district, the Reclamation District 784 has requested that this district concurs in its nomination of its member of the JPIA Board of Directors to the **Executive Committee** of the JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Westborough Water District, that this district concurs with the nomination of Brent Hastey of the Reclamation District 784 to the **Executive Committee** of the JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

Passed and adopted by the Westborough Water District Board of Directors at a regular meeting held on the 13th day of March, 2025, by the following vote of the Board.

AYES:

NOES:

ABSENT:

President, Board of Directors
Westborough Water District

ATTEST:

Secretary of the Board

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTBOROUGH WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("JPIA")

WHEREAS, this district is a member district of the JPIA; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another JPIA member district, the Cucamonga Valley Water District has requested that this district concurs in its nomination of its member of the JPIA Board of Directors to the **Executive Committee** of the JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Westborough Water District, that this district concurs with the nomination of Randall Reed of the Cucamonga Valley Water District to the **Executive Committee** of the JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

Passed and adopted by the Westborough Water District Board of Directors at a regular meeting held on the 13th day of March, 2025, by the following vote of the Board.

AYES:

NOES:

ABSENT:

President, Board of Directors
Westborough Water District

ATTEST:

Secretary of the Board

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTBOROUGH WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("JPIA")

WHEREAS, this district is a member district of the JPIA; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, three member districts must concur with the nominating district, and

WHEREAS, another JPIA member district, the Alameda County Water District has requested that this district concurs in its nomination of its member of the JPIA Board of Directors to the **Executive Committee** of the JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Westborough Water District, that this district concurs with the nomination of John Weed of the Alameda County Water District to the **Executive Committee** of the JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

Passed and adopted by the Westborough Water District Board of Directors at a regular meeting held on the 13th day of March, 2025, by the following vote of the Board.

AYES:

NOES:

ABSENT:

President, Board of Directors
Westborough Water District

ATTEST:

Secretary of the Board

Patricia Mairena

From: Janet Medina
Sent: Monday, February 3, 2025 6:09 PM
To: Don Amuzie; Patricia Mairena
Subject: Fwd: Request for Support: Nomination of Melody McDonald for ACWA JPIA Executive Committee Re-Election

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Attached

Don I'm forwarding this to you as the new JPIA Director. Patty can let you know how you should proceed since you are also t
WWD President.

Jan

Sent from my iPhone

Begin forwarded message:

From: Allison Zecher <azecher@sbvwcd.org>
Date: February 3, 2025 at 4:19:00 PM PST
To: Janet Medina <jmedina@westboroughwater.org>
Subject: Request for Support: Nomination of Melody McDonald for ACWA JPIA Executive Committee Re-Election

Westborough Water District
Janet Medina
JPIA Director
P.O. Box 2747
So. San Francisco, CA 94083-2747

February 3, 2025

Dear Janet Medina,

On behalf of the Board of Directors of the San Bernardino Valley Water Conservation District (SBVWCD), we are honored to nominate our President, Melody McDonald, for re-election to the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) Executive Committee. Enclosed, please find a certified copy of SBVWCD Resolution No. 626, formally supporting Mrs. McDonald's nomination.

For over three decades, Ms. McDonald has exemplified exceptional leadership, unwavering dedication to the water industry, and a steadfast commitment to risk management and training. Her unparalleled institutional knowledge and contributions to ACWA JPIA have earned her recognition as a cornerstone of its success.

Ms. McDonald's service to her community spans many critical aspects of the water sector:

1. President, ACWA JPIA Board of Directors
2. Member, ACWA JPIA Executive Committee (since 2001)
3. Chair, ACWA JPIA Personnel Committee
4. Director, ACWA JPIA (since 1991)
5. President, San Bernardino Valley Water Conservation District
6. Director, San Bernardino Valley Water Conservation District (since 1991)
7. Member, ACWA State Legislative Committee
8. Board Member, Association of San Bernardino County Special Districts

In addition to her ongoing roles, Ms. McDonald has previously served as Chair and Vice-Chair of the ACWA JPIA Liability, Property, and Workers Compensation Program committees. Notably, she spent eight years as Chair of the State of California Santa Ana Regional Water Quality Control Board under a gubernatorial appointment from 1993 to 2000.

With over 32 years of experience in the water industry, Ms. McDonald's leadership has guided ACWA JPIA's remarkable growth, now managing assets exceeding \$244 million. In 2024, JPIA conducted 207 training classes and equipped more than 4,400 employees with essential skills to mitigate risks. Her guiding philosophy, "The best claim is the one that never happened," underscores her commitment to proactive risk management and loss prevention—key drivers of ACWA JPIA's success.

We respectfully request that your organization adopt a concurring resolution of nomination in support of Ms. McDonald. A sample resolution is enclosed for your convenience or can be accessed at [ACWA JPIA Election Page](#). Given the time-sensitive nature of this request, we kindly ask that it be included on your next Board meeting agenda.

Thank you for your consideration and support of Ms. McDonald's candidacy. Should you have any questions or need additional information, please feel free to contact me at 909-793-2503 or bmiller@sbvwcd.org.

Please send a certified copy of your resolution to:

ACWA/JPIA
Attention: Laura Baryak
ACWA JPIA
P.O. Box 619082
Roseville, CA 95661-9082
lbaryak@acwajpia.com

and

San Bernardino Valley Water Conservation District
Attention: Allison Zecher
1630 W. Redlands Blvd. Suite A
Redlands, CA 92374
azecher@sbvwcd.org

This resolution must be received by ACWA/JPIA no later than 4:30 pm Friday, April 11, 2025.

Sincerely,

Betsy Miller
General Manager

Enclosures:

1. SBVWCD Resolution No. 626
2. Statement of Qualifications
3. Sample Concurring Resolution

Patricia Mairena

From: Janet Medina
Sent: Monday, February 10, 2025 3:40 PM
To: Don Amuzie; Patricia Mairena
Subject: Fwd: RD784 Request for Support for Nomination of Brent Hastey for the ACWA JPIA Executive Committee
Attachments: Resolution 2025-02-01 Nominating Brent Hastey (CC).pdf; Statement of Qualifications.pdf; Resolution_Concurring_Exco_2025 (2).pdf

Jan

Sent from my iPhone

Begin forwarded message:

From: Kimberly Ford <kim@rd784.org>
Date: February 10, 2025 at 3:28:24 PM PST
To: Patrick Meagher <patrick@rd784.org>, Kimberly Ford <kim@rd784.org>
Subject: **FW: RD784 Request for Support for Nomination of Brent Hastey for the ACWA JPIA Executive Committee**

Dear JPIA Director,

On behalf of the Board of Directors of Reclamation District No. 784 (RD784), we are honored to nominate our Trustee, Brent Hastey, for election to the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) Executive Committee. Attached, please find a certified copy of the RD784 Resolution 2025-02-01, formally supporting Mr. Hastey's nomination. Mr. Hastey's extensive experience in the water industry since 1986 includes serving as a director of the Yuba Water Agency, past member of the ACWA JPIA Executive Board, and ACWA Board, where he had the honor of serving as President.

Mr. Hastey's service to his community extends over many critical aspects of the water sector and beyond:

1. Current board member of Reclamation District 784 and (recently re-elected for a new four-year term). 1986-1992 and 2022-current
2. Director, Yuba Water Agency, 1992-2000 and 2015-2022
3. Member, ACWA JPIA Executive Board 2016-2017 and 2019-2022
4. President, ACWA, 2018-2019
5. Trustee, Yuba Community College District, 2008-2020
6. Trustee California Community College Trustees Board. 2015-2021
7. Director, Feather River State Bank, 2007-2021

With over three decades of experience in the water industry and diverse board experience with a broad understanding of governance, strategic planning, and stakeholder engagement, we believe Mr. Hastey would make a strong candidate for the ACWA JPIA Executive Committee.

We respectfully request that your organization adopt a concurring resolution of nomination in support of Mr. Hastey. A sample resolution is attached for your convenience or can be accessed at the ACWA JPIA Election Page <https://www.acwajpia.com/election/> . Given the time sensitive nature of this request, we kindly ask that it be included on your next Board meeting agenda.

Thank you for your consideration and support of Mr. Hastey's candidacy. Should you have any questions or need additional information, please do not hesitate to contact me at 530.742.0520 or send an email to: Patrick@rd784.org

Please send a certified copy of your resolution to:

ACWA JPIA

Attention: Laura Baryak
Meagher
P.O. Box 619082
Roseville, CA 95661-9082
lbaryak@acwajpia.com

and

Reclamation District 784

Attention: Patrick

1594 Broadway St.
Arboga, CA 95961
Patrick@rd784.org

This resolution must be received by ACWA JPIA no later than 4:30 pm Friday, April 11, 2025.

Sincerely,

Patrick Meagher, General Manager

Reclamation District 784

1594 Broadway Street, Arboga CA 95961

O: (530) 742-0520

F: (530) 742-3021

www.rd784.org

Attachments:

1. Reclamation District 784 Resolution 2025-02-01
2. Statement of Qualifications
3. Sample Concurring Resolution



Yuba County, California



ACWA JPIA Directors

FROM: **Brent Hastey**

REFERENCE: **Qualification for the ACWA JPIA Executive Committee**

Dear Directors,

I am writing to request your vote for the ACWA JPIA Executive Committee. As the designated JPIA Director for Reclamation District 784, I bring a wealth of experience and dedication to water management and insurance programs.

I currently serve as a board member of Reclamation District 784, a position I have held for the past two years. I was recently re-elected for a new four-year term, which underscores my commitment, and the trust placed in me by my colleagues and the community.

Reclamation District 784 participates in the ACWA JPIA Liability Program, Employee Benefits, Property, and Workers' Compensation. I currently serve on the Employee Benefits Committee.

My extensive experience includes serving as a director of the Yuba Water Agency and as a member of the ACWA JPIA Executive Board and the ACWA Board, where I had the honor of serving as President. I have also served on the Yuba Community College District Board, the California Community College Trustees Board, and the Feather River State Bank Board, where I held the position of Chairman.

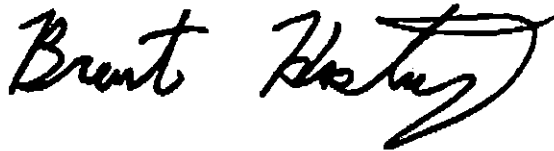
My diverse board experience has equipped me with a broad understanding of governance, strategic planning, and stakeholder engagement. I am passionate about water management and insurance and believe my background makes me a strong candidate for

1594 Broadway St. Arboga, CA 95961 Office: 530-742-0520 Fax: 530-742-3021 Website: www.rd784.org

the ACWA JPIA Executive Committee. I am eager to contribute to the Executive Committee's mission and work collaboratively with other board members to advance its goals.

Thank you for your vote and I look forward to serving you on the Executive committee.

Sincerely,

A handwritten signature in black ink, reading "Brent Hartley". The signature is written in a cursive style with a large, sweeping flourish at the end of the last name.

Patricia Mairena

From: Janet Medina
Sent: Wednesday, February 12, 2025 11:15 AM
To: Don Amuzie; Patricia Mairena
Subject: Fwd: Request for Support: Nomination of Randall Reed for ACWA/JPIA Executive Committee Re-Election

Sent from my iPhone

Begin forwarded message:

From: John Bosler <JohnB@cvwdwater.com>
Date: February 12, 2025 at 11:11:02 AM PST
To: Taya Victorino <tayav@cvwdwater.com>
Subject: Request for Support: Nomination of Randall Reed for ACWA/JPIA Executive Committee Re-Election

Jan

Dear Fellow ACWA/JPIA Member:

On February 11, 2025 the Cucamonga Valley Water District Board of Directors adopted Resolution No. 2025-2-1 nominating President Randall James Reed for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of President Reed's nomination through the adoption of a concurring resolution from your agency. President Reed is well qualified to take on this leadership role in ACWA/JPIA as you will see in his attached statement of qualifications, and he is committed to continuing the great work of providing quality insurance and employee benefit services that ensure our agencies and ratepayers are receiving the most cost-effective service possible.

I have attached a sample concurring resolution in support of his nomination, as well as his candidate statement. The elections for ACWA/JPIA Executive Committee will be held this spring, and the deadline to submit nominations is April 12, 2025. Should you desire to adopt a resolution or if you have questions please contact our Executive Services Administrator/District Clerk, Taya Victorino at 909.987.2591 or tayav@cvwdwater.com.

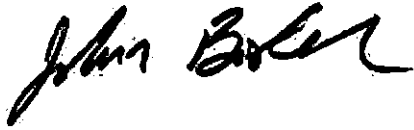
Please send a certified copy of your resolution to:

ACWA/JPIA
Attention: Laura Baryak
ACWA JPIA
P.O. Box 619082
Roseville, CA 95661-9082
lbaryak@acwajpia.com

and

Cucamonga Valley Water District
Attention: Taya Victorino
10440 Ashford Street
Rancho Cucamonga, CA 91730
tayav@cvwdwater.com

This resolution must be received by ACWA/JPIA no later than 4:30 pm Friday, April 11, 2025.

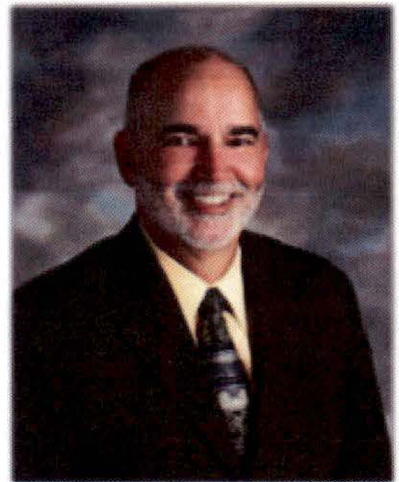
A handwritten signature in black ink, appearing to read "John Bosler". The signature is fluid and cursive, with the first name "John" and last name "Bosler" clearly distinguishable.

Thank you in advance for your consideration.

John Bosler
General Manager/CEO

Randall James Reed
Statement of Qualifications
Association of California Water Agencies
Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee

I am pleased to share with you my interest in continuing my service on the Executive Committee for ACWA/JPIA. I am prepared and ready to help lead the organization as we continue to uphold ACWA/JPIA's mission *"to consistently and cost effectively provide the broadest possible affordable insurance coverage and related services to its member agencies."*



My experience with ACWA/JPIA began over 5 years ago when I was appointed by the Cucamonga Valley Water District (CVWD) to serve as their ACWA/JPIA representative. In that same year I was elected to the Executive Committee to fill a vacancy and eagerly rose to the challenge. Now I am dedicated to ensuring the success of ACWA/JPIA. We provide a vital service to the water community and they provide a vital service to their communities. I know how important this organization is for the member agencies who depend on our success.

I have served on the CVWD board of directors for approximately 22 years, and currently serve as their President. At CVWD, we have taken full advantage of all the programs the ACWA/JPIA has to offer to ensure our employees are working in the safest environment possible. Our board of directors has also adopted a *Commitment to Excellence* pledge putting into place best management practices which bolsters our effectiveness for loss prevention and safety.

I currently serve on the board of the Association of San Bernardino County Special Districts. In my past roll as board president, I was focused on increasing my understanding of our members needs so that I may know how to better serve and lead the association. I will continue to use this same approach if re-elected to serve on the ACWA/JPIA Executive Committee.

Professionally, I am retired from a 32 year career in the wastewater management field as an electrical and instrumentation supervisor. I earned a Bachelor's degree in Information Management Systems from California State University San Bernardino and have been an active member in the Association of California Water Agencies, California Special Districts Association and the California Water Environment Association. I'm a proud veteran of the United States Marine Corp.

Thank you for allowing me to share my experience, leadership and knowledge. I look forward to the opportunity to represent you and your agency. Please feel free to contact me directly at (909) 240-1344 should you have questions or if you would like to support my candidacy.

Thank you in advance for your consideration,

A handwritten signature in blue ink that reads "Randall Reed". The signature is fluid and cursive, with a large, stylized "R" at the beginning.



BOARD MEMBERS

AZIZ AKBARI
JAMES G. GUNTHER
JUDY C. HUANG
PAUL SETHY
JOHN H. WEED

43885 SOUTH GRIMMER BOULEVARD • FREMONT, CALIFORNIA 94538
(510) 668-4200 • www.acwd.org

MANAGEMENT

ED STEVENSON
General Manager
DAN STEVENSON
Operations and Maintenance
GIRUM AWOKE
Engineering and Technology
LAURA J. HIDAS
Water Resources
JONATHAN WUNDERLICH
Finance and Administration
JACKIE MCCLOUD
Special Assistant to the General Manager

February 14, 2025

VIA ELECTRONIC MAIL

Tom Smegal (tsmegal@bawasca.org)
CEO/General Manager
Bay Area Water Supply & Conservation Agency
155 Bovet Road, #650
San Mateo, CA 94402

Dear Mr. Smegal:

Subject: Request for Concurring Resolution Nominating John H. Weed to ACWA-JPIA Executive Committee

I write to respectfully request your agency's consideration of a concurring resolution in support of my nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA-JPIA).

As you may know, ACWA-JPIA has invited member agencies to submit nominations to fill a vacancy on the ACWA-JPIA Executive Committee. As an active member of the ACWA-JPIA Board of Directors since 2012 and serving on the ACWA-JPIA Risk Management Committee, I have represented the interests of member agencies such as yours in the direction and activities of the ACWA-JPIA which provides significant value and resources to its members.

I was elected to the ACWD Board of Directors in 1995 and currently serve on the ACWD Finance and Administration Committee. The attached biography further outlines my qualifications.

Thank you in advance for your consideration. I respectfully request your support. Please do not hesitate to contact me with any questions or for more information at john.weed@acwd.com or (510) 651-1885.

Sincerely,

John H. Weed
Member, ACWD Board of Directors

Enclosures: 1) Biography
2) Sample Concurring Resolution

John H. Weed

Biography

Mr. John H. Weed is a Board Member of the Alameda County Water District (ACWD) and has served on the ACWD Board since 1995. Mr. Weed has a Bachelor of Science degree in Civil Engineering, and Juris Doctor degree from the University of Santa Clara. He has a Master of Business Administration degree in Finance from Eastern New Mexico University. He conducted doctoral-level graduate studies in Water Resource Administration, and Graduate Research Associate in Agricultural Economics at the University of Arizona.

He is an attorney, member of California Bar, and also works in property development as President of Niles Properties, Inc. He was previously employed as an Engineer Technician with the Santa Clara Valley Water District and was the Special Assistant to the Division Manager of Ordinance Engineering at FMC Corporation. Mr. Weed formerly served as an elected Trustee of the Ohlone Community College District from 1977 to 2010.

Since 2003 he has served on the Board of Directors of the Bay Area Water Supply and Conservation Agency, for the past fourteen years he has been an appointed member of the Alameda County Property Tax Assessment Appeals Board for both valuation and legal issues. Mr. Weed served on the Federal Affairs Committee of the Association of California Water Agencies (ACWA) and is a member and past Chair of the ACWA Region 5 Council. He serves as Director on the Board of the California Delta Conveyance Design and Construction Authority, a member of the Risk Management Committee of Joint Power Insurance Authority of ACWA, President of the Washington Township Historical Society, and member of the Newark Rotary.

Mr. Weed is a Vietnam veteran, serving his three years of active-duty service as a Munitions Maintenance Officer and Explosive Ordnance Disposal Officer. He served in the U.S. Air Force Reserves as a Civil Engineer for 28 years, retiring with the rank of Colonel. His highest award was the Legion of Merit. His service as a Civil Engineer was focused on Readiness with certifications in Fire Protection, Explosive Ordnance Disposal, and Disaster Preparedness. He served as an Individual Mobilization Augmentee [IMA] to the Air Force Fire Marshal with functional management of 13,000 Fire Fighting Personnel at 162 locations from 1992-1995. From 1995 to his retirement in 2000, Colonel Weed was the IMA to the Civil Engineer of the Pacific Air Forces with functional management of 6,400 Military personnel, with an annual budget of \$1-billion for Operations and Maintenance, and \$500-million in capital construction. His primary focus was Readiness for U.S. Air Force Assets on the Korean Peninsula, which was identified as the highest risk location in the world.

Water Purchases Comparison 2020-2021 to 2024-2025

FY 2020-2021				FY 2024-2025				Comparison
Period	HCF Purchased	No. of Days Billed	HCF per Day	Period	HCF Purchased	No. of Days Billed	HCF per Day	HCF Per Day Difference
06/05/20 to 07/07/20	43157	33	1307.79	06/06/24 to 07/05/24	29818	30	993.92	-313.87
07/08/20 to 08/06/20	34995	30	1166.50	07/06/24 to 08/06/24	30586	32	955.83	-210.67
08/07/20 to 09/04/20	37162	29	1281.45	08/06/24 to 09/06/24	30568	31	986.07	-295.38
09/05/20 to 10/06/20	39480	32	1233.75	09/07/24 to 10/03/24	28338	27	1049.57	-184.18
10/05/20 to 11/02/20	26876	27	995.41	10/04/24 to 11/05/24	33484	33	1014.68	19.27
11/03/20 to 12/04/20	34525	32	1078.91	11/06/24 to 12/05/24*	25215	30	840.48	-238.42
12/05/20 to 01/04/21	26748	31	862.84	12/06/24 to 01/06/25	27485	32	858.90	-3.94
01/05/21 to 02/01/21	25531	28	911.82	01/06/25 to 02/05/25	22906	30	763.54	-148.29
02/02/21 to 03/04/21	25095	31	809.52	02/06/25 to 03/06/25	23262	29	802.13	-7.38
03/05/21 to 04/05/21	30684	32	958.88					
04/06/21 to 05/05/21	27430	30	914.33					
05/06/21 to 06/03/21	30907	29	1065.76					
Total Purchases	382590	364	1051.07	Total Purchases	251662	274	918.47	

* Includes a Meter Reading Billing Adjustment for previous period of \$14,597.87

GPCPD YTD	50.94
GPCPD 23/24	50.29
GPCPD 22/23	49.46
GPCPD 21/22	50.62
GPCPD 20/21	58.30
GPCPD 19/20	59.11

