



*Dedicated to
Satisfying our Community's
Water Needs*

**AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Wednesday, February 22, 2023
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

**Teleconference Site:
400 East Tahquitz Canyon Way
Palm Springs, CA 92262**

**Members of the public may attend and participate in the meeting at both locations.
Notice will be posted on the door at the teleconference site.**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INTRODUCTION OF FIELD SERVICES SUPERVISOR ANTHONY OCAMPO

PUBLIC COMMENTS

Items Not on the Agenda: Members of the public are invited to address the Board regarding items which are not appearing on the posted agenda. Each speaker shall be limited to three minutes. The Board will set aside 30 minutes for public comments for items not appearing on the posted agenda.

Items on the Agenda: Members of the public shall be permitted to comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker shall be limited to three minutes. The Board will set aside 60 minutes for public comments for items appearing on the posted agenda.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed as an Action Item, may be deliberated and may be subject to action by the Board.

CONSENT CALENDAR ITEMS:

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.

1. Receive and file the Developer Project Status Report.
2. Receive and file the Mesa Water and Other Agency Projects Status Report.
3. Receive and file the Water Quality Call Report.
4. Receive and file the Accounts Paid Listing.
5. Receive and file the Monthly Financial Reports.
6. Receive and file the Outreach Update.
7. Receive and file the Fiscal Year 2023 Second Quarter Financial Update.
8. Receive the Quarterly Training Report for October 1, 2022 to December 31, 2022.



PRESENTATION AND DISCUSSION ITEMS:

9. FISCAL YEAR 2022 AUDIT RESULTS AND ANNUAL FINANCIAL REPORT:

Recommendation: Approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2022 and direct staff to finalize the Fiscal Year 2022 Annual Financial Report.

10. PUBLIC AFFAIRS UPCOMING OUTREACH CAMPAIGNS:

Recommendation: Receive the presentation.

ACTION ITEMS:

11. WATERSMART GRANT OPPORTUNITY:

Recommendation: Adopt Resolution No. 1574 Authorizing Actions for Grant Application, Acceptance and Execution for the Mesa Water Local Groundwater Supply Improvement Project.

12. STATEMENT OF INVESTMENT POLICY:

Recommendation: Adopt Resolution No. 1575 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1563.

13. ORDINANCE NO. 34 – DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT:

Recommendation: Affirm and direct staff to schedule a public hearing for the March 22, 2023 Board of Directors meeting.

REPORTS:

14. REPORT OF THE GENERAL MANAGER:

- January Key Indicators Report

15. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

16. FEDERAL ADVOCACY UPDATE

17. STATE ADVOCACY UPDATE

18. ORANGE COUNTY UPDATE



CLOSED SESSION:

19. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:
California Government Code Sections 54956.9(d)(4)
Significant exposure to litigation – 1 case

In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please call the District Secretary at (949) 631-1205. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water®) to make reasonable arrangements to accommodate your requests.

Members of the public desiring to make verbal comments using a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.

ADJOURN TO A REGULAR BOARD MEETING SCHEDULED FOR WEDNESDAY, MARCH 8, 2023 AT 4:30 P.M.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0073-23-01	55 Fair Drive	Vanguard University (New Gym)	Application for New Services submitted on 8/16/22 and plan check fee paid on 8/16/22. 1st plan check submitted on 8/15/22 and returned on 8/28/22. 2nd plan check submitted on 9/20/22 and returned on 9/25/22. 3rd Plan check submitted on 12/14/22 and returned on 12/14/22. (2/11/23)
C0092-19-01	2089 Harbor Boulevard (Harbor and Hamilton)	28 New Townhomes	Plans received fees paid 4/23/19. 1st plan check 4/23/19, redlines picked up 5/6/19. 2nd plan check 6/11/19 and redlines picked up 6/18/19. 3rd plan check 11/25/19 and redlines returned 11/27/19. 4th plan check 2/4/20 and redlines returned to customer 2/12/20. Permit issued 6/6/20. Precon held 6/25/20. Hot taps done 10/9/20, 10/12/20, 10/13/20. 29 Meters installed 10/15/20. Shutdown to tie in the fireline 10/15/20. Backflows tested 10/23/20. Abandonment done on 10/28/20. Meter install 11/2/20. Service abandonments done 1/7/21. Flow tests done 3/18/21. Flowthru tests done 8/18/21, 10 homes 10/11/21, and tested again 10/13/21. Flowthru tests completed 2/3/22. Chlorination flush, pressure tests, Bac-T tests done 2/8/22. Final flowthru tests completed 3/24/22. Revised 1 plan check received 5/20/22 and returned 5/22/22. New phase precon meeting held on 2/14/23. (2/14/23)
C0102-20-02	3550 Cadillac Avenue	Commercial	Plans received and plan check fees paid on 11/25/19. 1st plan check 11/25/19 and redlines emailed on 12/4/19. Issued plan check termination to owner due to non-responsiveness to complete plan check. 2nd plan check on 7/2/20 and returned on 7/5/20. 3rd plan check on 7/25/21 and returned on 7/31/21. 4th plan check on 8/24/21 and returned on 8/29/21. 5th plan check on 10/11/21 and returned on 10/12/21. 6th plan check on 10/22/21 and returned on 10/23/21. 7th plan check received 2/15/22 and returned on 2/17/22. (2/11/23)
C0137-20-01	3001 Murray Lane	Single Family Home	Plans received and plan check fees paid on 2/28/20. 1st plan check submitted on 2/28/20 and redlines returned on 3/9/20. 2nd plan check submitted on 9/30/20 and returned on 10/11/20. 3rd plan check submitted on 4/30/21 and returned on 5/2/21. 3rd plan check submitted on 5/2/21 and returned on 5/2/21. Permit issued on 10/5/21. Inspector dispatched to check job progress on 6/17/22. Owner is modifying and resubmitting plans to the City and Mesa Water for updated permit approvals. Contractor beginning construction in May 2023. (2/10/23)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0150-20-02	165 Merrill Place	Single Family Home	Plans received on 7/3/20 and plan check fees paid on 6/25/20. 1st plan check submitted on 6/25/20 and redlines returned on 7/5/20. Rescinded permit on 9/16/20. 2nd plan check submitted 9/28/20 and returned on 9/29/20. Issued permit on 10/27/20. Precon held on 3/17/21. Inspector dispatched to check job progress on 11/15/21 and 6/17/22. Precon with new Contractor held on 8/9/22. Refresher precon meeting held on 1/26/23. (2/10/23)
C0158-21-01	396 E. 21st Street	Mobile Home Park	Plan check fees paid on 8/13/20 and Application for New Service submitted on 8/7/20. 1st plan check submitted on 7/30/20 and returned on 8/15/20. 2nd plan check submitted on 9/2/20 was rejected. Revised 2nd plan check submitted on 9/10/20 and returned on 9/12/20. Issued permit on 10/27/20. Precon held on 5/27/21. Extending permit for 6 months. Inspector dispatched to check job progress on 11/15/21 and 6/17/22. Owner informed Mesa Water they will have an ETA to start construction in May 2023. (2/10/23)
C0165-21-01	2110 Monrovia Avenue	Single Family Home	Plan check fees paid and Application for New Service submitted on 9/3/20. 1st plan check submitted on 9/2/20 and returned on 9/6/20. Issued permit on 9/17/20. Inspector visited site on 11/15/21 to check status of project. Waiting for Contractor to call for next inspection and extending permit for 6 months. Inspector dispatched to check job progress on 6/17/22. Precon held on 12/6/22. (2/10/23)
C0177-21-01	2141 Orange Avenue	Single Family Home	Application for New Service and plan check fee submitted on 12/21/20 and redlines returned on 12/23/20. 2nd plan check submitted on 12/24/20 and returned on 12/24/20. Issued permit on 1/5/21. Inspector dispatched to check job progress on 6/17/22 and 11/15/21. Precon held on 9/19/22. Owner will have a refresher Precon in February 2023. (2/10/23)
C0183-21-01	148 E. 22nd Street	St. Mary Armenian Church	Plan check fee received on 2/4/21 and Application for New Service received on 6/22/21. 1st plan check submitted on 6/22/21 and returned on 7/3/21. 2nd plan check submitted on 9/15/21 and returned on 9/18/21. Permit issued on 11/16/21. Precon completed 2/7/22 and project to be built in 2 phases. Test shutdown on 2/11/22. Shutdown to cut-in tee completed on 2/14/22. Chlorination flush, swab, pressure test done on 2/22/22, and chlorination flush again on 2/23/22. Inspector dispatched to check job progress on 6/17/22. Precon for new phase of construction held on 9/27/22. (2/10/23)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0188-21-01	3190 Pullman Street	Commercial Property	Application for New Service submitted on 3/1/21 and plan check fee received on 3/4/21. 1st plan check submitted on 3/2/21 and returned on 3/5/21. 2nd plan check submitted on 3/12/21 and returned on 3/14/21. Permit issued on 6/23/22. Precon meeting held on 12/8/22. (2/10/23)
C0201-21-01	3370 Harbor Boulevard (The Press)	Commercial Property	Application for New Service submitted on 5/12/21 and plan check fee submitted on 5/26/21. 1st plan check submitted on 5/12/21 and returned on 6/6/21. 2nd plan check submitted on 6/22/21 and returned on 6/25/21. 3rd plan check submitted on 8/10/21 and returned on 8/13/21. Permit issued on 6/13/22. Precon held on 7/25/22, and again with approved changed to WIP on 8/24/22. Contractor called to reprint permit documents on 10/3/22. Trench excavations performed on 1/11/23. Shutdown and Hot-Tap performed on 1/24/23. (2/10/23)
C0202-21-01	1910 Federal Avenue	Single Family Home	Application for New Service submitted on 5/18/21 and plan check fee submitted on 5/18/21. 1st plan check submitted on 5/25/21 and returned on 6/3/21. 2nd plan check submitted on 8/30/21 and returned on 8/30/21. 3rd plan check submitted on 8/31/21 and returned on 9/1/21. Permit issued on 3/7/22. Precon meeting held on 11/17/22. Water utility work to begin in March 2023. (2/10/23)
C0208-22-01	1951 Rosemary Place	Single Family Home	Application for New Service and plan check fee submitted on 7/7/21. 1st plan check submitted on 7/7/21 and returned on 7/9/21. 2nd plan check submitted on 7/15/21 and returned on 7/15/21. Permit issued on 8/13/21. Inspector dispatched to check job progress on 11/10/21 and 6/17/22. Precon held on 8/9/22. (2/10/23)
C0213-22-01	366 Esther Avenue	Single Family Home	Application for New Service and plan check fee submitted on 7/6/21. 1st plan check submitted on 7/6/21 and returned on 7/9/21. 2nd plan check submitted on 8/19/21 and returned on 8/20/21. 3rd plan check submitted on 2/10/22 and returned on 2/10/22. Permit issued on 5/30/22. Precon meeting scheduled for 2/16/23. (2/13/23)
C0214-22-01	366 Ralcam Place	Single Family Home	Application for New Service submitted on 7/22/21 and plan check fee submitted on 7/29/21. 1st plan check submitted on 8/2/21 and returned on 8/2/21. 2nd plan check submitted on 9/7/21 and returned on 9/8/21. Permit issued on 7/29/22. Owner states that he will call for precon in March 2023. (2/10/23)

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0216-22-01	2750 Harbor Boulevard	Commercial Property	Application for New Service submitted on 8/17/21 and waiting for plan check fee. 1st plan check submitted on 8/17/21 and returned on 8/20/21. 2nd plan check submitted on 8/20/21 and returned on 9/7/21. Permit issued on 8/31/22. Precon meeting held on 12/8/22. (2/10/23)
C0227-22-01	246 Cecil Place	Single Family Home	Application for New Service submitted on 9/27/21 and plan check fee submitted on 9/28/21. 1st plan check submitted on 9/27/21 and returned on 10/9/21. Permit issued on 1/6/22. Inspector dispatched to check job progress on 6/17/22. Precon held on 9/26/22. Precon held again with new contractor on 11/22/22. (2/10/23)
C0228-22-01	319 E. 16th Place	Single Family Home	Application for New Service submitted on 9/29/21 and waiting on the plan check fee submittal. 1st plan check submitted on 9/30/21 and returned on 10/9/21. Revised 1st submittal and resubmitted on 10/15/21. 2nd plan check submitted on 10/26/21 and returned on 10/29/21. Permit issued on 11/30/21. Inspector dispatched to check job progress on 6/17/22. Precon meeting held on 1/9/23. (2/10/23)
C0230-22-01	1945 Placentia Avenue (Units B, F & G)	Commercial	Application for New Service submitted on 10/06/21 and the waiting for plan check fee. 1st plan check submitted on 10/05/21 and returned 10/9/21. 2nd plan check submitted 11/11/21 and returned on 11/18/21. Permit issued on 2/15/22. Precon held on 3/23/22. Inspector dispatched to check job progress on 6/17/22. (2/10/23)
C0234-22-01	1750 Newport Boulevard	Commercial	Application for New Service submitted on 10/22/21. Plan check fee submitted on 11/15/21. 1st plan check submitted on 10/25/21 and returned on 11/18/21. 2nd plan check submitted on 11/29/21 and returned on 11/30/21. Permit issued on 6/23/22. (2/10/23)
C0239-22-01	2263 Rutgers Drive	Single Family Home	Application for New Service and plan check fee submitted on 11/4/21. 1st plan check submitted on 11/4/21 and returned on 11/5/21. 2nd plan check submitted on 12/23/21 and returned to 12/24/21. 3rd plan check submitted on 2/6/22 and returned on 2/8/22. Revised 3rd plan check submitted 3/7/22 and returned on 3/8/22. Permit issued on 5/24/22. (2/10/23)
C0250-22-01	1008 W. Wilson & 2255 Canyon Drive	Two Single Family Home	Application for New Service submitted on 1/14/22 and plan check fee submitted on 1/12/22. 1st plan check submitted on 1/14/22 and returned on 1/15/22. 2nd plan check submitted on 2/7/22 and returned on 2/10/22. 3rd plan check submitted on 3/15/22 and returned on 3/18/22. 4th plan check submitted on 3/23/22 and returned on 3/26/22. Permit issued on 11/1/22. (2/10/23)

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0258-22-01	2930 Bristol Street	Commercial (The LAB)	Application for New Service and plan check fee submitted on 1/27/22. 1st plan check submitted on 3/25/22 and returned on 3/26/22. 2nd plan check submitted on 4/12/22 and returned on 4/15/22. 3rd plan check submitted on 5/27/22 and returned on 5/30/22. Permit issued on 8/8/22. (2/10/23)
C0259-22-01	530 W. Wilson Street	Apartment Complex	Application for New Service submitted on 2/14/22 and plan check fee submitted on 2/15/22. 1st plan check submitted on 2/16/22 and returned on 2/22/22. 2nd plan check submitted on 3/7/22 and returned on 3/12/22. 3rd plan check submitted on 3/21/22 and returned on 3/26/22. Permit issued on 9/27/22. Contractor will begin water utility work in March 2023. (2/10/23)
C0261-22-01	2040 Paloma Drive	Single Family Home	Application for New Service submitted on 2/20/22. plan check fee submitted on 2/28/22. 1st plan check to be submitted on 2/20/22 and returned on 2/28/22. 2nd plan check submitted on 5/9/22 and returned on 5/10/22. 3rd plan check submitted on 9/8/22 and returned on 9/10/22. Permit issued on 10/14/22. (2/10/23)
C0263-22-01	257 Sierks Street	Single Family Home	Application for New Service submitted on 3/17/22 and plan check fee submitted on 3/18/22. 1st plan check submitted on 3/17/22 and returned on 3/26/22. 2nd plan check submitted on 6/9/22 and returned on 6/10/22. (2/11/23)
C0266-22-01	3505 Cadillac Avenue, Suite F-7	Commercial	Application for New Service submitted on 12/10/21 and plan check fee submitted on 3/17/22. 1st plan check submitted on 3/24/22 and returned on 3/26/22. 2nd plan check submitted on 5/15/22 and returned on 5/16/22. Permit issued on 5/31/22. Waiting for Contractor to call for inspection. (2/10/23)
C0269-22-01	1749 Newport Boulevard	Commercial	Application for New Service submitted on 3/9/22 and plan check fee submitted on 4/6/22. 1st plan check submitted on 3/9/22 and returned on 4/9/22. 2nd plan check submitted on 4/19/22 and returned on 4/20/22. Permit issued on 5/13/22. Precon held on 6/6/22. Hot-Tap done on 6/23/22. Thrust block placement done on 6/24/22. Chlorination and pressure test completed on 6/27/22. Bac-T samples collected and tested on 6/28/22. Shutdown for abandonment performed on 6/30/22. In contact with jobsite; outstanding items are currently being handled. (2/10/23)
C0270-22-01	2113 Thurin Street	Single Family Home	Application for New Service submitted on 3/18/22 and plan check fee submitted on 4/14/22. 1st plan check submitted on 3/18/22 and returned on 4/25/22. 2nd plan check submitted 10/25/22 and returned on 10/26/22. Permit issued on 12/20/22. (2/10/23)

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0271-22-01	2039 Pomona Avenue	Apartment Complex	Application for New Service submitted on 4/6/22 and plan check fee submitted on 4/19/22. 1st plan check submitted on 4/25/22 and returned on 4/29/22. 2nd plan check submitted on 5/18/22 and returned on 5/31/22. 3rd plan check submitted on 6/9/22 and returned on 6/10/22. Permit issued on 06/27/22. Precon held on 7/20/22. (2/10/23)
C0272-22-01	2941 Java Road	Single Family Home	Application for New Service and plan check fee submitted on 4/14/22. 1st plan check submitted on 4/14/22 and returned on 4/15/22. 2nd plan check submitted on 8/22/22 and returned on 8/22/22. Permit issued on 10/14/22. (2/10/23)
C0274-22-01	120 Albert Place	Apartment Complex	Application for New Service submitted on 4/19/22 and plan check fee submitted on 4/29/22. 1st plan check submitted on 4/19/22 and returned on 4/29/22. 2nd plan check submitted on 5/31/22 and returned on 5/31/22. 3rd plan check submitted on 8/22/22 and returned on 8/22/22. 6th plan check submitted on 10/28/22 and returned on 10/29/22. Permit issued on 12/20/22. (2/10/23)
C0276-22-01	453 Costa Mesa Street	Single Family Home	Application for New Service submitted on 5/12/22 and plan check fee submitted on 5/12/22. 1st plan check submitted on 5/12/22 and returned on 5/20/22. 2nd plan check submitted on 6/21/22 and returned on 6/21/22. Permit issued on 7/29/22. Owner confirmed work will begin in March 2023. (2/10/23)
C0278-22-01	388 Bucknell Road	Single Family Home	Application for New Service submitted on 5/21/22 and plan check fee submitted on 5/24/22. 1st plan check submittal on 6/14/22 and returned on 6/14/22. 2nd plan check submitted on 6/20/22 and returned on 6/20/22. (2/10/23)
C0280-22-01	3303 Hyland Avenue	Tesla Charging Stations	Application for New Service submitted on 6/13/22 and no plan check fee as the infrastructure is for the City of Costa Mesa. 1st plan check submittal on 6/13/22 and returned on 6/14/22. Permit issued on 8/15/22. Precon meeting held on 9/6/22. Trench excavation inspections to supervise Edison utility construction on 10/24/22, 10/25/22, 10/26/22, 10/31/22, 11/1/22, 11/3/22, and again on 11/17/22. (2/10/23)
C0281-22-01	1789 Nantucket Place	Single Family Home	Application for New Service and plan check fee submitted on 6/16/22. 1st plan check submittal on 6/6/22 and returned on 6/17/22. 2nd Plan Check submitted 10/17/22 and returned on 10/17/22. Permit issued on 10/26/22. Precon scheduled for 2/15/23. (2/13/23)

DEVELOPER PROJECT STATUS REPORT

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0282-22-01	Fairview Road Medians	OC405 - Medians for City of Costa Mesa	Application for New Service submitted on 6/20/22 and no plan check fee as the infrastructure is for the City of Costa Mesa. 1st plan check submitted on 10/12/22 and returned on 10/16/22. 2nd plan check submitted on 11/3/22 and returned on 11/25/22. 3rd plan check revised 2nd plan check which was submitted on 12/18/22. 4th Plan Check submitted on 12/21/22 and returned on 12/22/22. 5th plan check submitted on 1/30/23 and returned on 2/5/23. (2/11/23)
C0283-22-01	2167 Miner Street	Two Single Family Home	Application for New Service submitted on 6/21/22 and plan check fee submitted on 6/30/22. 1st plan check submittal on 6/23/22 and returned on 7/18/22. 2nd plan check submittal on 7/18/22 and returned on 7/19/22. (2/11/23)
C0286-22-01	2004 Meyer Place	Single Family Home	Application for New Service submitted on 7/22/22 and plan check fee submitted on 7/29/22. 1st plan check submitted on 7/19/22 and returned on 8/7/22. 2nd plan check submitted on 10/2/22 and returned on 10/2/22. Permit originally issued on 10/24/22. 4th Plan Check submitted on 1/24/23 and returned on 2/5/23. 2nd Permit issued 2/7/23. (2/10/23)
C0287-22-01	2050 National Avenue	Single Family Home	Application for New Service submitted on 1/10/23 and plan check fee submitted on 7/29/22. 1st Plan Check submitted on 1/25/23 and returned on 2/5/23. 2nd Plan Check submittal on 2/9/23 and returned on 2/10/23. (2/10/23)
C0288-23-01	834 Saint Clair Street	Single Family Home	Application for New Service submitted on 8/1/22 and plan check fee submitted on 8/3/22. 1st plan check submitted on 7/21/22 and returned on 8/7/22. 2nd plan check submitted on 9/14/22 and returned on 9/18/22. Permit issued on 10/4/22. Precon scheduled for 2/22/23. (2/10/23)
C0289-23-01	901 Victoria Street	Single Family Home	Application for New Service submitted on 7/17/22 and plan check fee submitted on 7/25/22. 1st plan check submitted on 8/24/22 and returned on 8/28/22. 2nd Plan Check submitted 8/31/22 and returned on 9/2/22. (2/11/23)
C0291-23-01	2275 Newport Boulevard	Commercial Property	Application for New Service submitted on 8/3/22 and waiting for plan check fee to be submitted. 1st plan check submitted on 8/1/22 and returned on 8/7/22. 2nd plan check submitted on 8/8/22 and returned on 8/21/22. 3rd plan check submitted on 8/23/22 and returned on 8/23/22. 4th plan check submitted on 8/24/22 and returned on 8/24/22. Permit issued on 12/12/22. Precon held on 12/13/22. Refresher precon for new contractor held on 1/12/23. Built new services and performed hot-tap on 1/30/23. Shutdown for abandonment scheduled for 2/14/23. (2/13/23)

DEVELOPER PROJECT STATUS REPORT

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0292-23-01	660 Beach Street	Single Family Home	Application for New Service submitted on 8/3/22 and plan check fee submitted on 11/2/22. 1st plan check submitted on 11/8/22 and returned on 11/8/22. Permit issued on 12/12/22. (2/10/23)
C0294-23-01	2017 Baltra Place	Single Family Home	Application for New Service submitted on 8/4/22 and plan check fee submitted on 8/9/22. 1st plan check submitted on 8/8/22 and returned on 8/21/22. 2nd plan check submitted on 8/24/22 and returned on 8/24/22. 3rd plan check submitted 9/1/22 and returned on 9/2/22. Permit issued on 10/26/22. Precon meeting scheduled for 2/14/23. (2/13/23)
C0298-23-01	330 E. 17th Street	Commercial (The Country Club)	Application for New Service submitted on 8/23/22 and plan check fee submitted on 8/23/22. 1st plan check submitted on 9/28/22 and returned on 10/2/22. 2nd plan check submitted on 10/11/22 and returned on 10/12/22. Permit issued on 12/12/22. (2/10/23)
C0300-23-01	436 16th Place	Single Family Home	Application for New Service submitted on 9/1/22 and plan check fee submitted on 8/9/22. 1st plan check submitted on 9/1/22 and returned on 9/4/22. 2nd plan check submitted on 9/7/22 and returned on 9/8/22. (2/11/23)
C0301-23-01	1993 Church Street	Apartment Complex	Application for New Service submitted on 9/9/22 and plan check fee submitted on 9/14/22. 1st plan check submitted on 9/9/22 and returned on 9/18/22. 2nd plan check submitted on 9/29/22 and returned on 10/2/22. 3rd plan check submitted on 10/9/22 and returned on 10/10/22. 4th plan check submitted on 10/21/22 and returned on 10/23/22. Permit issued on 12/20/22. (2/10/23)
C0302-23-01	1375 Logan Avenue, Suite F	Commercial/Industrial	Application for New Service submitted on 9/8/22 and plan check fee on 9/18/22. 1st plan check submitted on 9/24/22 and returned on 9/25/22. 2nd plan check submitted on 9/28/22 and returned on 10/2/22. Permit issued on 10/31/22. Precon held on 11/22/22. (2/10/23)
C0304-23-01	2845 Mesa Verde Drive E	Church	Application for New Service submitted on 9/24/22 and waiting for plan check fee. 1st plan check submitted on 11/7/22 and returned on 11/12/22. 2nd plan check submitted on 1/19/23 and returned on 1/22/23. 3rd Plan Check submitted on 1/25/23 and returned on 2/5/23. (2/10/23)
C0305-23-01	461 Cabrillo Drive	Single Family Home	Application for New Service submitted on 9/28/22 and plan check fee submitted on 9/27/22. 1st plan check submitted on 9/28/22 and returned on 10/2/22. Permit issued on 10/24/22. (2/10/23)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0307-23-01	1968 Raymond Avenue	Single Family Home	Application for New Service submitted on 10/12/22 and plan check fee submitted on 10/14/22. 1st plan check submitted on 10/21/22 and returned on 10/23/22. (2/10/23)
C0308-23-01	1814 Pitcairn Drive	Single Family Home	Application for New Service and plan check fee submitted on 10/18/22. Waiting for 1st plan check submittal. (2/11/23)
C0309-23-01	2709 Albatross Drive	Single Family Home	Application for New Service submitted on 10/18/22 and plan check fee submitted on 10/25/22. 1st plan check submitted on 10/20/22 and returned on 10/25/22. 2nd plan check submitted on 1/3/23 and returned on 1/3/23. Permit issued 2/7/23. (2/10/23)
C0310-23-01	257 Esther Street	Single Family Home	Application for New Service submitted on 10/20/22 and waiting for plan check fee submittal. 1st plan check submitted on 10/20/22 and returned on 11/8/22. 2nd plan check submitted on 11/15/22 and returned on 11/17/22. Permit issued on 12/21/22. (2/10/23)
C0311-23-01	159 Albert Place, Unit B	Single Family Home	Application for New Service submitted on 10/20/22 and plan check fee submitted on 10/21/22. Waiting on 1st plan check submittal. (2/11/23)
C0312-23-01	466 E. 16th Street	Single Family Home	Application for New Service and plan check fee submitted on 10/17/22. 1st plan check submitted on 10/17/22 and returned on 10/23/22. 2nd plan check submitted on 11/3/22 and returned on 11/6/22. Permit issued 2/7/23. (2/10/23)
C0313-23-01	1921 Harbor Boulevard	Commercial	Application for New Service and plan check fee submitted on 10/25/22. 1st plan check submitted on 10/26/22 and returned on 11/6/22. (2/11/23)
C0315-23-01	3098 College Avenue	Single Family Home	Application for New Service submitted on 11/1/22 and plan check fee submitted on 11/3/22. 1st plan check submitted on 11/1/22 and returned on 11/6/22. 2nd plan check submitted 11/28/22 and returned 11/29/22. 3rd plan check submitted 12/7/22 and returned on 12/13/22. (2/11/23)
C0316-23-01	2109 Federal Avenue	Single Family Home	Application for New Service and plan check fee submitted on 11/3/22. 1st plan check submitted on 11/3/22 and returned on 11/6/22. 2nd plan check submitted on 11/16/22 and returned on 11/17/22. 3rd plan check submitted on 11/20/22 and returned on 11/20/22. Permit issued on 12/20/22. (2/10/23)
C0317-23-01	1163 Salvador Street	Single Family Home	Application for New Service submitted on 11/3/22 and plan check fee submitted 11/7/22. 1st plan check submitted on 2/8/23 and returned on 2/10/23. (2/10/23)

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PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0318-23-01	3051 Warren Lane	Single Family Home	Application for New Service submitted on 11/3/22 and plan check fee submitted on 11/8/22. 1st plan check submitted on 11/3/22 and returned on 11/6/22. 2nd plan check submitted on 11/8/22 and returned on 11/8/22. (2/11/23)
C0319-23-01	205 Wake Forest Road	Single Family Home	Application for New Service and plan check fee submitted on 11/8/22. 1st plan check submitted on 10/26/22 and returned on 11/12/22. 2nd plan check submitted on 11/14/22 and returned on 11/15/22. (2/11/23)
C0320-23-01	1933 Church Street	Single Family Home	Waiting for Application for New Service and plan check fee to be submitted. 1st plan check submitted on 11/8/22 and returned on 11/12/22. 2nd plan check submitted on 12/6/22 and returned on 12/13/22. (2/11/23)
C0322-23-01	2246 Newport Boulevard	Commercial	Application for New Service and plan check fee submitted on 11/16/22. 1st plan check submitted on 11/16/22 and returned on 11/20/22. 2nd plan check submitted on 11/21/22 and returned on 11/25/22. 3rd plan check submitted on 12/2/22 and returned on 12/3/22. Permit issued 2/7/23. (2/10/23)
C0323-23-01	326 Hamilton Street	Single Family Home	Application for New Service submitted on 11/15/22 and waiting for plan check fee to be submitted. 1st plan check submitted on 11/15/22 and returned on 11/25/22. (2/11/23)
C0324-23-01	382 Costa Mesa Street	Single Family Home	Application for New Service submitted on 11/15/22 and plan check fee submitted 11/11/22. 1st plan check submitted on 11/15/22 and returned on 11/20/22. 2nd plan check submitted on 11/22/22 and returned on 11/23/22. Permit issued on 1/3/23. Precon held on 1/24/23. (2/10/23)
C0325-23-01	482 Costa Mesa Street	Single Family Home	Application for New Service submitted on 11/15/22 and plan check fee submitted on 11/11/22. 1st plan check submitted on 11/22/22 and returned on 11/23/22. 2nd plan check submitted on 11/29/22 and returned on 11/30/22. Permit issued on 1/3/23. Precon held on 1/24/23. (2/10/23)
C0326-23-01	259 E. 21st Street	Single Family Home	Application for New Service submitted on 11/18/22 and plan check fee submitted 11/19/22. 1st plan check submitted on 11/14/22 and returned on 11/20/22. 2nd plan check submitted on 11/22/22 and returned on 11/23/22. Resubmitted plan check review of 11/23/22. (2/13/23)
C0327-23-01	1854 Newport Boulevard	Commercial	Application for New Service submitted on 10/31/22 and plan check fee submitted on 11/14/22. 1st plan check submitted on 11/30/22. 2nd plan check submitted on 12/14/22 and returned on 12/18/22. 3rd plan check submitted on 1/10/23 and returned on 1/15/23. (2/10/23)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0328-23-01	2845 Harbor Boulevard	Commercial	Application for New Service submitted on 11/4/22 and plan check fee submitted on 11/14/22. 1st plan check submitted on 11/30/22 and returned on 12/12/22. 2nd plan check submitted on 12/14/22 and returned on 12/18/22. 3rd Plan Check submitted on 2/1/23 and returned on 2/5/23. (2/10/23)
C0329-23-01	408 E. 18th Street	Single Family Home	Application for New Service submitted on 11/30/22 and plan check fee submitted on 12/01/22. 1st plan check submitted on 11/30/22 and returned on 12/4/22. (2/11/23)
C0330-23-01	1954 Fullerton Avenue	Single Family Home	Application for New Service submitted 12/7/22 and plan check fee submitted on 12/8/22. 1st plan check submitted on 11/30/22 and returned on 12/13/22. 2nd plan check submitted on 12/15/22 and returned on 12/18/22. Permit issued on 1/3/23. (2/10/23)
C0331-23-01	218 E. 18th Street	Single Family Home	Application for New Service submitted on 12/01/22 and plan check fee submitted 1/4/23. 1st plan check submitted on 12/1/22 and returned on 12/13/22. (2/13/23)
C0332-23-01	342 Ramona Place	Single Family Home	Application for New Service submitted on 12/7/22 and plan check fee submitted on 12/12/22. 1st plan check submitted on 12/9/22 and returned on 12/18/22. Permit issued 2/7/23. (2/10/23)
C0333-23-01	305 Flower Street	Single Family Home	Application for New Service submitted on 12/15/22 and plan check fee submitted on 12/7/22. 1st plan check submitted on 12/7/22 and returned on 12/18/22. 2nd plan check submitted on 1/14/23 and returned on 1/15/23. 3rd plan check submitted on 1/16/23 and returned on 1/16/23. (2/10/23)
C0334-23-01	2934 Maui Place	Single Family Home	Application for New Service submitted on 7/9/22 and plan check fee submitted on 12/14/22. 1st plan check submitted on 12/7/22 and returned on 12/18/22. (2/11/23)
C0335-23-01	2050 President Place	Single Family Home	Application for New Service submitted on 12/13/22 and plan check fee received on 1/11/23. 1st plan check submitted on 12/13/22 and returned on 12/18/22. 2nd plan check submitted on 12/21/22 and returned on 1/12/23. (2/11/23)
C0336-23-01	899 Darrell Street	Single Family Home	Application for New Service submitted on 12/19/22 and waiting for plan check fee to be submitted. 1st plan check submitted on 12/16/22 and returned on 12/26/22. 2nd plan check submitted on 1/6/23 and returned on 1/8/23. (2/11/23)
C0337-23-01	3350 Avenue of the Arts	Commercial	Application for New Service submitted on 1/5/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 12/20/22 and returned on 1/16/23. (2/11/23)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0338-23-01	723 W. Wilson Street	Two ADUs	Application for New Service submitted on 1/8/23 and plan check fee submitted on 1/12/23. 1st plan check submitted on 1/8/23 and returned on 1/15/23. 2nd plan check submitted on 1/16/23 and returned on 1/16/23. (2/10/23)
C0339-23-01	3176 Country Club Drive	Single Family Home	Application for New Service submitted on 1/7/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 1/7/23 and returned on 1/15/23. 2nd plan check submitted on 1/17/23 and returned on 1/22/23. (2/10/23)
C0340-23-01	2570 Fordham Drive	Single Family Home	Application for New Service submitted on 1/9/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 10/20/22 and returned on 1/15/23. (2/11/23)
C0341-23-01	722 W. 16th Street	Commercial	Application for New Service submitted on 1/10/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 1/10/23 and returned on 1/16/23. 2nd plan check submitted on 1/24/23 and returned on 2/5/23. (2/10/23)
C0342-23-01	459 E. 18th Street	Single Family Home	Application for New Service submitted on 1/11/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 1/11/23 and returned on 1/16/23. 2nd plan check submitted on 1/18 and returned on 1/22/23. (2/10/23)
C0343-23-01	2257 Colgate Drive	Single Family Home	Application for New Service submitted on 1/12/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 1/11/23 and returned on 1/16/23. (2/11/23)
C0344-23-01	2089 Orange Avenue	Single Family Home	Application for New Service submitted on 1/15/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 1/15/23 and returned on 1/16/23. (2/11/23)
C0345-23-01	904 Liard Place	Single Family Home	Application for New Service submitted on 1/9/23 and plan check fee submitted on 1/11/23. Waiting for 1st plan check submitted. (2/11/23)
C0346-23-01	1929 Republic Avenue	Single Family Home	Waiting for both Application for New Service and plan check fee. 1st plan check submitted on 1/17/23. (2/10/23)
C0347-23-01	1650 Adams Avenue	Commercial	Application for New Service submitted on 1/21/23 and plan check fee submitted on 1/31/23. 1st plan check submitted 1/21/23 and returned on 2/5/23. (2/10/23)
C0348-23-01	919 Arbor Street	Single Family Home	Application for New Service submitted on 1/9/23 and plan check fee submitted on 1/11/23. Waiting for 1st plan check submitted. (2/11/23)
C0349-23-01	1827 Pitcairn Drive	ADU	Application for New Service submitted on 1/24/23 and plan check fee submitted on 1/31/23. 1st plan check submitted on 1/24/23 and returned on 2/5/23. (2/10/23)

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PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0350-23-01	264 Walnut Street	ADU	Application for New Service submitted on 2/1/23 and plan check fee submitted on 11/23. 1st plan check submitted on 1/24/23 and returned on 2/5/23. 2nd plan check submitted on 2/7/23 and returned on 2/7/23. (2/10/23)
C0351-23-01	3097 Molokai Place	ADU	Application for New Service submitted on 1/26/23 and plan check fee submitted on 1/31/23. 1st plan check submitted on 1/26/23 and returned on 2/5/23. (2/10/23)
C0352-23-01	3160 Bermuda Drive	Single Family Home with ADU	Application for New Service submitted on 1/30/23 and plan check fee submitted on 1/26/23. 1st plan check submitted on 1/29/23 and returned on 2/5/23. 2nd plan check submitted on 2/10/23 and returned on 2/11/23. (2/11/23)
C0353-23-01	2950 Baker Street	Single Family Home	Application for New Service submitted on 1/29/23 and waiting for plan check fee. 1st plan check submitted on 1/29/23 and returned on 2/5/23. (2/10/23)
C0354-23-01	1016 Concord Street	ADU	Application for New Service submitted on 1/29/23 and waiting for plan check fee. 1st plan check submitted on 1/29/23 and returned on 2/5/23. (2/10/23)
C0355-23-01	338 E. 19th Street	ADU	Application for New Service submitted on 1/30/23 and waiting for plan check fee. 1st plan check submitted on 1/30/23 and returned on 2/5/23. 2nd plan check submitted on 2/7/23 and returned on 2/7/23. (2/10/23)
C0356-23-01	707 Center Street	ADU	Application for New Service submitted on 10/20/22 and plan check fee paid 1/30/23. 1st plan check submitted on 12/02/22 and returned on 2/5/23. 2nd plan check submitted on 2/10/23 and returned on 2/10/23. (2/10/23)
C0357-23-01	3121 Red Hill Avenue	Commercial	Application for New Service submitted on 2/2/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 2/2/23 and returned on 2/5/23. (2/10/23)
C0358-23-01	571 Park Drive	ADU	Application for New Service and plan check fee were submitted on 2/1/23. Waiting for 1st plan check to be submitted. (2/10/23)
C0359-23-01	307 Colleen Place	Single Family Home with ADU	Application for New Service submitted on 2/3/23 and plan check fee submitted 2/6/23. 1st plan check submitted on 2/6/23. (2/10/23)
C0360-23-01	962 Joann Street	Single Family Home	Application for New Service submitted on 2/6/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 2/7/23 and returned on 2/8/23. (2/10/23)
C0361-23-01	341 Westbrook Place	Single Family Home	Application for New Service submitted on 2/10/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 2/10/23 and returned on 2/11/23. (2/11/23)

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PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0362-23-01	337 E. 20th Street	Single Family Home	Application for New Service submitted on 2/10/23 and waiting for plan check fee to be submitted. 1st plan check submitted on 2/10/23 and returned on 2/11/23. 2nd plan check submitted on 2/12/23 and returned on 2/13/23. (2/13/23)
C0363-23-01	2356 Cornell Drive	Single Family Home with ADU and JADU	Waiting for both Application for New Service and plan check fee to be submitted. Waiting for 1st plan check submitted. (2/10/23)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT
January 2023

Project Title: Pipeline Testing Program

File No.: MC 2141

Description: Implement Resolution No. 1525 Replacement of Assets to annually perform non-destructive testing of 1% of the distribution system, and destructive testing of segments that are shown to have less than 70% of original wall thickness by non-destructive testing.

Status: Three (3) miles of AC pipe constructed in 1956 were selected for non-destructive wall thickness measurement in January 2019. The report was received in February 2019. Five (5) AC pipe samples were sent to the testing lab in May 2019, and the wall thickness measurement report was received in June 2019. With more data collected from AC pipe samples, a proposed update of Resolution No. 1442 Replacement of Assets was approved by the Board in October 2019. Staff developed a process for classifying pipeline breaks, and provided a class to the Distribution crews in November 2019. Four (4) AC pipe samples collected during valve replacements were sent for EDS testing in January 2020. Lab reports were received in March 2020 and evaluation of the lab results was received in June 2020. MWDOC performed approximately forty (40) miles of leak detection and found one (1) suspected pipeline leak. Staff performed a follow up leak detection and could not replicate the suspected leak. Thirteen (13) AC pipe samples collected by staff during valve replacements and break responses were sent for wall thickness measurement, EDS testing, and remaining useful life estimates. Wall thickness lab reports and useful life estimate report were received in February 2021. MWDOC staff performed thirty (30) miles of leak detection for main lines and service laterals in January 2021. A report of their findings found no mainline leaks. Thirty (30) additional miles of leak detection was received in March 2021. No mainline leaks were reported. Fourteen (14) samples of AC Pipe were collected as part of valve and hydrant replacements and were shipped to the lab for wall thickness measurements in January 2022. The report was received in April 2022 and no pipeline replacements were recommended. Leak detection for ninety (90) miles of main line started in April 2022 and is continuing. The report was received in June 2022. No suspected mainline leaks were reported. AC Pipe and samples collected by the contractor as part of the Wilson Street Pipeline Replacement were shipped to the lab for wall thickness measurements in April 2022. The report was received in July 2022. No pipeline replacements were recommended in the report. Preliminary findings of a relationship between AC pipeline wall hardness and type of break are being evaluated. 16 AC pipe samples were collected during routine valve and hydrant replacements and two samples were collected during a mainline break. The samples were picked up by the lab for AC wall thickness measurements in December 2022. The results are expected in February 2023. (2/14/23)

Project Title: Chandler & Croddy Wells and Pipeline Project

File No.: M18-113

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT
January 2023

Description: Design, documentation, permitting, and construction of two (2) new wells located on Chandler Avenue and Croddy Way in the City of Santa Ana and the distribution pipeline connecting the wells to Mesa Water's supply system.

Status: The Chandler and Croddy Wells and Pipeline Project Team includes Design Engineer TetraTech, Construction Manager Butier Engineering, and Community Outreach Consultant Murakawa & Associates. The project has four (4) phases, with a construction bid package for each phase. The status of each phase is below.

Phase 1 Demolition: Demolition of the existing office buildings at the well site properties was awarded to Standard Demolition in July 2020 and was completed in October 2020.

Phase 2 Well Drilling: Well Drilling was awarded to Zim Industries dba Bakersfield Well & Pump in August 2020. Permits for well drilling were received from Orange County Health Care Agency (OCHCA) in October 2020. Mobilization for drilling at the Croddy Well site started in October 2020. Sound walls were constructed at both sites. Croddy Well drilling is complete. Test pumping produced 4,000 gallons per minute. Water quality depth and well blend sample results indicate good water quality. Chandler Well pilot hole was drilled and samples for the aquifer and the groundwater indicate good water quality to 970 feet. The pilot hole reaming and casing installing was completed in May 2021. Test pumping of Chandler Well produced 4,320 gallons per minute. Water quality depth samples and well blend samples indicate good water quality.

Phase 3 Well Equipping: A contract award to Gateway Pacific was approved at the February 2021 Board meeting. A project team kickoff meeting was held in March 2021. The team has identified the long lead time items, and is in the submittal process for these items. Mobilization occurred in May 2021. Underground work and concrete forming is mostly complete at both sites. This was facilitated by the receipt of the long awaited SCE permit for the Chandler Well site in March 2022. Well pedestals have been completed and approved by OCHCA. Permits from AQMD for the backup generators and ammonia scrubbers have been issued. Long lead time items affected by the global supply chain continue to arrive. Most of the instrumentation has been received. Chemical tanks were received and set in the chemical facilities in February 2022. Backup diesel generators were received and set in March 2022. The well pumps passed witness testing in February 2022. The electrical buildings, well buildings, and site perimeter walls at both sites are constructed and equipment is being installed. The chemical skids were delivered in July 2022. The Variable Frequency Drives (VFDs) are the last critical equipment and continue to be delayed. Reduced Voltage Solid State (RVSS) motor starters have been procured and are being installed at both wells.

Phase 4 Pipeline: The Board awarded a construction contract with Ferreira Construction at the April 2021 Committee meeting. Notice to Proceed with the potable water transmission pipeline construction was issued in June 2021. A preconstruction meeting was held in June 2021. The team identified the long lead time items and is in the submittal process. Encroachment permits were obtained by the contractor from the City of Santa Ana in August 2021. The contractor potholed the pipeline alignment to confirm the location and depths to buried utilities in the area. A minor realignment of the Chandler Pipeline was designed to avoid an unexpected natural gas pipeline and services. Materials for the Croddy Storm Drain arrived in December 2021, and

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construction of the Croddy Storm Drain was completed in March 2022. Poor soil conditions were encountered during the Croddy Storm Drain construction, and the project team evaluated alternate shoring and dewatering methods for the Croddy Pipeline. Materials for the 30" and 16" transmission lines arrived in January and February 2022. Construction of the 30" transmission pipeline on MacArthur Boulevard began in March 2022, and is progressing from Croddy Way to the tie in to the distribution system at MacArthur and Hyland. Two new valves were installed at McArthur and Hyland in October 2022 to facilitate the tie in. Construction of the 30" pipeline in Croddy Way began at the Croddy Well No. 14 site in July 2022 and is progressing to MacArthur Boulevard. Construction of the 16" pipeline between the Chandler and Croddy Wells began in September 2022 at Croddy Well No.14 and is complete to the north side of the intersection of Croddy and Segerstrom Avenue. Installation of the 16" pipeline north of Segerstrom Avenue will continue in February 2023. Additionally, pressure testing and disinfection of the 30" pipeline is scheduled to start in February 2023. (2/14/23)

Project Title: SCADA Control Room and Wet Labs Upgrade Project

File No.: M20-105

Description: Relocation of the SCADA Control Room and laboratory, including the addition of an education center.

Status: In November 2019, the Board directed staff to proceed with Design Concept #2 of the Mesa Water Reliability Facility (MWRF) Outreach Center. Mesa Water obtained a cost proposal from IBI Group. The Scope of Work also incorporates the design of two MWRF spare parts storage buildings (located at the MWRF) and wells spare parts storage building (located at Well No. 7) as part of the design services. The Board approved this item at the April 2020 Board meeting. The pre-design kick-off meeting was held in April 2020. The conceptual design was reviewed in June 2020 and preliminary cost estimate discussed in July 2020. At the August 2020 Committee meeting, the Mesa Water Education Center building concept was approved by the Board. Additionally, a contract was awarded to Mad Systems for the exhibit design. In September 2020, a final design kick-off meeting was held with the architect and exhibit design teams. In October 2020, the Mesa Water team toured the Albert Robles Center for Water Recycling and Environmental Learning with Mad Systems. In October 2020, the design team held a site visit at the MWRF to discuss landscaping and courtyard concepts. A preliminary landscaping concept was received in November 2020. The 50% design submittal was received in December 2020. The comments to the submittal were discussed during progress meetings in January 2021 and February 2021. 50% Construction Documents were submitted in March 2021. The project team held detailed design meetings regarding storage buildings, the IT Server Room, and transitional plans to keep the MWRF in service during construction. In June 2021, staff reviewed and selected finishes for the Education Center and Administration Building. Transitional plans to keep the MWRF in service were finalized and the delivery and setup of the temporary facilities began in October 2021. Mesa Water received proposals for

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construction management services for the project in early June 2021. A construction manager was selected in June 2021 and they have begun reviewing construction documents. The draft 100% Construction Documents were submitted in July 2021. Staff reviewed the submittal and provided comments. The revised Construction Documents were submitted in September 2021. The Request for Bid for construction was sent out in September 2021 and bids were received in October 2021. Three (3) bids were received from qualified contractors, and the Board awarded a contract to Hamel Contracting, Inc. at the October 2021 Committee meeting. The kick-off meeting was held in November 2021. The contractor has completed installation of HVAC piping and fan coil units, dry wall and electrical installations, concrete floor sealing, painting, and tiling in the Administration Building; poured slab-on-grade and installed framing for the exterior walls in the Education Center. Additionally, installation of the roofs on the SW Storage Building and the Well Parts Storage Building have been completed. Currently, the contractor is installing doors, t-bar ceilings, and millwork in the Administration Building and working on the electrical rough-ins, HVAC rough-ins, and interior walls in the Education Center. (2/13/23)

Project Title: Wilson Street Pipeline Replacement Project

File No.: M21-220A

Description: Design, documentation, and permitting for replacement of pipeline in Wilson Street between Newport Boulevard and Harbor Boulevard.

Status: Scope of Work and Request for Quote for the design, documentation, and permitting for the Wilson Street Pipeline Replacement Project was prepared and sent to the design consultants in July 2020. Received five (5) proposals in August 2020. Selected Water Systems Consultants, Inc. to prepare the design. The kick-off meeting was held in August 2020. Technical Memorandum No. 1, providing alternative pipeline layouts, was submitted for review in October 2020. The 50% Design package was submitted for review in December 2020. The comments to the submittal were analyzed and discussed in February 2021. The consultant completed the 90% Design Submittal in March 2021. The Request for Bid was sent out to contractors in March 2021. Eight (8) bids were received in April 2021. The Board awarded a construction contract to J.A. Salazar at the May 2021 Board meeting. The contract with J.A. Salazar was executed and the pre-construction meeting for the project was held in June 2021. The pre-construction meeting with the City of Costa Mesa was held in August 2021 and the contractor started potholing in August 2021. Following review of the potholing results, the installation of the mainline started in October 2021. The contractor has completed the installation of the 12-inch PVC line in Wilson Street from Harbor Boulevard to Newport Boulevard, has constructed all of the tie-ins to the distribution system, and has completed all service line connections to the new 12-inch line. The project is complete and closed. (2/13/23)

Project Title: 1951 Cohort Pipeline Replacement Project

File No.: M21-220A

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January 2023

Description: Design, documentation, and permitting for replacement of 3.5 miles of pipeline in Hamilton Street, Pomona Avenue, Wallace Avenue, Anaheim Avenue, and Maple Avenue.

Status: Scope of Work and Request for Proposal for providing Construction Management (CM) Services for the Wilson Street and 1951 Cohort Pipeline Replacement Projects sent out to On-Call Consultants in November 2020. Five (5) proposals received in December 2020. CDM Smith was selected to provide the CM Services. Scope of Work and Request for Proposal for providing design services for the 1951 Cohort Pipeline Replacement sent out to on-call consultants in December 2020. Two (2) proposals were received in December 2020. Tetra Tech was selected to prepare the design. The project kick-off meeting was held in February 2021. The Consultant delivered Technical Memorandum No. 1 – Alignment Options and Recommendations and the Preliminary Design Report in July 2021. Mesa Water staff has reviewed Technical Memorandum No. 1 and the Preliminary Design Report. The project's 50% Design Submittal was submitted in October 2021 and reviewed by Mesa Water staff. The project team is currently working to complete the 90% Design Submittal. The construction of the 1951 Cohort Pipeline Replacement Project has been moved to the years following the CIPR Program. (2/13/23)

Project Title: Mainline Valve Replacement Project Phases I through IV

File No.: M21-220C

Description: Design, documentation, and permitting for replacement of mainline valves within the distribution system per the Mainline Valve Spacing Policy.

Status: At the October 2020 Board meeting, the Mainline Valve Spacing Policy was approved by the Board. A Scope of Work and Request for Quote for the design, documentation, and permitting for the Mainline Valve Replacement Project was prepared and was sent to on-call design consultants in October 2020. Four (4) proposals were received in November 2020. Tetra Tech was selected to prepare the final design. The project kick-off meeting was held in January 2021. The Consultant developed the project's permit plan. The 50% Design Submittal was delivered for review in May 2021. In September 2021, Mesa Water staff completed the testing of shutdowns required for the Phases 1 and 2 valve replacements. The Consultant submitted the 90% Design Submittal for Phase 1 in October 2021. Staff reviewed the Phase 1 90% and 100% Design Submittals. A Request for Bid for Phase 1 was sent out in January 2022 and a pre-bid meeting was held in January 2022. Seven (7) bids were received from qualified contractors in February 2022. Mesa Water staff reviewed the bids and checked references of the low bid contractor. At the February 2022 Committee meeting, the Board awarded a contract to Big Ben Engineering. The pre-construction meeting for Phase 1 of the project was held in April 2022. Construction of Phase 1 began in July 2022. The Contractor has completed the replacement of 71 mainline valves to date. For the Phase 2 design, the design documents were completed in June 2022. The Request for Bid for Phase 2 will be held until construction bids have been received for the Reservoirs 1 and 2 Pump Station Upgrades Project. (2/13/23)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT
January 2023

Project Title: Reservoirs 1 and 2 Pump Station Upgrades Project

File No.: M21-210B2

Description: The Reservoir Upgrades Project has several components to increase the efficiency and reliability of Reservoirs 1 and 2: Chemical storage and feed systems (sodium hypochlorite and aqueous ammonia) to help reduce nitrification issues in the distribution system; Pump replacement and conversion of drivers from gas engines to electrical motors; Upgrades to reservoir electrical service through SCE; Installation of diesel generator systems to power the reservoirs in the event of an emergency; Miscellaneous system rehabilitation and upgrades including electrical gear replacement, pipeline rehabilitation, pipeline modifications, and instrument replacement based on the results of site visits and related analyses; and Slurry Dewatering Pit upgrades located at the Reservoir 1 site.

Status: Following the approval of the recommendations of the Water, Power, and Supply Chain Reliability Assessment, Mesa Water developed a design Scope of Work for the Reservoirs 1 and 2 Upgrades Project. A proposal was solicited from a CIPR on-call design consultant and the project's Preliminary and Final Design was kicked off in May 2021. A site visit for the project was held with the consultant in May 2021. The project team performed a 3-D scan of Reservoirs 1 and 2 in June 2021. The consultant delivered a draft version of Technical Memorandum No.1 – Reservoir 1 Site Master Plan and the draft Permit Plan in July 2021. Following Mesa Water's review of TM1 and the Permit Plan, the consultant began work on the Preliminary Design Report. The Preliminary Design Report was delivered in November 2021 and the Preliminary Design Report Workshop was held in September 2021. The design team submitted the 60% Design Submittal in December 2021. Staff reviewed and provided comments on the 60% Design Submittal. The 90% Design Submittal was received in March 2022. Staff has reviewed the submittal and provided comments to the design team. The 100% submittal was received in May 2022. The project team reviewed the final electrical design elements in November 2022. Final design comments are being resolved prior to releasing this project for bid. The Request for Bid is scheduled to be released to five pre-qualified contractors in March 2023. (2/14/23)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT
January 2023

Project Title: Excavation Slurry Dewatering Pit Project

File No.: M21-250D

Description: Design, documentation, and permitting for a dewatering process that will be constructed in Mesa Water's Operations Yard to provide dewatering for the hydrovac excavation slurry.

Status: A Scope of Work and Request for Quote for the design, documentation, and permitting for the Excavation Slurry Dewatering Pit Project was prepared and sent to on-call design consultants in October 2020. Following selection of an on-call design consultant, the kick-off meeting and site visit were held in November 2020. The draft memo was submitted for review in February 2021 and was reviewed by Mesa Water staff. Mesa Water staff has provided direction and the design of the Dewatering Pit is included in the Scope of Work for the Reservoirs 1 and 2 Pump Station Upgrades Project. The Final Technical Memorandum was submitted for review in June 2021. The Dewatering Pit will be designed and constructed as part of the Reservoirs 1 and 2 Pump Station Upgrades Project. (2/13/23)

Project Title: Operational IT Infrastructure Security Project

File No.: M21-250F

Description: The project will align the Operational IT infrastructure and management model with Mesa Water enterprise IT system standards and CISA recommendations.

Status: The project kick-off meeting was held in May 2021. The new servers, UPS, and isolated network have been installed and configured. The project team has procured the required switches and equipment; configured access accounts; and installed software updates. They are currently configuring network equipment for the Emergency Operations Center server. (2/14/23)

Project Title: Plastic Service Line Replacement Project

File No. M21-220D

Description: The project will replace all remaining old polybutylene service lines with copper tubing located within the Brookview Condominium community.

Status: The design was completed in November 2022 and a Request for Proposal for construction was solicited in December 2022. In January 2023, four bids were received and reviewed by staff and legal counsel for compliance with the Request for Proposal requirements. The Construction Agreement was executed in February 2023. Staff is currently working to schedule the pre-construction meeting. (2/13/23)

Water Quality Call Report

January 2023

Date: 1/20/23
Source: E-mail
Address: 2245 Raleigh Avenue
Description: Customer inquired via e-mail about PFAS monitoring in Unregulated Contaminant Monitoring Rule 5 (UCMR5) and when we are scheduled to collect samples.

Outcome: Calls were made to customer but could not get in touch and customer did not call back. An e-mail response was sent to let the customer know that UCMR5 monitoring is scheduled for Fall 2023 and Spring 2024 and the data will be available in the Annual Water Quality Report. The customer responded with a thank you.

Date: 1/24/23
Source: Phone/Visit
Address: 10240 Logan Avenue
Description: Customer is concerned about a sulfur odor coming from the bathroom sink faucets in one unit of a multi-unit commercial property.

Outcome: Water samples collected from an outside test port and cold water inside the home did not have any odor. Sulfur odor was observed from the hot water sample collected inside the home. Assured customer the water meets all state and federal drinking water standards. The sulfur odor appears to be an internal issue isolated to the hot water line of the one unit. Customer will investigate further.

Date: 1/30/23
Source: Phone/Visit
Address: 2371 Purdue Drive
Description: Customer reported a sulfur odor coming from the kitchen faucet.

Outcome: Water samples collected from the outside spigot and kitchen faucet did not have any odor and the customer agreed. Chlorine residual and pH were also within normal range. Assured customer the water meets all state and federal drinking water standards. The odor appears to be an internal issue isolated to the kitchen sink.

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
ICI ARCHITECTURAL MILLWORK	000007895	01/05/23	1	E300-003	\$10,246.50
	1				\$10,246.50
Margarita Lopez	000007995	01/12/23	12/15/22	Req: 4749	\$50.00
	1				\$50.00
PSI WATER TECHNOLOGIES	000008028	01/19/23	B0001595	M21-210B2	\$6,000.00
		01/19/23	B0001646	M21-210B2	\$3,500.00
	000008065	01/26/23	B0001679	M21-210B2	\$3,500.00
2				\$13,000.00	
The Cloud Cart Co.	000007943	01/12/23	128	CATERING	\$1,264.22
	1				\$1,264.22
Todd Porter	000007994	01/12/23	102888	Req: 4728	\$50.00
	1				\$50.00
ZAYO GROUP LLC	000008080	01/26/23	2023010035347	35347 JANUARY 23	\$2,260.63
	1				\$2,260.63
Total	7				\$26,871.35
CAPITAL					
BUTIER CONSULTING ENGINEERS	000008005	01/19/23	B028 MWD	M18-100 THROUGH OCTOBER 22	\$121,024.25
		01/19/23	C014 MWD	M21-250A1	\$51,999.63
		01/19/23	B029 MWD	M18-100 THROUGH NOVEMBER 22	\$82,913.63
1				\$255,937.51	
CAROLLO ENGINEERS	000008010	01/19/23	FB30824	CONSULTING	\$8,329.25
	000008040	01/26/23	FB31969	HYDRAULIC MODEL	\$13,786.75
2				\$22,116.00	
CDM SMITH, INC	000007923	01/11/23	90168502	M21-220C	\$58,910.67
		01/11/23	90166191	M21-220C	\$31,247.55
1				\$90,158.22	
DITCH WITCH SOUTHERN CALIFORNIA	000008014	01/19/23	664731	REPAIRS	\$3,893.59
		1			\$3,893.59
GATEWAY PACIFIC CONTRACTORS, INC.	000007924	01/11/23	19	M18-100 THROUGH DECEMBER 22	\$282,657.30
		1			\$282,657.30

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
HAMEL CONTRACTING, INC.	0186018	01/19/23	13	M21-250A1 DECEMBER 22	\$137,436.89
	0186019	01/19/23	12	M21-250A1 NOVEMBER 22	\$421,747.34
2					\$559,184.23
PAULUS ENGINEERING INC	000007968	01/12/23	21550	M23-003 ON CALL	\$39,515.75
	1				
TETRA TECH, INC	000007912	01/05/23	51987516	M21-220C THRU OCT 22	\$5,980.00
		01/05/23	51987518	M21-220C THRU OCT22	\$1,290.00
		01/05/23	51996524	M21-220D	\$17,671.50
	000008029	01/19/23	51975611	M18-100	\$20,125.00
		01/19/23	51971687	M21-220C THROUGH 9/30/22	\$4,030.00
		01/19/23	51986520	M18-100	\$15,425.00
	000008070	01/26/23	51960253	M18-100	\$845.00
		01/26/23	51971688	M21-220C THROUGH 9/30/22	\$860.00
		01/26/23	51928834	M18-100	\$8,081.00
		01/26/23	51985092	M21-220A	\$2,987.50
		01/26/23	52003423	M18-100 THROUGH NOVEMBER	\$8,932.50
		01/26/23	52010809	M21-220D THROUGH 12/30/22	\$8,410.00
		01/26/23	51996508	M23-220A THROUGH 11/25/22	\$2,440.00
3					\$97,077.50
Total CAPITAL		12			\$1,350,540.10
CHECK SIGNATURE EXEMPT					
SOUTHERN CALIFORNIA EDISON CO	000007927	01/12/23	7004610940891 222	DECEMBER BILLING	\$106,069.29
		01/12/23	7004610940891 21922	700461094089	\$52,689.57
1					\$158,758.86
Total CHECK SIGNATURE EXEMPT		1			\$158,758.86
DEPARTMENT EXPENSE					
4 IMPRINT	000007896	01/05/23	10634837	PROMO ITEMS	\$5,511.86
1					\$5,511.86

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
ACWA JOINT POWERS INSURANCE AUTHORITY	000008033	01/26/23	12312022	WORKER COMP 2ND QTR 2023	\$26,044.72
	1				\$26,044.72
AMERICAN SOCIETY OF CIVIL ENGINEERS	000007932	01/12/23	1045495799	Req: 4640	\$310.00
	1				\$310.00
CA PUBLIC EMPLOYEE RETIREMENT	CASH	01/24/23	100000017011015	UNFUNDED LIAB	\$90,380.00
	1				\$90,380.00
CALPERS BENEFIT PAYMENTS	CASH	01/04/23	100000017029752	JANUARY NON PERS HEALTH	\$6,225.66
		01/04/23	112322	CHECK DATE 11.23.22	\$35,097.84
		01/04/23	1042023F	FEES	\$200.00
		01/04/23	12722	CHECK DATE 12.7.22	\$34,322.53
		01/04/23	100000017029746	JAN HEALTH	\$53,777.13
		01/04/23	100000017039918	UNFUNDED LIAB	\$90,380.00
		01/10/23	12.21.22	CHECK DATE 12.21.22	\$33,984.02
		01/24/23	01042023	CHECK DATE 1.4.23	\$34,148.53
		01/04/23	120722	CHECK DATE 12.7.22	\$34,322.53
		01/24/23	12423	JAN PEPRA UNFUND	\$623.92
		1			
COLONIAL LIFE & ACCIDENT INS	000008044	01/26/23	88923330125726	THRU JAN 13 2023	\$150.41
	1				\$150.41
DATCO	000008046	01/26/23	174977	DOT PROGRAM	\$391.00
	1				\$391.00
FIRST BANKCARD	CASH	01/23/23	012323	DEC CHARGES	\$35,618.01
	1				\$35,618.01
GUARDIAN	000008055	01/26/23	00 43094112023	JANUARY BILLING	\$5,611.69
	1				\$5,611.69
NPELRA	000007907	01/05/23	2695	Req: 4718	\$195.00
	1				\$195.00
ORANGE COUNTY EMPLOYEES ASSN	000008020	01/19/23	120722	CHECK DATE 12.7.22	\$285.36
		01/19/23	122122	CHECK DATE 12.21.22	\$285.36
		01/19/23	112322	CHECK DATE 11.23.22	\$285.36

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$856.08
RED WING BUSINESS ADVANTAGE ACCT	000007910	01/05/23	29895	SAFETY BOOTS	\$200.00
	000008021	01/19/23	20230112009986	SAFETY SUPPLIES	\$200.00
	2				\$400.00
ULTIMATE STAFFING SERVICES	000008074	01/26/23	14292104	LABOR	\$919.20
	1				\$919.20
VISION SERVICE PLAN - (CA)	000008078	01/26/23	817019012	00101676 FEB 23	\$1,205.83
	1				\$1,205.83
VISTA DEL VERDE LANDSCAPE	000008077	01/26/23	37327	JANUARY SERVICE	\$3,133.79
	1				\$3,133.79
Total DEPARTMENT EXPENSE	14				\$493,809.75
GENERAL AND ADMINISTRATIVE					
ABATIX CORP	000007879	01/05/23	8342178	SUPPLIES	\$1,085.82
	1				\$1,085.82
ACCO ENGINEERED SYSTEMS, INC.	000008032	01/26/23	20340049	MAINTENANCE	\$17,930.00
	1				\$17,930.00
ACE RESTORATION & WATERPROOFING, INC.	000007930	01/12/23	22-036-1	M21-250A1	\$3,800.00
	1				\$3,800.00
AGNEW MULTILINGUAL	000008034	01/26/23	20124	CONSULTING	\$225.23
		01/26/23	20123	CONSULTING	\$472.50
	1				\$697.73
APOLLO PRINTING & GRAPHICS	000007881	01/05/23	278895	PRINTING	\$53.88
	1				\$53.88
ASSOCIATION OF WOMEN IN WATER	000008008	01/19/23	06259	Req: 4824	\$650.00
	1				\$650.00
AT&T MOBILITY	000007883	01/05/23	287306005081X1215202	287306005081	\$408.02
	000008036	01/26/23	287306005081X011523	287306005081	\$335.12
	2				\$743.14
BAKER RESCUE SERVICES, INC	000007934	01/12/23	2178	SAFETY TRAINING	\$1,950.00
	1				\$1,950.00
BIG BEN INC.	000007922	01/11/23	4	M21-220C THROUGH OCT 22	\$281,166.75
	1				\$281,166.75

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
BOLLAND AND ASSOCIATES	000007936	01/12/23	220312	CONSULTING	\$1,450.00
	000008037	01/26/23	220311	REGULATORY CONSULTING SVC	\$750.00
	2				\$2,200.00
BRENDA DEELEY PR LLC	000007937	01/12/23	1511	NOVEMBER CONSULTING	\$8,350.00
	1				\$8,350.00
BROWN & CALDWELL	000007938	01/12/23	12465035.1	ON-CALL CONSULTING	\$3,443.47
		01/12/23	158903	M22-200B	\$2,237.67
	000008038	01/26/23	12468131	M21-270	\$8,763.55
		01/26/23	12467020	ON CALL GRANT SUPPORT	\$6,731.43
	2				\$21,176.12
BSI AMERICA PROFESSIONAL SERVICES INC.	000007939	01/12/23	80856	NOVEMBER CONSULTING	\$11,800.00
	1				\$11,800.00
CALIFORNIA ADVOCATES INC.	000008086	01/26/23	012341	CONSULTING	\$7,700.00
	1				\$7,700.00
CANON FINANCIAL SERVICES, INC.	000007940	01/12/23	29687634	DEC LEASE	\$2,000.93
	1				\$2,000.93
CANON SOLUTIONS AMERICA, INC	000008039	01/26/23	602486	COPIER	\$3,308.21
	1				\$3,308.21
CAROL SEBASTIAN	000008082	01/26/23	CHEQ00099008 099	00700900 Cheque Deposits 00700	\$127.14
				1	
CCS ORANGE COUNTY JANITORIAL INC.	000007945	01/12/23	579096	DECEMBER 2022	\$4,091.02
		01/12/23	580223	MAINTENANCE	\$375.00
	1				\$4,466.02
CHARLES L. SWEAZY	000007958	01/12/23	28555	BACKFLOW TESTING	\$720.00
		01/12/23	28547	BACKFLOW TESTING	\$315.00
	1				\$1,035.00
CHARTER COMMUNICATIONS HOLDINGS, LLC	000008041	01/26/23	1201986010101 23	120198601	\$1,381.88
	1				\$1,381.88
CITY OF COSTA MESA	000008011	01/19/23	1192023	AFTER HOURS EMER RESPONSE	\$17,500.00
	000008042	01/26/23	15238	Req: 4862	\$270.00

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
CITY OF COSTA MESA	000008042	01/26/23	15235	Req: 4865	\$140.00
		01/26/23	15256	Req: 4869	\$140.00
		01/26/23	15241	Req: 4867	\$140.00
		01/26/23	15237	Req: 4868	\$140.00
		01/26/23	15239	Req: 4864	\$140.00
		01/26/23	15240	Req: 4866	\$140.00
		01/26/23	15236	Req: 4870	\$140.00
	2				\$18,750.00
CITY OF SANTA ANA	000007941	01/12/23	3-5821.3041210	M18-100 OCT-DEC	\$643.53
		01/12/23	3-5776.3031222	M18-100 OCT-DEC	\$213.25
	000008012	01/19/23	01192023	M18-100	\$21.33
		01/19/23	01192023-1	M18-100	\$64.36
	2				\$942.47
CITY OF TUSTIN	000007942	01/12/23	2023	Req: 4731	\$250.00
CLARK CONSTRUCTION GROUP-CA, LP	000007918	01/05/23	CHEQ00099008 085	20076300 Cheque Deposits 20076	\$911.53
COMPONETICS	000007887	01/05/23	1811	REPAIRS	\$2,725.56
COSTA MESA COLLISION AND AUTO PAINTING	000007888	01/05/23	12344796	REPAIRS	\$3,847.45
CROWN FACILITY SOLUTIONS	000008013	01/19/23	860	WINDOW CLEANING	\$2,585.00
DAVID MACKENZIE	000007919	01/05/23	CHEQ00099008 087	03213200 Cheque Deposits 03213	\$10.23
DOROTHY ROBBINS	000008083	01/26/23	CHEQ00099008 100	08021600 overpayment	\$172.92
EAN SERVICES LLC	000007949	01/12/23	31818459	DECEMBER RENTAL	\$2,264.51
ELAN ONE	CASH	01/03/23	01032023	DEC CHARGES	\$533.00
		01/31/23	13123	JAN CHARGES	\$1,528.03
					\$2,061.03

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
EMPOWER	000008048	01/26/23	362091	PLAN FEES THROUGH DEC 15 2022	\$5,825.07
		01/26/23	362118	EXPENSE CHGS THRU DEC 15, 2022	\$507.85
	CASH	01/04/23	12.2122MATCH	CHECK DATE 12.21.22 MATCH	\$9,244.79
		01/19/23	1.4.23 MATCH	CHECK DATE 1.4.23 MATCH	\$5,382.78
		01/24/23	1.18.23 MATCH	CHECK DATE 1.18.23 MATCH	\$11,228.06
		01/24/23	1.18.23457B	CHECK DATE 1.18.23 457B	\$22,868.70
		01/24/23	1.18.23 401A	CHECK DATE 1.18.23 401A	\$568.36
		01/04/23	12.21.22 457B	CHECK DATE 12.21.22 457B	\$15,436.36
		01/04/23	12.21.22 401A	CHECK DATE 12.21.22 401A	\$568.36
		01/19/23	1.4.23 457B	CHECK DATE 1.4.23 457B	\$38,108.21
		01/19/23	1.4.23 401A	CHECK DATE 1.4.23 401A	\$568.36
		2			
ENTERPRISE FM TRUST	000007890	01/05/23	FBN4629059	DEC BILLING	\$1,025.68
	1				\$1,025.68
EPIC BUSINESS ESSENTIALS, LLC	000007951	01/12/23	S100465739	OFFICE SUPPLIES	\$257.20
	1				\$257.20
FRONTIER COMMUNICATIONS	000007953	01/12/23	2091515234081 7945122	209-151-5234- 081794-5	\$109.96
	1				\$109.96
FULL CIRCLE RECYCLING	000007954	01/12/23	28390	RECYCLING	\$133.50
	000008051	01/26/23	28297	RECYCLING	\$133.50
	2				\$267.00
GALLUP, INC.	000008052	01/26/23	299053	CONSULTING	\$406.22
	1				\$406.22
GEIGER	000007955	01/12/23	4992273	PROMO	\$7,121.01
	000008053	01/26/23	5013336	SUPPLIES	\$3,591.05
	2				\$10,712.06
GERARD SIGNS & GRAPHICS INC	000008015	01/19/23	30357	VENDING MACHINE WRAP	\$3,171.69
	1				\$3,171.69

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
INFOSEND INC	000007957	01/12/23	224695	CUST SVC BILLINGS	\$1,149.81
		01/12/23	225926	CUST SVC BILLINGS	\$967.49
		01/12/23	226131	CUST SVC BILLINGS	\$2,119.88
		01/12/23	226573	WINTER INSERT	\$667.40
		01/12/23	226619	CUST SVC BILLINGS	\$2,819.13
		01/12/23	227495	CUST SVC BILLINGS	\$1,506.26
		01/12/23	224163	CUST SVC BILLINGS	\$1,834.03
		01/12/23	224132	CUST SVC	\$7,322.15
		01/12/23	225631	CUST SVC BILLINGS	\$1,347.20
		01/12/23	226433	CUST SVC BILLINGS	\$754.52
		01/12/23	226574	INSERTS	\$996.69
1					\$21,484.56
JOVENVILLE, LLC DBA WE THE CREATIVE	000007991	01/12/23	22-6891	CONSULTING	\$900.00
		1			
KLEEN KRAFT SERVICES	000007898	01/05/23	1125714	MATS, TOWELS, UNIFORMS	\$482.76
		01/05/23	1126411	MATS, TOWELS, UNIFORMS	\$482.76
		01/05/23	1127079	MATS, TOWELS, UNIFORMS	\$482.76
	000008016	01/19/23	1127772	MATS, TOWELS, UNIFORMS	\$482.76
	000008057	01/26/23	1128470	UNIFORMS,MATS, TOWELS	\$482.76
3					\$2,413.80
LEICA GEOSYSTEMS SOLUTION CENTER	000007960	01/12/23	902969876	SUPPLIES	\$145.46
	000008018	01/19/23	US-903023659	SUPPLIES	\$446.97
2					\$592.43
LIEBERT CASSIDY WHITMORE	000007961	01/12/23	231594	Req: 4787	\$4,545.00
	000008060	01/26/23	232825	LEGAL	\$1,591.00
2					\$6,136.00
LIFECOM, INC.	000007900	01/05/23	2098475-IN	MAINTENANCE	\$65.00
		01/05/23	2097474-IN	MAINTENANCE	\$65.00
		01/05/23	2098473-IN	MAINTENANCE	\$65.00
1					\$195.00
LINDA DEAN	000007920	01/05/23	CHEQ00099008084	01805700 overpayment	\$109.26

Payment Listing by Class

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$109.26
LINDA HATAYAMA	000008084	01/26/23	CHEQ00099008098	00616308 Overpayment	\$44.19
	1				\$44.19
LOOMIS ARMORED US, LLC DBA LOOMIS	000007901	01/05/23	13145708	ARMORED CAR	\$135.62
	1				\$135.62
MARIBEL LARIOS DBA FIDUCIARY EXPERTS LLC	000008050	01/26/23	000113-R-0006	CONSULTING	\$2,000.00
	1				\$2,000.00
MCFADDEN-DALE INDUSTRIAL HARDWARE, LLC	000007903	01/05/23	350286/3	SUPPLIES	\$21.30
	1				\$21.30
MYERS & SONS HI-WAY SAFETY INC	000007904	01/05/23	137848	SAFETY EQUIPMENT	\$1,901.79
	1				\$1,901.79
NEWPORT BEACH CHAMBER OF COMMERCE	000008063	01/26/23	473	MAYOR RECEPTION	\$650.00
	1				\$650.00
NEXTDAY DELIVERY SERVICE, LLC	000008061	01/26/23	811220	COURIER SERVICE	\$578.88
	1				\$578.88
NOACK AWARDS & ENGRAVING INC	000008062	01/26/23	28055	PROMO ITEMS	\$431.00
	1				\$431.00
NTH GENERATION COMPUTING INC.	000007965	01/12/23	41386TM3	CONSULTING	\$4,620.00
		01/12/23	41386TM4	RCA SUPPORT	\$19,585.00
		01/12/23	41386TM5	CONSULTING	\$1,045.00
	1				\$25,250.00
O'NEIL STORAGE #0481	000007966	01/12/23	2212048	STORAGE	\$126.94
	1				\$126.94
ORANGE COAST PLUMBING	000007908	01/05/23	38184	REPAIRS	\$3,645.00
	1				\$3,645.00
ORANGE COUNTY HEALTH CARE AGENCY	000008031	01/26/23	IN2628430	CROSS CONNECT 7-9, 2022	\$764.00
	1				\$764.00
ORANGE COUNTY WATER ASSOCIATION	000007967	01/12/23	05093	Req: 4800	\$250.00
	1				\$250.00
PETE'S ROAD SERVICE	000007969	01/12/23	23-0641474-00	REPAIRS	\$145.65
	1				\$145.65

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
QUADIENT FINANCE USA, INC	000007914	01/05/23	7900044080773 7511122	POSTAGE	\$891.04
	000008072	01/26/23	7900044080773 7511222	POSTAGE	\$552.73
	2				\$1,443.77
QUADIENT LEASING USA, INC	000007902	01/05/23	N9687246	DEC - MARCH	\$1,074.56
	1				\$1,074.56
REX CHURAN	000008085	01/26/23	CHEQ00099008 097	04150306 Cheque Deposits 04150	\$93.72
	1				\$93.72
ROBERT L WORTHING	000007926	01/12/23	CHEQ00099008 090	09910201 Cheque Deposits 09910	\$178.73
	1				\$178.73
SONSRAY MACHINERY	000007976	01/12/23	PSO056868-1	SUPPLIES	\$422.68
		01/12/23	SWO018305-1	SUPPLIES	\$7,404.50
	1				\$7,827.18
SOUTHERN CALIFORNIA GAS CO	000007972	01/12/23	0520079900412 22	052 007 9900 4	\$4,279.71
		01/12/23	0852081300012 22	085 208 1300 0	\$169.11
		01/12/23	0894081300212 22	089 408 1300 2	\$1,714.08
		01/12/23	0506082900812 22	050-608-2900 8	\$29,358.78
	1				\$35,521.68
STAFFING SOLUTIONS	000007978	01/12/23	38553	TEMP LABOR	\$1,510.40
		01/12/23	38494	TEMP LABOR	\$1,510.40
		01/12/23	38612	TEMP LABOR	\$1,510.40
		01/12/23	38672	TEMP LABOR	\$1,208.32
	000008068	01/26/23	38839	LABOR	\$1,510.40
	2				\$7,249.92
T BIRD RESTAURANT GROUP, INC.	000007993	01/12/23	CHEQ00099008 089	00513001 Cheque Deposits 00513	\$311.27
		01/12/23	CHEQ00099008 088	00513000 Cheque Deposits 00513	\$324.94
	1				\$636.21
T2 TECHNOLOGY GROUP, LLC	000007925	01/11/23	00307674	COMPONENT 3	\$32,307.00
		01/11/23	00307692	COMPONENT 3	\$30,862.50
		01/11/23	00307694	M23-104	\$38,392.50

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
T2 TECHNOLOGY GROUP, LLC	000007925	01/11/23	00307662	COMPONENT 3	\$34,752.00
		01/11/23	5162	IT SUPPLIES	\$5,928.74
		01/11/23	5163	M23-104 LICENSE	\$7,491.00
		01/11/23	5169	M21-120A	\$42,577.50
		01/11/23	00307691	COMPONENT 1 NOVEMBER 22	\$44,846.50
		01/11/23	5163-1	M23-104	\$6,930.00
		01/11/23	00307693	M21-250F	\$1,528.00
		01/11/23	00307646	COMPONENT 3	\$23,971.00
		01/11/23	5174	M23-104	\$318.80
	1				\$269,905.54
THEODORE ROBINS FORD	000007913	01/05/23	C77071	MAINTENANCE	\$1,242.05
		01/05/23	C77242	MAINTENANCE	\$62.67
		01/05/23	C77267	MAINTENANCE	\$95.00
	000007981	01/12/23	C77238	MAINTENANCE	\$90.06
		01/12/23	C77239	MAINTENANCE	\$62.67
		01/12/23	C77240	MAINTENANCE	\$62.67
		01/12/23	C77241	MAINTENANCE	\$62.67
		01/12/23	C77259	MAINTENANCE	\$95.00
		01/12/23	C77261	MAINTENANCE	\$95.00
		01/12/23	C77262	MAINTENANCE	\$95.00
		01/12/23	C77270	MAINTENANCE	\$95.00
		01/12/23	C77290	MAINTENANCE	\$95.00
		01/12/23	C77235	MAINTENANCE	\$50.17
		01/12/23	C77237	MAINTENANCE	\$90.06
		01/12/23	C77245	MAINTENANCE	\$62.67
		01/12/23	C77246	MAINTENANCE	\$62.67
		01/12/23	C77272	MAINTENANCE	\$62.67
		01/12/23	C77273	MAINTENANCE	\$62.67
		01/12/23	C77279	MAINTENANCE	\$62.67
		01/12/23	C77281	MAINTENANCE	\$62.67
		01/12/23	C77265	MAINTENANCE	\$95.00
		01/12/23	C77266	MAINTENANCE	\$95.00
		01/12/23	C77295	MAINTENANCE	\$95.00
01/12/23	C77225	MAINTENANCE	\$69.00		

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount	
THEODORE ROBINS FORD	000007981	01/12/23	C77231	MAINTENANCE	\$50.17	
		01/12/23	C77232	Receivings Transaction Entry	\$62.67	
		01/12/23	C77233	MAINTENANCE	\$62.67	
		01/12/23	C77236	MAINTENANCE	\$62.67	
		01/12/23	C77271	MAINTENANCE	\$62.67	
		01/12/23	C77275	MAINTENANCE	\$62.67	
		01/12/23	C77276	MAINTENANCE	\$62.67	
		01/12/23	C77286	MAINTENANCE	\$62.67	
		01/12/23	C77287	MAINTENANCE	\$62.67	
		01/12/23	C77291	MAINTENANCE	\$95.00	
		01/12/23	C77293	MAINTENANCE	\$95.00	
		01/12/23	C77223	MAINTENANCE	\$81.50	
		01/12/23	C77234	MAINTENANCE	\$62.67	
		01/12/23	C77243	MAINTENANCE	\$62.67	
		01/12/23	C772477	MAINTENANCE	\$62.67	
		01/12/23	C77277	MAINTENANCE	\$62.67	
		01/12/23	C77283	MAINTENANCE	\$43.83	
		01/12/23	C77260	MAINTENANCE	\$95.00	
		01/12/23	C77263	MAINTENANCE	\$95.00	
		01/12/23	C77268	MAINTENANCE	\$95.00	
	01/12/23	C77294	MAINTENANCE	\$95.00		
		000008027	01/19/23	C77278	MAINTENANCE	\$65.06
			01/19/23	C77289	MAINTENANCE	\$37.67
		01/19/23	C77297	MAINTENANCE	\$95.00	
		01/19/23	C77747	MAINTENANCE	\$1,291.77	
		01/19/23	C77248	MAINTENANCE	\$37.67	
	3				\$6,047.75	
TIME WARNER CABLE	000007982	01/12/23	1048224121922	8448 40 087 1048224	\$2,248.00	
		01/12/23	0012934010323	8448 20 899 0012934	\$340.26	
	000008071	01/26/23	1774795010623	8448 40 087 1774795 JAN 23	\$107.98	
	2				\$2,696.24	
UCI, IRVINE FOUNDATION	000007986	01/12/23	120822	Req: 4735	\$5,000.00	
	1				\$5,000.00	

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
UNIVERSAL WASTE SYSTEMS, INC	000007987	01/12/23	0001911019	WASTE REMOVAL	\$124.94
	1				\$124.94
UNUM	000007989	01/12/23	0420560-001 60223	FEB COVERAGE	\$4,484.06
	000008075	01/26/23	0420560-001 6 223	0420560-001 6 FEB COV	\$4,484.06
	2				\$8,968.12
VAN SCOYOC ASSOCIATES	000008076	01/26/23	74641	JANUARY SERVICES	\$11,008.69
	1				\$11,008.69
VERIZON WIRELESS	000007990	01/12/23	9923537139	NOVE 22 - DEC 21	\$132.93
		01/12/23	9923137016	660941940-001	\$2,390.62
	1				\$2,523.55
WASTE MANAGEMENT OF OC	000008025	01/19/23	7959716-0149- 21	DEC FEES	\$8.44
	1				\$8.44
WESTERN EXTERMINATOR COMPANY	000007992	01/12/23	27329737	PEST CONTROL	\$112.85
	1				\$112.85
WOOD INVESTMENT COMPANIES, INC.	000007921	01/05/23	CHEQ00099008 086	04504500 Cheque Deposits 04504	\$90.72
	1				\$90.72
ZONES INC	000008081	01/26/23	K20545180101	ACROBAT PRO	\$5,500.50
		01/26/23	K20545180102	CREATIVE CLOUD FOR TEAMS	\$1,977.60
	1				\$7,478.10
Total GENERAL AND ADMINISTRATIVE	97				\$968,166.16
RETIREE CHECKS					
COLEEN L MONTELEONE	000007944	01/12/23	202301	MONTHLY SUBSIDY	\$233.00
	1				\$233.00
DIANA LEACH	000007948	01/12/23	20230123	MONTHLY SUBSIDY	\$268.53
	1				\$268.53
LORI MULLER	000007962	01/12/23	202212	MONTHLY SUBSIDY	\$81.96
		01/12/23	202301	MONTHLY SUBSIDY	\$81.96
	1				\$163.92
Total RETIREE CHECKS	3				\$665.45
VARIOUS					
AC POZOS ELECTRIC CORPORATION	000008006	01/19/23	ACP2023-1007	ON CALL ELECTRIC	\$1,417.28

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
AC POZOS ELECTRIC CORPORATION	000008006	01/19/23	ACP2023-1008	ON CALL ELECTRICAL	\$1,250.92
		01/19/23	ACP2023-1009	ON CALL ELECTRICAL	\$1,265.31
		01/19/23	ACP2023-1011	ON CALL ELECTRICAL	\$1,037.48
		01/19/23	ACP2023-1010	ON CALL ELECTRICAL	\$1,197.03
	1				\$6,168.02
ACADEMY ELECTRIC INC.	000008030	01/19/23	1302-23	ON CALL SERVICE	\$423.24
	1				\$423.24
AMAZON BUSINESS	000007880	01/05/23	1X1L-M6XM-47HM	OFFICE SUPPLIES	\$16.26
		01/05/23	1CFP-QVHJ-GLYM	OFFICE SUPPLIES	\$19.38
		01/05/23	149L-XTQJ-VHVL	Receivings Transaction Entry	\$366.30
		01/05/23	194P-MFQY-RJ4V	OFFICE SUPPLIES	\$305.56
		01/05/23	16KY-QKVK-3QV1	OFFICE SUPPLIES	\$16.10
		01/05/23	1TPT-RCF7-33YF	OFFICE SUPPLIES	\$48.64
		01/05/23	1X9H-6D4R-WNKF	OFFICE SUPPLIES	\$363.90
		01/05/23	1HTP-1LT4-RJVF	OFFICE SUPPLIES	\$83.98
		01/05/23	1TLY-P74W-4ND7	OFFICE SUPPLIES	\$15.04
		01/05/23	1KQN-RTX6-DQ1T	OFFICE SUPPLIES	\$182.85
		01/05/23	1KFQ-N43C-7N4D	OFFICE SUPPLIES	\$29.06
		01/05/23	13RL-93VC-7KVX	OFFICE SUPPLIES	\$288.96
		01/05/23	1PXR-7PGJ-7L6G	OFFICE SUPPLIES	\$30.38
		01/05/23	1RVQ-6D1K-VVJF	OFFICE SUPPLIES	\$78.42
		01/05/23	1D79-RVTR-1WC3	OFFICE SUPPLIES	\$12.78
		01/05/23	1NY4-LKW7-D141	OFFICE SUPPLIES	\$162.60
		01/05/23	1KVR-NGC3-6CXJ	OFFICE SUPPLIES	\$127.24
		01/05/23	199G-J3CH-FJH7	OFFICE SUPPLIES	\$73.11
		01/05/23	1FF1-GYN6-333P	OFFICE SUPPLIES	\$130.68

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
AMAZON BUSINESS	000007880	01/05/23	16C7-63P6-41K9	OFFICE SUPPLIES	\$52.62
		01/05/23	1HGV-6DM4-F4M9	OFFICE SUPPLIES	\$221.32
		01/05/23	116C-MC1D-PM7J	OFFICE SUPPLIES	\$43.15
		01/05/23	1LHJ-RGTY-D7MQ	OFFICE SUPPLIES	\$5.74
		01/05/23	1NQN-D47M-CDDF	OFFICE SUPPLIES	\$267.48
		01/05/23	1DVC-N91R-FVPN	OFFICE SUPPLIES	\$23.48
		01/05/23	1MMN-7PG7-LXWV	OFFICE SUPPLIES	\$31.52
		01/05/23	1RR7-77JF-TKKN	OFFICE SUPPLIES	\$154.90
		01/05/23	11H4-XYFF-TTDC	OFFICE SUPPLIES	\$33.93
	000007931	01/12/23	1M76-FGLC-34TR	OFFICE SUPPLIES	\$235.03
		01/12/23	1K7G-YR6J-Q4RD	OFFICE SUPPLIES	\$91.54
		01/12/23	1TV6-6HQ3-QJFN	OFFICE SUPPLIES	\$42.87
		01/12/23	16F3-F13K-99RR	OFFICE SPPLIES	\$51.84
	000008007	01/19/23	1YVL-GFKC-9Q39	OFFICE SUPPLIES	\$287.41
		01/19/23	1QGT-QVHR-3GWN	OFFICE SUPPLIES	\$55.95
		01/19/23	1RXH-1LV4-MCK6	OFFICE SUPPLIES	\$107.72
		01/19/23	17Q1-37WF-WQRY	OFFICE SUPPLIES	\$98.63
		01/19/23	131D-1V6P-WDNL	OFFICE SUPPLIES	\$155.00
		01/19/23	1TD7-HMGK-4HFL	OFFICE SUPPLIES	\$22.09
		01/19/23	16KY-1VWT-6MPC	OFFICE SUPPLIES	\$29.96
		01/19/23	1H6T-4LCH-3GCY	OFFICE SUPPLIES	\$491.16
		01/19/23	1TV6-6HQ3-VF41	OFFICE SUPPLIES	\$82.43
		01/19/23	1G4V-DPDX-67RX	OFFICE SUPPLIES	\$43.04

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount	
AMAZON BUSINESS	000008007	01/19/23	117C-6TKP-FPN3	OFFICE SUPPLIES	\$59.10	
		01/19/23	1TPV-F3QP-1PHP	OFFICE SUPPLIES	\$274.06	
		01/19/23	1KKX-9J7W-4JW3	OFFICE SUPPLIES	\$178.98	
		01/19/23	1T71-7FN3-FPWR	OFFICE SUPPLIES	\$461.06	
		01/19/23	1WL1-Y3F6-DDRT	OFFICE SUPPLIES	\$23.40	
		01/19/23	1DXP-9VPW-63GN	OFFICE SUPPLIES	\$38.76	
	000008035	01/26/23	1JMV-RRHC-DGVJ	OFFICE SUPPLIES	\$1,366.24	
		01/26/23	1Y4V-KHCD-D4HD	OFFICE SUPPLIES	\$34.30	
		01/26/23	1YHV-WKX3-1L4J	OFFICE SUPPLIES	\$176.23	
		01/26/23	14M1-1HK6-HG6P	OFFICE SUPPLIES	\$46.99	
		01/26/23	1G9G-V7M6-4TF1	OFFICE SUPPLIES	\$349.57	
		01/26/23	1DPC-L1QR-N9YD	OFFICE SUPPLIES	\$98.78	
		01/26/23	1GHM-YC69-CDWY	OFFICE SUPPLIES	\$388.48	
		01/26/23	1CY7-MG3D-7HW6	OFFICE SUPPLIES	\$246.68	
		01/26/23	1TQW-L4HR-G7GH	OFFICE SUPPLIES	\$152.99	
		01/26/23	1H3J-JRG6-9FYT	OFFICE SUPPLIES	\$66.53	
		01/26/23	1QJG-KQDG-4KJQ	OFFICE SUPPLIES	\$10.86	
		01/26/23	13NJ-9YT6-HP1M	OFFICE SUPPLIES	\$38.54	
		01/26/23	17C9-HQ1W-4Q7K	OFFICE SUPPLIES	\$39.75	
		01/26/23	177J-VTKQ-4HPV	OFFICE SUPPLIES	\$8.07	
		01/26/23	1FK9-9J6R-FWY3	OFFICE SUPPLIES	\$264.60	
		4				
	AT&T	000007882	01/05/23	287295684390X 1216202	287295684390	\$506.94

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
AT&T	000007933	01/12/23	000019267283	9391037304	\$268.12
		01/12/23	000019294938	9391061444	\$371.51
		01/12/23	000019294080	9391055284	\$3,479.78
2					\$4,626.35
CITADEL ENVIRONMENTAL SERVICES INC	000008043	01/26/23	0031199	EHS AUDIT	\$15,920.00
		01/26/23	0013211	EHS AUDIT	\$3,596.75
1					\$19,516.75
COUNTY OF ORANGE -	000008002	01/13/23	Z2335632	FEE22-0099, FEE22-0100	\$2,640.00
1					\$2,640.00
CPC SYSTEMS INC.	000007947	01/12/23	CSIV00799	REPAIRS	\$2,650.14
	000008045	01/26/23	CSIVO0901	REPAIRS	\$3,186.59
2					\$5,836.73
DION & SONS, INC	000007889	01/05/23	803018	FUEL	\$1,208.91
		01/05/23	803016	FUEL	\$6,120.63
		01/05/23	801396	FUEL	\$2,243.25
	000008047	01/26/23	804555	FUEL	\$6,636.21
		01/26/23	804554	FUEL	\$1,637.76
2					\$17,846.76
ELITE EQUIPMENT	000007950	01/12/23	46986	Receivings Transaction Entry	\$826.84
1					\$826.84
FEDERAL EXPRESS CORPORATION	000007952	01/12/23	7-978-23463	SHIPPING	\$128.60
		01/12/23	7-985-82548	SHIPPING	\$12.49
	000008049	01/26/23	7-998-51042	SHIPPING	\$16.22
		01/26/23	8-005-14759	SHIPPING	\$145.36
2					\$302.67
GENERAL PUMP COMPANY	000008054	01/26/23	29731	REPAIRS	\$35,364.68
1					\$35,364.68
GRAINGER	000007892	01/05/23	9550741335	SUPPLIES	\$126.27
		01/05/23	9550404363	SUPPLIES	\$1,061.42
	000007956	01/12/23	9507180256	SAFETY GEAR	\$284.63
		01/12/23	9506570986	SAFETY GEAR	\$1,908.24
		01/12/23	9558341096	SAFETY GEAR	\$112.49
		01/12/23	9506570994	SAFETY GEAR	\$723.97

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
2					\$4,217.02
HACH COMPANY	000007893	01/05/23	13397831	WATER QLTY SUPPLIES	\$54.00
	000007928	01/12/23	13396884	1 YEAR SERVICE	\$35,773.00
		01/12/23	13395988	WATER QULAITY SUPPLIES	\$5,174.39
		01/12/23	13402940	WATER QUALITY SUPPLIES	\$431.94
2					\$41,433.33
LEED ELECTRIC	000007959	01/12/23	21132	ON CALL ELETRICAL	\$1,900.00
		01/12/23	221003	ON CALL ELECTRIC	\$1,563.00
1					\$3,463.00
LEWIS CONSULTING GROUP	000008059	01/26/23	2022-126	OC GOV SERVICES	\$4,000.00
1					\$4,000.00
NORTHERN SAFETY CO INC	000007964	01/12/23	905098248	SUPPLIES	\$858.12
1					\$858.12
PRIME SYSTEMS INDUSTRIAL AUTOMATION	000008026	01/19/23	0825-33	SCADA	\$10,095.00
1					\$10,095.00
SHERWIN WILLIAMS COMPANY	000007911	01/05/23	5512-1	SUPPLIES	\$33.80
		01/05/23	6029-5	SUPPLIES	\$201.77
	000007974	01/12/23	3764-3	SUPPLIES	\$653.92
	000008067	01/26/23	4938-9	SUPPLIES	\$201.77
3					\$1,091.26
SIGN DEPOT	000007975	01/12/23	9997	SUPPLIES	\$48.49
1					\$48.49
SPRYPOINT SERVICES INC	000008023	01/19/23	INV-1248	SMS MESSAGES	\$28.77
		01/19/23	INV-1270	BADGER INTERGRATION	\$2,315.25
1					\$2,344.02
STIVERS & ASSOCIATES INC.	000007980	01/12/23	12-970	CONSULTING	\$3,260.00
		01/12/23	12-967	CONSULTING	\$300.00
1					\$3,560.00
THE HOME DEPOT COMMERCIAL ACCT	000008056	01/26/23	1915 122022	STATEMENT 1222	\$3,247.17
1					\$3,247.17
TYCO/ JOHNSON CONTROLS	000007984	01/12/23	38252419	SERVICE CALL	\$20.20

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
TYCO/ JOHNSON CONTROLS	000007984	01/12/23	10491472	QUARTERLY CHGS	\$7,774.45
	1				\$7,794.65
VONAGE HOLDINGS CORPORATION	000008079	01/26/23	2220680	907011 JANUARY 23	\$10,937.63
	1				\$10,937.63
Total VARIOUS	35				\$195,945.75
WATER SUPPLY					
HILL BROTHERS CHEMICAL CO.	000007894	01/05/23	07154084	AQUA AMMONIA	\$5,390.94
		01/05/23	07154085	AQUA AMMONIA	\$7,612.58
		01/05/23	07154083	AQUA AMMONIA	\$9,273.54
	1				\$22,277.06
INSIGHT SERVICES, INC. LBD TESTOIL	000008069	01/26/23	340569	MAINTENANCE	\$274.08
	1				\$274.08
NALCO WATER PRETREATMENT SOLUTIONS	000007905	01/05/23	26841459	SUPPLIES	\$700.13
	000007963	01/12/23	2644433	SUPPLIES	\$12.10
		01/12/23	2650526	SUPPLIES	\$700.13
2				\$1,412.36	
OCWD	CASH	01/19/23	25016	DEC GAP	\$15,042.48
		01/26/23	11323	JULY - DEC 2022 RA	\$4,531,350.60
	1				\$4,546,393.08
PACIFIC STAR CHEMICAL DBA NORTHSTAR CHEMICAL	000007906	01/05/23	240145	HYPOCHLORITE	\$5,900.61
		01/05/23	239113	HYPOCHLORITE	\$6,181.59
		01/05/23	239114	HYPOCHLORITE	\$4,579.99
		01/05/23	237269	SODIUM HYPOCHLORITE	\$1,697.13
	000008019	01/19/23	239118	SODIUM HYPOCHLORITE	\$477.67
		01/19/23	241030	SODIUM HYPOCHLORITE	\$486.10
		01/19/23	239116	SODIUM HYPOCHLORITE	\$449.57
	2				\$19,772.66
SEPARATION PROCESSES, INC	000008022	01/19/23	10618	CONSULTING	\$729.00
	000008066	01/26/23	10687	CONSULTING	\$2,268.50
2				\$2,997.50	
UNITED WATERWORKS INC.	000007915	01/05/23	S100115820.001	OPS SUPPLIES	\$11,318.75
		01/05/23	S100114521.002	OPS SUPPLIES	\$5,699.31

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
UNITED WATERWORKS INC.	000007915	01/05/23	S100115007.001	OPS SUPPLIES	\$6,694.54
	000007988	01/12/23	S100109967.003	SUPPLIES	\$3,056.32
		01/12/23	S10014999.002	SUPPLIES	\$3,941.07
		01/12/23	S100114420.001	SUPPLIES	\$4,778.78
		01/12/23	S100114953.001	SUPPLIES	\$87.35
		01/12/23	S100112770.001	SUPPLIES	\$3,806.81
		01/12/23	S100115797.001	SUPPLIES	\$155.65
		01/12/23	S100114999.001	SUPPLIES	\$1,678.31
		01/12/23	S100113243.002	SUPPLIES	\$1,791.53
	000008024	01/19/23	S100116307.001	SUPPLIES	\$632.34
		01/19/23	S100116314.001	SUPPLIES	\$2,658.96
	3				\$46,299.72
Total WATER SUPPLY	12				\$4,639,426.46
WATER SYSTEM					
ACCESSORIE AIR COMPRESSOR SYSTEMS	000007929	01/12/23	204735	REPAIRS	\$4,497.86
		1			\$4,497.86
ALS TRUESDAIL LABORATORIES INC	000007983	01/12/23	522204475	WATER QUALITY SUPPLIES	\$44.00
	000008073	01/26/23	522204477	WTR QUALITY TESTING	\$22.00
		01/26/23	522300248	WTR QUALITY TESTING	\$22.00
		01/26/23	522204374	WTR QUALITY TESTING	\$22.00
		01/26/23	522204375	WTR QUALITY TESTING	\$22.00
		01/26/23	522204451	WTR QUALITY TESTING	\$27.50
		01/26/23	522300098	WTR QUALITY TESTING	\$22.00
		01/26/23	522300034	WTR QUALITY TESTING	\$22.00
	2				\$203.50
BADGER METER INC.	000007884	01/05/23	80113622	METERS	\$2,017.89
	000008009	01/19/23	80106734	SUPPLIES	\$2,017.68
	2				\$4,035.57
BATTERY MART INC	000007885	01/05/23	43817	SUPPLIES	\$142.02
	000007935	01/12/23	42043	BATTERIES	\$1,042.18

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	2				\$1,184.20
CHARLES P CROWLEY	000007886	01/05/23	30951	SUPPLIES	\$739.02
	1				\$739.02
EWLES MATERIALS INC	000007891	01/05/23	454865	DUMP FEES	\$1,200.00
		01/05/23	450549	PAVING MATERIALS	\$1,500.00
		01/05/23	453163	DUMP FEES	\$600.00
	1				\$3,300.00
IRVINE PIPE & SUPPLY	000007897	01/05/23	1056996-01	SUPPLIES	\$376.91
	1				\$376.91
LARRY'S BUILDING MATERIALS	000007899	01/05/23	CM-136090	SUPPLIES	\$274.60
	000008017	01/19/23	SA-15562	SUPPLIES	\$41.35
		01/19/23	SA-15561	SUPPLIES	\$85.56
	000008058	01/26/23	SA-15667	SUPPLIES	\$111.98
	3				\$513.49
LINDE GAS & EQUIPMENT INC.	000007909	01/05/23	31253112	REFILL TANKS	\$431.06
	1				\$431.06
ORANGE COUNTY SANITATION DISTRICT	000008064	01/26/23	542453	2ND QTR ESTIMATED CHG	\$21,641.67
	1				\$21,641.67
POLLARD WATER	000007970	01/12/23	0226626	SUPPLIES	\$1,314.34
	1				\$1,314.34
RELIABLE MONITORING SERVICES	000007971	01/12/23	2124686	MAINTENANCE	\$450.00
	1				\$450.00
SOUTH COAST A.Q.M.D.	000007973	01/12/23	4104187	ANNUAL RENEWAL FEES	\$2,616.51
		01/12/23	4106517	ANNUAL RENWAL FEES	\$151.85
	1				\$2,768.36
SOUTHERN COUNTIES LUBRICANTS, LLC	000007977	01/12/23	174282	SUPPLIES	\$5,852.25
		01/12/23	174277	FUEL	\$5,812.25
	1				\$11,664.50
STATE WATER RESOURCES CONTROL BOARD	000007979	01/12/23	SW-0247553	Req: 4818	\$548.00
	000008003	01/13/23	SW-0252022	Req: 4813	\$548.00
	2				\$1,096.00
UNDERGROUND SERVICE ALERT/SC	000007985	01/12/23	22-230226	4495 TICKETS	\$226.99
	1				\$226.99

Payment Listing by Class

1/1/2023 - 1/31/2023

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
VULCAN MATERIALS	000007916	01/05/23	73502267	SUPPLIES	\$399.32
		01/05/23	73483776	SUPPLIES	\$266.96
		01/05/23	73511028	SUPPLIES	\$485.16
		01/05/23	73521500	SUPPLIES	\$367.57
		01/05/23	73507923	SUPPLIES	\$224.29
		01/05/23	73515028	SUPPLIES	\$113.54
	1				\$1,856.84
WEST COAST SAND & GRAVEL	000007917	01/05/23	572996	BASE	\$341.36
		01/05/23	570323	FILL SAND	\$532.29
	1				\$873.65
Total WATER SYSTEM	24				\$57,173.96
Total Payments (All)	203				\$7,891,357.84



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: February 22, 2023
SUBJECT: Monthly Financial Reports

RECOMMENDATION

Receive and file the Monthly Financial Reports.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

The attached Treasurer's status reports reflect the performance of Mesa Water's cash and investment accounts.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Monthly Treasurer's Status Report on Investments as of 1/31/23
Attachment B: Monthly Treasurer's Status Report on Investments as of 12/31/22

Mesa Water District
Monthly Treasurer's Status Report on Investments
1/31/2023



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors.
The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

INVESTMENTS	Maturity Date	Days to Maturity	YTM@Cost	Cost Value	% of Portfolio	Policy % Limit	Market Value
Local Agency Investment Fund (LAIF) *	Liquid	1	2.43%	1,091.29	0.00%	No Limit	1,091.29
Orange County Investment Pool (OCIP)	Liquid	1	2.89%	834,684.49	2.72%	No Limit	834,684.49
Miscellaneous Cash (Petty, Emergency, etc.)	Liquid	1	0.00%	14,000.00	0.05%	N/A	14,000.00
US Bank Custody Account							
Negotiable Certificate of Deposit	Various	743	1.56%	10,179,000.00	31.34%	30.00%	9,603,556.96
US Agency Bonds	Various	823	0.92%	14,832,414.29	44.97%	No Limit	13,779,620.90
US Treasury Bonds	Various	670	0.67%	2,685,104.80	8.25%	No Limit	2,529,140.50
Sub Total / Average		778	1.13%	27,696,519.09			25,912,318.36
US Bank Custody Account							
Pacific Premier Bank	Liquid	1	3.83%	17,682.37	0.06%	No Limit	17,682.37
Pacific Premier Bank	Liquid	1	1.25%	3,865,207.97	12.61%	No Limit	3,865,207.97
Total / Average		658	1.20%	\$ 32,429,185.21	100.00%		\$ 30,644,984.48

PARS OPEB & PENSION TRUS	Monthly Rate of Return	Cost Value	Market Value
Public Agency Retirement Services (PARS)			
Capital Appreciation HighMark PLUS Fund			
OPEB	6.25%	\$ 2,046,676.07	\$ 2,085,440.41
Pension Trust	6.29%	\$ 13,591,342.67	\$ 14,058,405.65
		\$ 15,638,018.74	\$ 16,143,846.06

PARS OPEB & Pension Trust Benchmark | S & P 500 Index
1 Month | 6.18 %

RISK RETENTION CORPORATION	Monthly Rate of Return	Balance
Pacific Premier Bank	N/A	\$ 4,194,638.44

California | Local Government Investment Pools

(1) Local Agency Investment Fund | LAIF includes funds designated for allocation of working capital cash to reserves, working capital cash and advances for construction. LAIF market value on Monthly Treasurer's Status Report on Investments for months between quarters is the dollar amount invested times the fair market value Fair Value factor of prior quarter end. The general ledger LAIF carrying value reflects market value (unrealized gains and losses) only at fiscal year end. LAIF provides the Fair Value factor as of March 31, June 30, September 30 and December 31 each year. LAIF market value on this report is based on the December 2022 Fair Value Factor of 0.981389258.

(2) Orange County Treasurer's Investment Pool | OCIP - The 2022 Net Asset Value Factor is estimated at 1.00, and the interest rate is the Monthly Net Yield.

Weighted Average Return

Mesa Water® Funds | 1.20 %

Benchmark: 3 Month Treasury Bill - January 2023 | 4.69 %

Weighted Average Maturity

Years | 1.480 Days | 658

*LAIF Statement not available at reporting deadline; December data is published.

Mesa Water District
 Transactions Summary
 Monthly Treasurer's Status Report - Investment Activity
 Group By: Action
 Portfolio / Report Group: US Bank | Custodian - Fixed
 Begin Date: 12/31/2022, End Date: 01/31/2023

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
Signature Federal CR 4.4 1/31/2028	82671DAB3	4.400	1/31/2023	1/31/2028	249,000.00	249,000.00	0.00	249,000.00
Sub Total / Average Buy					249,000.00	249,000.00	0.00	249,000.00

Mesa Water District

Date To Date

Interest | Received - Monthly

Report Format: By Transaction

Group By: Asset Category

Portfolio / Report Group: Report Group | Treasurer's Report

Begin Date: 12/31/2022, End Date: 1/31/2023

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
LAIF Policy - No Limit							
LAIF LGIP	LGIP0012	6/30/2010	N/A	N/A	1,091.29	0.00	0.00
Sub Total/Average					1,091.29	0.00	0.00
Orange County LGIP - OCIP Policy - No Limit							
Orange County Investment Pool LGIP	LGIP9LC	9/30/2011	N/A	N/A	834,684.49	1,267.43	0.00
Sub Total/Average					834,684.49	1,267.43	0.00
Miscellaneous Cash (Petty Emergency)							
Miscellaneous Cash	CASH	6/30/2015	N/A	N/A	14,000.00	0.00	0.00
Sub Total/Average					14,000.00	0.00	0.00
Negotiable CD 30%							
Preferred Bank CA 0.25 7/17/2023	740367LV7	7/17/2020	7/17/2023	0.250	249,000.00	52.87	0.00
Merrick Bank UT 3 7/31/2023	59013J6G9	1/30/2019	7/31/2023	3.000	249,000.00	634.44	0.00
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	11/8/2019	11/8/2023	1.750	249,000.00	370.09	0.00
Raymond James Bank 1.75 11/8/2023	75472RAH4	11/8/2019	11/8/2023	1.750	247,000.00	0.00	0.00
Third Federal Savings 1.75 11/13/2023	88413QCJ5	11/12/2019	11/13/2023	1.750	247,000.00	0.00	0.00
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	12/2/2019	12/4/2023	1.700	249,000.00	359.52	0.00
John Marshall Bancorp VA 0.2 12/29/2023	47804GGC1	12/30/2020	12/29/2023	0.200	249,000.00	42.30	0.00
Goldman Sachs NY 3.3 1/16/2024	38148P4E4	1/16/2019	1/16/2024	3.300	245,000.00	4,075.73	0.00
Bankwell Bank CT 0.35 1/30/2024	06654BCM1	7/30/2020	1/30/2024	0.350	249,000.00	439.33	0.00
Morgan Stanley UT 3.05 1/31/2024	61690UDV9	1/31/2019	1/31/2024	3.050	246,000.00	3,782.33	0.00
Morgan Stanley NY 3.05 1/31/2024	61760AVF3	1/31/2019	1/31/2024	3.050	246,000.00	3,782.33	0.00
Enerbank UT 1.15 4/29/2024	29278TNY2	4/29/2020	4/29/2024	1.150	249,000.00	243.20	0.00
First Freedom Bank 1.1 4/30/2024	32027BAM9	4/30/2020	4/30/2024	1.100	249,000.00	232.63	0.00
Capital One VA 2.65 5/22/2024	14042RLP4	5/22/2019	5/22/2024	2.650	246,000.00	0.00	0.00
Eaglebank MD 2.5 5/24/2024	27002YEN2	5/24/2019	5/24/2024	2.500	249,000.00	528.70	0.00
Farm Bureau Bank NV 0.25 7/9/2024	307660LK4	10/9/2020	7/9/2024	0.250	249,000.00	52.87	0.00
Luana Savings Bank IA 0.2 8/19/2024	549104WN3	2/19/2021	8/19/2024	0.200	249,000.00	0.00	0.00
Synchrony Bank UT 0.55 9/3/2024	87164WA73	9/3/2021	9/3/2024	0.550	249,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
Sallie Mae Bank UT 1.9 10/16/2024	7954504P7	10/17/2019	10/16/2024	1.900	247,000.00	0.00	0.00
Celtic Bank UT 1.65 10/23/2024	15118RSV0	10/23/2019	10/23/2024	1.650	249,000.00	348.94	0.00
Garnett State Bank 1.7 11/19/2024	366526AW1	11/19/2019	11/19/2024	1.700	249,000.00	359.52	0.00
Citizens State Bank 1.7 11/22/2024	176688CR8	11/22/2019	11/22/2024	1.700	249,000.00	359.52	0.00
Transportation Alliance Bank 0.4 1/30/2025	89388CFD5	8/3/2021	1/30/2025	0.400	247,000.00	83.91	0.00
BMO Harris Bank IL 0.5 3/28/2025-20	05600XAY6	9/28/2020	3/28/2025	0.500	249,000.00	0.00	0.00
Baycoast Bank MA 0.9 3/31/2025	072727BG4	3/31/2020	3/31/2025	0.900	248,000.00	0.00	0.00
First Commercial Bank MS 0.3 3/31/2025	31984GFK0	9/30/2020	3/31/2025	0.300	249,000.00	63.44	0.00
Flagstar Bank MI 1.25 4/30/2025	33847E3A3	4/30/2020	4/30/2025	1.250	248,000.00	0.00	0.00
Apex Bank TN 0.95 5/8/2025	03753XBK5	5/8/2020	5/8/2025	0.950	249,000.00	200.91	0.00
Seattle Bank WA 0.75 6/2/2025-20	81258PKJ1	6/2/2020	6/2/2025	0.750	249,000.00	158.61	0.00
Medallion Bank UT 0.6 7/15/2025	58404DHM6	7/15/2020	7/15/2025	0.600	249,000.00	126.89	0.00
BMW Bank UT 0.5 9/25/2025	05580AXF6	9/25/2020	9/25/2025	0.500	249,000.00	0.00	0.00
Texas Exchange Bank TX 0.6 12/18/2025	88241TJR2	12/18/2020	12/18/2025	0.600	249,000.00	126.89	0.00
JPMorgan Chase OH 0.5 12/29/2025-21	48128UUZ0	12/29/2020	12/29/2025	0.500	249,000.00	0.00	0.00
Live Oak Banking NC 0.5 2/10/2026	538036NE0	2/10/2021	2/10/2026	0.500	249,000.00	105.74	0.00
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	7/29/2021	7/29/2026	0.950	248,000.00	1,187.68	0.00
UBS Bank UT 0.95 8/25/2026	90348JS50	8/25/2021	8/25/2026	0.950	249,000.00	200.91	0.00
Capital One Bank VA 1.1 11/17/2026	14042TDW4	11/17/2021	11/17/2026	1.100	248,000.00	0.00	0.00
Evergreen Bank IL 4 12/16/2026	300185LF0	12/16/2022	12/16/2026	4.000	249,000.00	845.92	0.00
Discover Bank3.4 7/6/2027	254673L38	7/6/2022	7/6/2027	3.400	245,000.00	4,199.23	0.00
Alliant Credit Union IL 4.85 12/30/2027	01882MAA0	12/30/2022	12/30/2027	4.850	248,000.00	1,021.56	0.00
Signature Federal CR 4.4 1/31/2028	82671DAB3	1/31/2023	1/31/2028	4.400	249,000.00	0.00	0.00
Sub Total/Average					10,179,000.00	23,986.01	0.00
US Agency - No Limit							
FFCB 0.125 5/3/2023-21	3133EMPA4	2/5/2021	5/3/2023	0.125	250,000.00	0.00	0.00
FFCB 2.125 6/5/2023	3133EKPT7	11/8/2019	6/5/2023	2.125	500,000.00	0.00	0.00
FHLMC 0.375 7/14/2023-22	3134GV5F1	7/14/2020	7/14/2023	0.375	250,000.00	468.75	0.00
FAMC 3.05 9/19/2023	3132X06C0	1/9/2019	9/19/2023	3.050	500,000.00	0.00	0.00
FFCB 0.25 9/21/2023-22	3133EMAM4	9/24/2020	9/21/2023	0.250	500,000.00	0.00	0.00
FFCB 0.27 11/3/2023-22	3133EMFN7	11/3/2020	11/3/2023	0.270	250,000.00	0.00	0.00
FHLMC 0.3 11/13/2023-22	3134GXAY0	11/13/2020	11/13/2023	0.300	250,000.00	0.00	0.00
FFCB 0.25 3/1/2024-21	3133EMSD5	3/24/2021	3/1/2024	0.250	250,000.00	0.00	0.00
FHLMC 0.5 5/20/2024-22	3134GVXR4	5/21/2020	5/20/2024	0.500	500,000.00	0.00	0.00
FAMC 2.15 6/5/2024	31422BGA2	11/8/2019	6/5/2024	2.150	500,000.00	0.00	0.00
FHLMC 0.45 7/8/2024-22	3134GV4S4	7/13/2020	7/8/2024	0.450	750,000.00	1,687.50	0.00
FHLMC 0.35 9/30/2024-22	3134GWVM5	9/30/2020	9/30/2024	0.350	250,000.00	0.00	0.00
FFCB 0.3 11/12/2024-21	3133EMQQ8	3/2/2021	11/12/2024	0.300	250,000.00	0.00	0.00
FFCB 1.32 1/21/2025	3133ENLU2	3/17/2022	1/21/2025	1.320	250,000.00	1,650.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
FFCB 0.32 2/3/2025-21	3133EMPV8	2/5/2021	2/3/2025	0.320	250,000.00	0.00	0.00
FHLB 0.625 2/24/2025-22	3130ANQ86	8/24/2021	2/24/2025	0.625	250,000.00	0.00	0.00
FFCB 0.43 3/3/2025	3133EMSJ2	3/3/2021	3/3/2025	0.430	250,000.00	0.00	0.00
FHLB 0.5 3/10/2025-21	3130ALDZ4	3/24/2021	3/10/2025	0.500	250,000.00	0.00	0.00
FHLMC 0.7 5/13/2025-21	3134GVSY5	5/13/2020	5/13/2025	0.700	500,000.00	0.00	0.00
FFCB 0.6 6/16/2025-22	3133EMH47	6/17/2021	6/16/2025	0.600	250,000.00	0.00	0.00
FNMA 0.6 7/29/2025-22	3136G4D75	12/18/2020	7/29/2025	0.600	250,000.00	750.00	0.00
FNMA 0.5 8/14/2025-23	3135G05S8	4/29/2021	8/14/2025	0.500	250,000.00	0.00	0.00
FNMA 0.375 8/25/2025	3135G05X7	11/12/2020	8/25/2025	0.375	250,000.00	0.00	0.00
FFCB 0.53 9/29/2025-21	3133EMBH4	6/17/2021	9/29/2025	0.530	500,000.00	0.00	0.00
FHLMC 0.4 9/30/2025-21	3134GWVP8	9/30/2020	9/30/2025	0.400	250,000.00	0.00	0.00
FHLMC 0.65 10/27/2025-21	3134GW5R3	5/25/2021	10/27/2025	0.650	375,000.00	0.00	0.00
FHLMC 0.45 10/29/2025-21	3134GW3J3	4/22/2021	10/29/2025	0.450	250,000.00	0.00	0.00
FNMA 0.54 11/3/2025-22	3135GA2G5	10/30/2020	11/3/2025	0.540	500,000.00	0.00	0.00
FNMA 0.56 11/17/2025-22	3135GA2Z3	11/17/2020	11/17/2025	0.560	325,000.00	0.00	0.00
FNMA 0.58 11/25/2025-22	3135GA5E7	11/30/2020	11/25/2025	0.580	250,000.00	0.00	0.00
FFCB 0.47 12/22/2025-22	3133EMLC4	12/22/2020	12/22/2025	0.470	250,000.00	0.00	0.00
FFCB 0.45 2/2/2026-23	3133EMPD8	3/2/2021	2/2/2026	0.450	300,000.00	0.00	0.00
FHLB 0.53 2/10/2026	3130AKWW2	8/19/2021	2/10/2026	0.530	310,000.00	0.00	0.00
FHLB 0.625 2/24/2026-21	3130AL7M0	3/2/2021	2/24/2026	0.625	250,000.00	0.00	0.00
FFCB 0.8 3/9/2026-23	3133EMSU7	9/24/2021	3/9/2026	0.800	250,000.00	0.00	0.00
FHLB 0.6 3/10/2026-21	3130ALFX7	3/10/2021	3/10/2026	0.600	250,000.00	0.00	0.00
FHLB 0.75 3/16/2026-21	3130ALF33	3/24/2021	3/16/2026	0.750	250,000.00	0.00	0.00
FHLB 0.85 3/30/2026-21	3130ANY79	11/10/2021	3/30/2026	0.850	250,000.00	0.00	0.00
FHLMC 1.03 4/29/2026-22	3130ALZM9	4/29/2021	4/29/2026	1.030	250,000.00	0.00	0.00
FHLB 0.875 5/26/2026-21	3130AMHB1	5/28/2021	5/26/2026	0.875	250,000.00	0.00	0.00
FFCB 0.9 6/15/2026-22	3133EMH21	6/17/2021	6/15/2026	0.900	250,000.00	0.00	0.00
FFCB 0.94 9/28/2026-22	3133EM6E7	9/28/2021	9/28/2026	0.940	250,000.00	0.00	0.00
FHLMC 0.8 10/27/2026-21	3134GW4C7	11/10/2021	10/27/2026	0.800	250,000.00	0.00	0.00
FHLB 3.125 10/29/2026-24	3130ARUF6	5/12/2022	10/29/2026	3.125	250,000.00	0.00	0.00
FFCB 1.46 11/30/2026-23	3133ENFPO	11/30/2021	11/30/2026	1.460	250,000.00	0.00	0.00
FFCB 1.68 3/10/2027	3133ENRD4	3/17/2022	3/10/2027	1.680	250,000.00	0.00	0.00
FHLB 3 4/21/2027-23	3130ARJF9	4/21/2022	4/21/2027	3.000	250,000.00	0.00	0.00
FHLB 5.41 10/18/2027-23	3130ATN94	10/24/2022	10/18/2027	5.410	250,000.00	0.00	0.00
Sub Total/Average					14,810,000.00	4,556.25	0.00

US Treasury - No Limit

T-Note 0.125 8/31/2023	91282CCU3	1/24/2022	8/31/2023	0.125	200,000.00	0.00	0.00
T-Note 0.375 10/31/2023	91282CDD0	11/10/2021	10/31/2023	0.375	250,000.00	0.00	0.00
T-Note 0.125 2/15/2024	91282CBM2	8/19/2021	2/15/2024	0.125	250,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
T-Note 0.25 3/15/2024	91282CBR1	9/24/2021	3/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.25 6/15/2024	91282CCG4	9/24/2021	6/15/2024	0.250	250,000.00	0.00	0.00
T-Note 2.25 12/31/2024	9128283P3	4/13/2022	12/31/2024	2.250	250,000.00	0.00	0.00
T-Note 0.375 4/30/2025	912828ZL7	7/1/2021	4/30/2025	0.375	250,000.00	0.00	0.00
T-Note 0.375 4/30/2025	912828ZL7	8/19/2021	4/30/2025	0.375	250,000.00	0.00	0.00
T-Note 0.25 6/30/2025	912828ZW3	4/22/2021	6/30/2025	0.250	250,000.00	0.00	0.00
T-Note 0.375 1/31/2026	91282CBH3	4/29/2021	1/31/2026	0.375	250,000.00	468.75	0.00
T-Note 0.625 7/31/2026	91282CCP4	9/24/2021	7/31/2026	0.625	250,000.00	781.25	0.00
Sub Total/Average					2,700,000.00	1,250.00	0.00
US Bank MM Custody Policy 50%							
US Bank Custodian MM	MM65000	7/31/2020	N/A	N/A	17,682.37	7,745.93	0.00
Sub Total/Average					17,682.37	7,745.93	0.00
Pacific Premier Bank Policy - n/a							
Pacific Premier Bank Checking Cash	MM0831	5/28/2020	N/A	N/A	3,865,207.97	0.00	0.00
Sub Total/Average					3,865,207.97	0.00	0.00
Total / Average					32,421,666.12	38,805.62	0.00

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS OPEB Trust
As of 1/31/2023

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS OPEB Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	5,439.23	143,031.97	146,640.70
DFA Large Cap	233203868	Mutual Fund	4,937.47	117,417.23	123,880.86
Dodge & Cox International	256206103	Mutual Fund	942.04	39,244.00	44,077.25
Dodge & Cox Stock Fund	256219106	Mutual Fund	570.85	108,697.69	131,292.28
Dodge Cox Income	256210105	Mutual Fund	10,014.19	126,979.89	126,579.36
Doubeline Core Fix Income	258620301	Mutual Fund	13,416.77	142,692.29	127,325.08
Emerald Growth	317609253	Mutual Fund	4,053.37	93,186.86	96,672.87
Harbor Capital Appreciation	411512528	Mutual Fund	1,212.31	98,837.20	84,509.10
Hartford Schroders	41665X859	Mutual Fund	7,482.55	130,220.32	119,571.17
iShares Russell Mid Cap	464287499	Mutual Fund	1,811.00	103,884.06	132,293.55
Ishares SP 500 Growth	464287309	Mutual Fund	1,363.00	81,366.61	84,206.14
iShares SP500	464287408	Mutual Fund	388.00	51,278.16	60,209.84
MFS International	552746356	Mutual Fund	1,132.04	43,125.23	44,069.85
PGIM Total Return Bond	74440B884	Mutual Fund	10,537.32	147,056.51	127,816.84
PIMCO	693390841	Mutual Fund	2,105.80	18,706.75	16,319.86
Pimco Total Return Fund	693390700	Mutual Fund	16.23	141.73	141.72
Undiscovered	904504479	Mutual Fund	1,173.66	90,636.87	96,532.31
US Bank PARS OPEB Trust MM	MM4900	Money Market	121,613.86	121,613.86	121,613.86
Vanguard Growth & Income	921913208	Mutual Fund	3,560.41	286,069.43	297,508.70
Vanguard Real Estate	922908553	Mutual Fund	396.00	32,236.96	36,059.76
Vanguard Short Term	922031836	Mutual Fund	6,751.18	70,252.45	68,119.31
Sub Total / Average PARS OPEB Trust			198,917.28	2,046,676.07	2,085,440.41
Total / Average			198,917.28	2,046,676.07	2,085,440.41

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS Pension Trust
As of 1/31/2023

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS Pension Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	36,665.93	976,778.56	988,513.36
DFA Large Cap	233203868	Mutual Fund	33,282.31	784,773.15	835,053.16
Dodge & Cox International	256206103	Mutual Fund	6,350.54	250,692.01	297,141.29
Dodge & Cox Stock Fund	256219106	Mutual Fund	3,848.01	723,273.51	885,038.85
Dodge Cox Income	256210105	Mutual Fund	67,506.21	855,978.71	853,278.46
Doubeline Core Fix Income	258620301	Mutual Fund	90,449.47	966,121.61	858,365.22
Emerald Growth	317609253	Mutual Fund	27,323.96	628,177.93	651,676.54
Harbor Capital Appreciation	411512528	Mutual Fund	8,172.09	677,221.09	569,677.25
Hartford Schroders	41665X859	Mutual Fund	50,440.09	871,816.65	806,032.42
iShares Russell Mid Cap	464287499	Mutual Fund	12,202.00	540,081.01	891,356.10
Ishares SP 500 Growth	464287309	Mutual Fund	9,187.00	548,433.57	567,572.86
iShares SP500	464287408	Mutual Fund	2,611.00	342,496.61	405,174.98
MFS International	552746356	Mutual Fund	7,630.79	269,877.72	297,066.24
PGIM Total Return Bond	74440B884	Mutual Fund	70,765.56	993,289.36	858,386.55
PIMCO	693390841	Mutual Fund	14,195.20	126,563.54	110,012.84
Undiscovered	904504479	Mutual Fund	7,911.55	595,687.52	650,725.33
US Bank PARS - Pension Trust MM	MM4901	Money Market	826,541.40	826,541.40	826,541.40
Vanguard Growth & Income	921913208	Mutual Fund	24,003.93	1,916,994.16	2,005,767.55
Vanguard Real Estate	922908553	Mutual Fund	2,666.00	221,591.98	242,765.96
Vanguard Short Term	922031836	Mutual Fund	45,417.17	474,952.58	458,259.29
Sub Total / Average PARS Pension Trust			1,347,170.21	13,591,342.67	14,058,405.65
Total / Average			1,347,170.21	13,591,342.67	14,058,405.65

Mesa Water District
Transactions Summary
Monthly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS OPEB Trust
Begin Date: 12/31/2022, End Date: 01/31/2023

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
DFA Large Cap	233203868	0.000	1/18/2023	N/A	973.68	24,001.09	0.00	24,001.09
Dodge & Cox International	256206103	0.000	1/18/2023	N/A	242.91	11,212.54	0.00	11,212.54
Dodge Cox Income	256210105	0.000	1/18/2023	N/A	10,014.19	126,979.89	0.00	126,979.89
Doubeline Core Fix Income	258620301	0.000	1/18/2023	N/A	637.78	6,090.82	0.00	6,090.82
Emerald Growth	317609253	0.000	1/18/2023	N/A	4,053.37	93,186.86	0.00	93,186.86
Hartford Schroders	41665X859	0.000	1/18/2023	N/A	1,510.74	23,673.36	0.00	23,673.36
Ishares SP 500 Growth	464287309	0.000	1/18/2023	N/A	1,363.00	81,366.61	0.00	81,366.61
MFS International	552746356	0.000	1/18/2023	N/A	325.27	12,574.97	0.00	12,574.97
PGIM Total Return Bond	74440B884	0.000	1/31/2023	N/A	38.79	470.52	0.00	470.52
PGIM Total Return Bond	74440B884	0.000	1/18/2023	N/A	446.89	5,456.47	0.00	5,456.47
PIMCO	693390841	0.000	1/18/2023	N/A	77.02	600.77	0.00	600.77
Pimco Total Return Fund	693390700	0.000	1/31/2023	N/A	16.21	141.53	0.00	141.53
Vanguard Short Term	922031836	0.000	1/31/2023	N/A	13.81	139.35	0.00	139.35
Vanguard Short Term	922031836	0.000	1/18/2023	N/A	326.61	3,298.75	0.00	3,298.75
Sub Total / Average Buy					20,040.27	389,193.53	0.00	389,193.53
Dividend								
PGIM Total Return Bond	74440B884	0.000	1/31/2023	N/A	0.00	0.00	470.52	470.52
PIMCO	693390841	0.000	1/31/2023	N/A	0.00	0.00	69.21	69.21
Pimco Total Return Fund	693390700	0.000	1/31/2023	N/A	0.00	0.00	141.53	141.53
Vanguard Short Term	922031836	0.000	1/31/2023	N/A	0.00	0.00	139.35	139.35
Sub Total / Average Dividend					0.00	0.00	820.61	820.61
Sell								
Columbia Contrarian Fund	19766M709	0.000	1/18/2023	N/A	180.62	4,679.79	0.00	4,679.79
Columbia Contrarian Fund	19766M709	0.000	1/3/2023	N/A	21.28	534.48	0.00	534.48
DFA Large Cap	233203868	0.000	1/3/2023	N/A	15.01	348.31	0.00	348.31
Dodge & Cox International	256206103	0.000	1/3/2023	N/A	2.65	114.77	0.00	114.77
Dodge & Cox Stock Fund	256219106	0.000	1/18/2023	N/A	34.05	7,551.93	0.00	7,551.93
Dodge & Cox Stock Fund	256219106	0.000	1/3/2023	N/A	2.29	493.84	0.00	493.84
Harbor Capital Appreciation	411512528	0.000	1/18/2023	N/A	16.11	1,067.522	0.00	1,067.52
Harbor Capital Appreciation	411512528	0.000	1/18/2023	N/A	26.41	1,750.048	0.00	1,750.05
Harbor Capital Appreciation	411512528	0.000	1/3/2023	N/A	4.75	296.65	0.00	296.65

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Hartford Schroders	41665X859	0.000	1/3/2023	N/A	22.61	330.33	0.00	330.33
iShares Russell Mid Cap	464287499	0.000	1/18/2023	N/A	167.00	11,765.39	0.00	11,765.39
iShares Russell Mid Cap	464287499	0.000	1/3/2023	N/A	7.00	469.01	0.00	469.01
iShares SP500	464287408	0.000	1/18/2023	N/A	17.00	2,561.57	0.00	2,561.57
iShares SP500	464287408	0.000	1/3/2023	N/A	1.00	145.11	0.00	145.11
MFS International	552746356	0.000	1/3/2023	N/A	3.05	110.31	0.00	110.31
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	8.049	70.59	0.00	70.59
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	16.43	144.091	0.00	144.09
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	17.299	151.712	0.00	151.71
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	17.49	153.387	0.00	153.39
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	17.735	155.536	0.00	155.54
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	17.814	156.229	0.00	156.23
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	17.874	156.755	0.00	156.76
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	18.077	158.535	0.00	158.54
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	18.189	159.517	0.00	159.52
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	18.78	164.701	0.00	164.70
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	18.78	164.701	0.00	164.70
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	18.958	166.262	0.00	166.26
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	19.055	167.112	0.00	167.11
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	19.159	168.024	0.00	168.02
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	19.289	169.164	0.00	169.16
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	19.315	169.392	0.00	169.39
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	20.665	181.232	0.00	181.23
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	20.83	182.679	0.00	182.68
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.134	185.345	0.00	185.35
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.457	188.178	0.00	188.18
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.50	188.555	0.00	188.56
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.561	189.09	0.00	189.09
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.569	189.16	0.00	189.16
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21.655	189.914	0.00	189.91
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	22.31	195.659	0.00	195.66
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	22.64	198.553	0.00	198.55
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	22.82	200.131	0.00	200.13
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	23.005	201.754	0.00	201.75
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	23.043	202.087	0.00	202.09
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	23.807	208.787	0.00	208.79
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	23.926	209.831	0.00	209.83
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	24.437	214.312	0.00	214.31
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	24.501	214.874	0.00	214.87
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	25.066	219.829	0.00	219.83

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	25.285	221.749	0.00	221.75
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	25.609	224.591	0.00	224.59
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	25.686	225.266	0.00	225.27
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	27.637	242.376	0.00	242.38
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	27.82	243.981	0.00	243.98
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	30.87	270.73	0.00	270.73
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	36.145	316.992	0.00	316.99
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	37.093	325.306	0.00	325.31
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	39.09	342.819	0.00	342.82
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	45.284	397.141	0.00	397.14
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	47.072	412.821	0.00	412.82
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	57.405	503.442	0.00	503.44
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	65.49	574.347	0.00	574.35
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	108.251	949.361	0.00	949.36
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	171.994	1,508.387	0.00	1,508.39
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	176.84	1,550.886	0.00	1,550.89
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	264.388	2,318.682	0.00	2,318.68
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	356.438	3,125.96	0.00	3,125.96
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	400.87	3,515.629	0.00	3,515.63
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	424.723	3,724.82	0.00	3,724.82
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	450.338	3,949.463	0.00	3,949.46
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	512.20	4,491.993	0.00	4,491.99
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	519.286	4,554.137	0.00	4,554.14
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	531.473	4,661.017	0.00	4,661.02
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	572.10	5,017.315	0.00	5,017.32
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	700.347	6,142.041	0.00	6,142.04
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	832.50	7,301.023	0.00	7,301.02
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	929.715	8,153.598	0.00	8,153.60
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	993.024	8,708.818	0.00	8,708.82
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	1,269.119	11,130.17	0.00	11,130.17
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	1,541.239	13,516.662	0.00	13,516.66
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,048.02	17,961.13	0.00	17,961.13
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	1.153	74.149	0.00	74.15
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	1.756	112.928	0.00	112.93
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	4.164	267.787	0.00	267.79
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	5.513	354.541	0.00	354.54
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	6.253	402.13	0.00	402.13
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	7.514	483.225	0.00	483.23
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	9.004	579.047	0.00	579.05
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	9.30	598.083	0.00	598.08

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	11.066	711.654	0.00	711.65
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	11.296	726.446	0.00	726.45
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	11.467	737.443	0.00	737.44
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	12.753	820.145	0.00	820.15
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	17.336	1,114.878	0.00	1,114.88
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	19.66	1,264.335	0.00	1,264.34
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	19.848	1,276.425	0.00	1,276.43
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	21.208	1,363.886	0.00	1,363.89
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	21.558	1,386.395	0.00	1,386.40
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	24.552	1,578.939	0.00	1,578.94
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	28.991	1,864.411	0.00	1,864.41
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	30.28	1,947.307	0.00	1,947.31
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	32.91	2,116.442	0.00	2,116.44
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	39.204	2,521.209	0.00	2,521.21
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	44.414	2,856.264	0.00	2,856.26
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	46.485	2,989.45	0.00	2,989.45
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	46.833	3,011.83	0.00	3,011.83
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	49.776	3,201.095	0.00	3,201.10
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	52.366	3,367.657	0.00	3,367.66
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	60.832	3,912.106	0.00	3,912.11
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	73.417	4,721.447	0.00	4,721.45
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	78.148	5,025.698	0.00	5,025.70
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	104.015	6,689.205	0.00	6,689.21
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	106.967	6,879.048	0.00	6,879.05
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	127.23	8,182.161	0.00	8,182.16
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	139.251	8,955.232	0.00	8,955.23
Price T Rowe Growth	741479406	0.000	1/13/2023	N/A	0.019	1.18	0.00	1.18
Price T Rowe Growth	741479406	0.000	1/3/2023	N/A	4.83	297.13	0.00	297.13
Undiscovered	904504479	0.000	1/18/2023	N/A	0.164	12.835	0.00	12.84
Undiscovered	904504479	0.000	1/18/2023	N/A	88.036	6,889.935	0.00	6,889.94
Undiscovered	904504479	0.000	1/3/2023	N/A	4.78	361.81	0.00	361.81
Vanguard Growth & Income	921913208	0.000	1/18/2023	N/A	210.92	16,936.88	0.00	16,936.88
Vanguard Growth & Income	921913208	0.000	1/3/2023	N/A	14.28	1,116.11	0.00	1,116.11
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	1.00	87.486	0.00	87.49
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	8.00	699.885	0.00	699.89
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	10.00	874.856	0.00	874.86
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	21.00	1,837.197	0.00	1,837.20
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	28.00	2,449.596	0.00	2,449.60
Vanguard Real Estate	922908553	0.000	1/3/2023	N/A	1.00	82.09	0.00	82.09
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	1.00	214.308	0.00	214.31

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	2.00	428.615	0.00	428.62
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	3.00	642.923	0.00	642.92
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	5.00	1,071.538	0.00	1,071.54
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	14.00	3,000.308	0.00	3,000.31
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	14.00	3,000.308	0.00	3,000.31
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	34.00	7,286.461	0.00	7,286.46
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	41.00	8,786.615	0.00	8,786.62
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	353.00	75,650.614	0.00	75,650.61
Vanguard Small Cap Growth	922908595	0.000	1/3/2023	N/A	1.00	198.45	0.00	198.45
Sub Total / Average Sell					16,638.949	368,857.519	0.00	368,857.52

Mesa Water District
Transactions Summary
Monthly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS Pension Trust
Begin Date: 12/31/2022, End Date: 01/31/2023

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
Columbia Contrarian Fund	19766M709	0.000	1/3/2023	N/A	270.944	6,806.12	0.00	6,806.12
DFA Large Cap	233203868	0.000	1/18/2023	N/A	6,229.776	153,563.98	0.00	153,563.98
DFA Large Cap	233203868	0.000	1/3/2023	N/A	189.712	4,403.21	0.00	4,403.21
Dodge & Cox International	256206103	0.000	1/18/2023	N/A	1,699.884	78,466.66	0.00	78,466.66
Dodge & Cox International	256206103	0.000	1/3/2023	N/A	32.538	1,410.86	0.00	1,410.86
Dodge & Cox Stock Fund	256219106	0.000	1/3/2023	N/A	28.059	6,050.88	0.00	6,050.88
Dodge Cox Income	256210105	0.000	1/18/2023	N/A	67,506.207	855,978.71	0.00	855,978.71
Doubeline Core Fix Income	258620301	0.000	1/18/2023	N/A	3,632.035	34,685.93	0.00	34,685.93
Emerald Growth	317609253	0.000	1/18/2023	N/A	27,323.964	628,177.93	0.00	628,177.93
Harbor Capital Appreciation	411512528	0.000	1/3/2023	N/A	60.876	3,801.07	0.00	3,801.07
Hartford Schroders	41665X859	0.000	1/18/2023	N/A	10,141.715	158,920.67	0.00	158,920.67
Hartford Schroders	41665X859	0.000	1/3/2023	N/A	282.221	4,123.25	0.00	4,123.25
iShares Russell Mid Cap	464287499	0.000	1/3/2023	N/A	98.00	6,570.47	0.00	6,570.47
Ishares SP 500 Growth	464287309	0.000	1/18/2023	N/A	9,187.00	548,433.57	0.00	548,433.57
iShares SP500	464287408	0.000	1/3/2023	N/A	20.00	2,903.67	0.00	2,903.67
MFS International	552746356	0.000	1/18/2023	N/A	2,071.136	80,070.12	0.00	80,070.12
MFS International	552746356	0.000	1/3/2023	N/A	39.015	1,409.21	0.00	1,409.21
PGIM Total Return Bond	74440B884	0.000	1/18/2023	N/A	3,524.364	43,032.48	0.00	43,032.48
PIMCO	693390841	0.000	1/18/2023	N/A	506.934	3,954.09	0.00	3,954.09
Price T Rowe Growth	741479406	0.000	1/3/2023	N/A	61.887	3,804.79	0.00	3,804.79
Undiscovered	904504479	0.000	1/3/2023	N/A	60.379	4,573.10	0.00	4,573.10
Vanguard Growth & Income	921913208	0.000	1/18/2023	N/A	193.811	15,563.03	0.00	15,563.03
Vanguard Growth & Income	921913208	0.000	1/3/2023	N/A	168.589	13,178.62	0.00	13,178.62
Vanguard Real Estate	922908553	0.000	1/3/2023	N/A	24.00	1,971.08	0.00	1,971.08
Vanguard Short Term	922031836	0.000	1/18/2023	N/A	2,139.73	21,611.27	0.00	21,611.27
Vanguard Small Cap Growth	922908595	0.000	1/3/2023	N/A	24.00	4,767.24	0.00	4,767.24
Sub Total / Average Buy					135,516.776	2,688,232.01	0.00	2,688,232.01
Dividend								
PGIM Total Return Bond	74440B884	0.000	1/31/2023	N/A	0.00	0.00	3,164.35	3,164.35
PIMCO	693390841	0.000	1/31/2023	N/A	0.00	0.00	467.09	467.09
Pimco Total Return Fund	693390700	0.000	1/31/2023	N/A	0.00	0.00	945.15	945.15

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Vanguard Short Term	922031836	0.000	1/31/2023	N/A	0.00	0.00	941.49	941.49
Sub Total / Average Dividend					0.00	0.00	5,518.08	5,518.08

Sell

Columbia Contrarian Fund	19766M709	0.000	1/18/2023	N/A	1,716.708	44,479.90	0.00	44,479.90
Dodge & Cox Stock Fund	256219106	0.000	1/18/2023	N/A	138.369	30,686.09	0.00	30,686.09
Doubeline Core Fix Income	258620301	0.000	1/3/2023	N/A	1,269.208	11,727.48	0.00	11,727.48
Harbor Capital Appreciation	411512528	0.000	1/18/2023	N/A	150.295	9,958.547	0.00	9,958.55
Harbor Capital Appreciation	411512528	0.000	1/18/2023	N/A	267.208	17,705.203	0.00	17,705.20
iShares Russell Mid Cap	464287499	0.000	1/18/2023	N/A	1,685.00	118,710.75	0.00	118,710.75
iShares SP500	464287408	0.000	1/18/2023	N/A	217.00	32,697.82	0.00	32,697.82
PGIM Total Return Bond	74440B884	0.000	1/3/2023	N/A	273.03	3,219.023	0.00	3,219.02
PGIM Total Return Bond	74440B884	0.000	1/3/2023	N/A	709.988	8,370.757	0.00	8,370.76
PIMCO	693390841	0.000	1/3/2023	N/A	200.113	1,510.85	0.00	1,510.85
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	52.153	457.382	0.00	457.38
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	226.677	1,987.957	0.00	1,987.96
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	312.409	2,739.827	0.00	2,739.83
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	538.304	4,720.926	0.00	4,720.93
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	604.366	5,300.29	0.00	5,300.29
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	1,185.09	10,393.239	0.00	10,393.24
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	1,256.734	11,021.557	0.00	11,021.56
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	1,734.574	15,212.214	0.00	15,212.21
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,034.152	17,839.513	0.00	17,839.51
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,092.315	18,349.603	0.00	18,349.60
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,099.931	18,416.395	0.00	18,416.40
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,206.464	19,350.689	0.00	19,350.69
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,396.816	21,020.076	0.00	21,020.08
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,468.209	21,646.193	0.00	21,646.19
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	2,703.26	23,707.59	0.00	23,707.59
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	3,014.347	26,435.823	0.00	26,435.82
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	3,253.16	28,530.213	0.00	28,530.21
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	3,306.00	28,993.62	0.00	28,993.62
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	4,037.27	35,406.858	0.00	35,406.86
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	4,511.43	39,565.241	0.00	39,565.24
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	4,663.579	40,899.588	0.00	40,899.59
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	4,992.183	43,781.445	0.00	43,781.45
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	5,076.97	44,525.027	0.00	44,525.03
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	6,528.462	57,254.612	0.00	57,254.61
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	10,109.80	88,662.946	0.00	88,662.95
Pimco Total Return Fund	693390700	0.000	1/18/2023	N/A	21,916.378	192,206.635	0.00	192,206.64

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Pimco Total Return Fund	693390700	0.000	1/3/2023	N/A	0.008	0.07	0.00	0.07
Pimco Total Return Fund	693390700	0.000	1/3/2023	N/A	172.048	1,462.40	0.00	1,462.40
Pimco Total Return Fund	693390700	0.000	1/3/2023	N/A	1,192.238	10,133.96	0.00	10,133.96
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	0.0071	0.46	0.00	0.46
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	16.663	1,071.59	0.00	1,071.59
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	19.133	1,230.45	0.00	1,230.45
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	21.222	1,364.79	0.00	1,364.79
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	45.527	2,927.85	0.00	2,927.85
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	48.112	3,094.09	0.00	3,094.09
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	51.762	3,328.82	0.00	3,328.82
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	56.698	3,646.25	0.00	3,646.25
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	57.293	3,684.52	0.00	3,684.52
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	61.8799	3,979.50	0.00	3,979.50
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	62.468	4,017.32	0.00	4,017.32
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	67.627	4,349.10	0.00	4,349.10
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	69.364	4,460.81	0.00	4,460.81
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	95.752	6,157.82	0.00	6,157.82
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	122.151	7,855.54	0.00	7,855.54
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	146.975	9,451.98	0.00	9,451.98
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	165.876	10,667.50	0.00	10,667.50
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	200.37	12,885.36	0.00	12,885.36
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	205.36	13,206.72	0.00	13,206.72
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	295.842	19,025.63	0.00	19,025.63
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	323.054	20,775.64	0.00	20,775.64
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	337.435	21,700.48	0.00	21,700.48
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	354.009	22,766.36	0.00	22,766.36
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	376.472	24,210.95	0.00	24,210.95
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	477.607	30,714.96	0.00	30,714.96
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	486.43	31,282.36	0.00	31,282.36
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	604.129	38,851.60	0.00	38,851.60
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	695.905	44,753.72	0.00	44,753.72
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	901.798	57,994.72	0.00	57,994.72
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	957.308	61,564.58	0.00	61,564.58
Price T Rowe Growth	741479406	0.000	1/18/2023	N/A	1,436.479	92,380.11	0.00	92,380.11
Undiscovered	904504479	0.000	1/18/2023	N/A	136.834	10,708.629	0.00	10,708.63
Undiscovered	904504479	0.000	1/18/2023	N/A	527.551	41,286.141	0.00	41,286.14
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	32.00	2,799.542	0.00	2,799.54
Vanguard Real Estate	922908553	0.000	1/18/2023	N/A	609.00	53,278.778	0.00	53,278.78
Vanguard Short Term	922031836	0.000	1/3/2023	N/A	632.685	6,301.54	0.00	6,301.54
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	24.00	5,143.385	0.00	5,143.39

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	24.00	5,143.385	0.00	5,143.39
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	25.00	5,357.692	0.00	5,357.69
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	77.00	16,501.692	0.00	16,501.69
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	106.00	22,716.615	0.00	22,716.62
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	117.00	25,074.00	0.00	25,074.00
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	292.00	62,577.846	0.00	62,577.85
Vanguard Small Cap Growth	922908595	0.000	1/18/2023	N/A	2,634.00	564,486.456	0.00	564,486.46
Sub Total / Average Sell					115,310.024	2,493,865.59	0.00	2,493,865.59

Mesa Water District
Quarterly Treasurer's Report on Investments
As of 12/31/2022



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors. The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

INVESTMENTS	Maturity Date	Days to Maturity	Yield to Maturity @ Cost	Cost Value	% of Portfolio	Policy % Limit	Market Value	Interest Year to Date	Notes
Local Agency Investment Fund (LAIF)	Liquid	1	2.17%	1,091.29	0.00%	No Limit	1,091.29	3.70	1,4
Orange County Investment Pool (OCIP)	Liquid	1	2.41%	833,417.06	2.21%	No Limit	833,417.06	2,046.83	1,6
Miscellaneous (Petty Cash, Emergency Cash, etc.)	Liquid	1	0.00%	14,000.00	0.04%	N/A	14,000.00	0.00	
US Bank Custody Account									2,5
Negotiable Certificate of Deposit	Various	745	1.49%	9,930,000.00	24.78%	30.00%	9,345,123.50	29,807.78	
US Agency Bonds	Various	852	0.92%	14,832,414.29	36.19%	No Limit	13,648,247.80	50,022.50	
US Treasury Bonds	Various	700	0.67%	2,685,104.80	6.66%	No Limit	2,509,944.50	4,843.75	
Sub Total / Average		798	1.104%	27,447,519.09			25,503,315.80	84,674.03	
US Bank Custody Account	Liquid	1	3.79%	228,019.18	0.60%	No Limit	228,019.18	7,048.71	
Pacific Premier Bank	Liquid	1	1.25%	11,130,415.98	29.52%	No Limit	11,130,415.98	0.00	1,3
Total Average		540	1.192%	\$39,654,462.60	100.00%		\$37,710,259.31	\$93,773.27	

PARS OPEB & Pension Trust	1 Month Rate of Return	3 Month Rate of Return	Cost Value	Market Value
Public Agency Retirement Services (PARS)				
Capital Appreciation HighMark PLUS Fund				
OPEB	-3.71%	6.39%	2,082,102.99	1,962,994.01
Pension Trust	-3.68%	6.44%	13,830,722.18	13,228,542.56
Benchmark - S & P 500 Index			15,912,825.17	15,191,536.57
1 Month -6.06 % 3 Month 6.36 % 1 YEAR -19.64 %				

Sources of Market Value Valuation - Account Statements

LAIF, OCIP & US Bank

Local Agency Investment Fund (LAIF)

District LAIF includes the funds designated for advances; construction, customer deposits, working capital cash and monies to pay COP principal/interest payments.

Weighted Average Return | 1.192 %

Benchmark: 3 Month Treasury Bill - December | 4.36 %

Weighted Average Maturity | 1.5 Years

Days to Maturity | 540

Notes

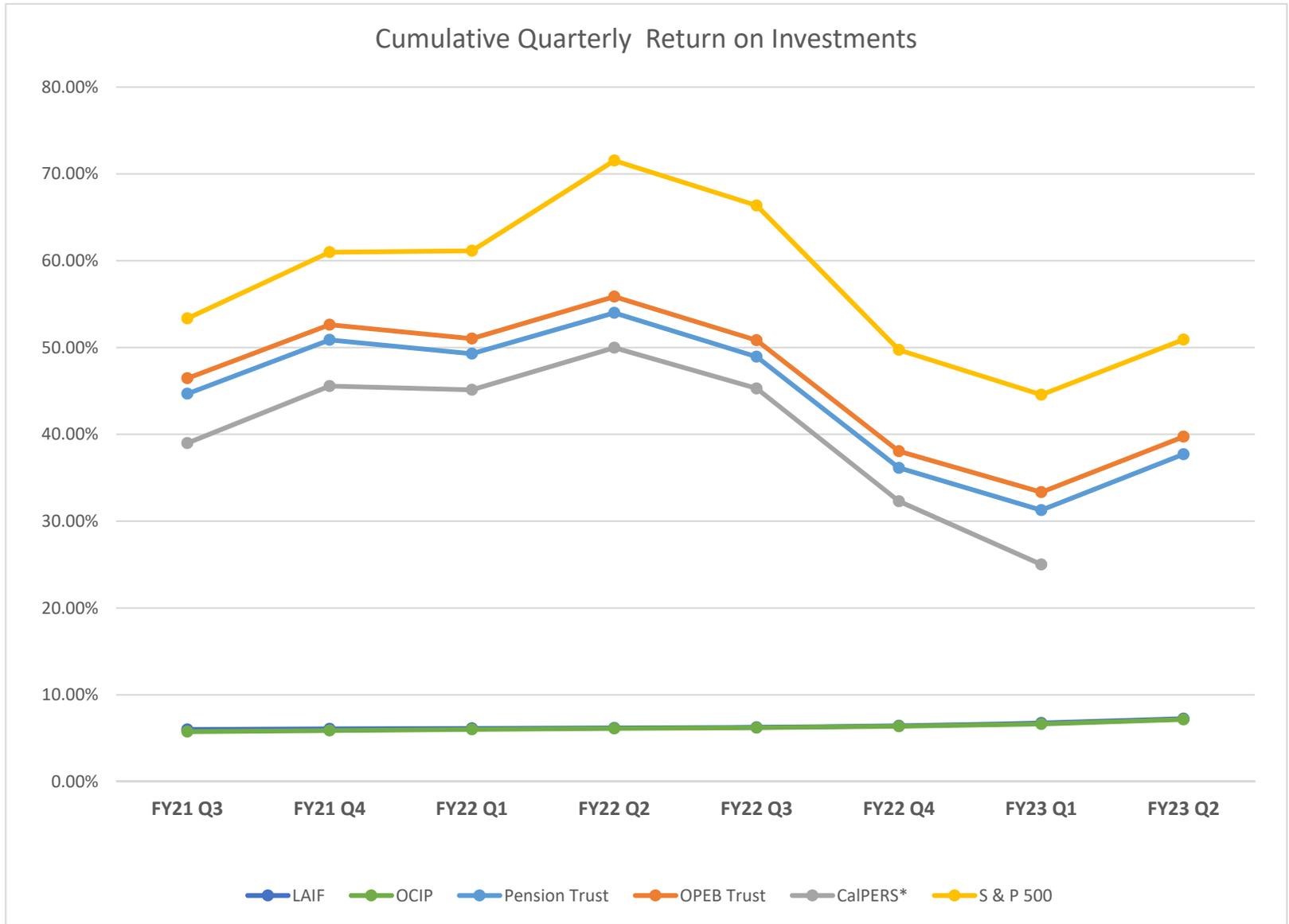
- The interest or yield shown is for the current month net of fees.
- The interest rate (Yield to Maturity @Cost) shown is the guaranteed annual interest rate for the term of the investment.
- The rate shown is the Earnings Credit Rate. These earnings are applied against bank service charges; no actual monies are received.
- LAIF general ledger carrying value reflects market value (unrealized gains/losses) only at fiscal year end. LAIF only provides the market value participation factor quarterly. *The September Fair Value Factor is 0.980760962. The yield earned on the Treasurer's Reports does not reflect change in fair market value.
- US Bank Custody Account general ledger carrying value reflects market value (unrealized gains/losses). The Yield earned does not reflect change in fair market value.
- *Orange County Investment Pool September 2022 | Net Asset Value is 1.00.

*LAIF 12/31/2022 Fair Value Factor not available at reporting deadline.

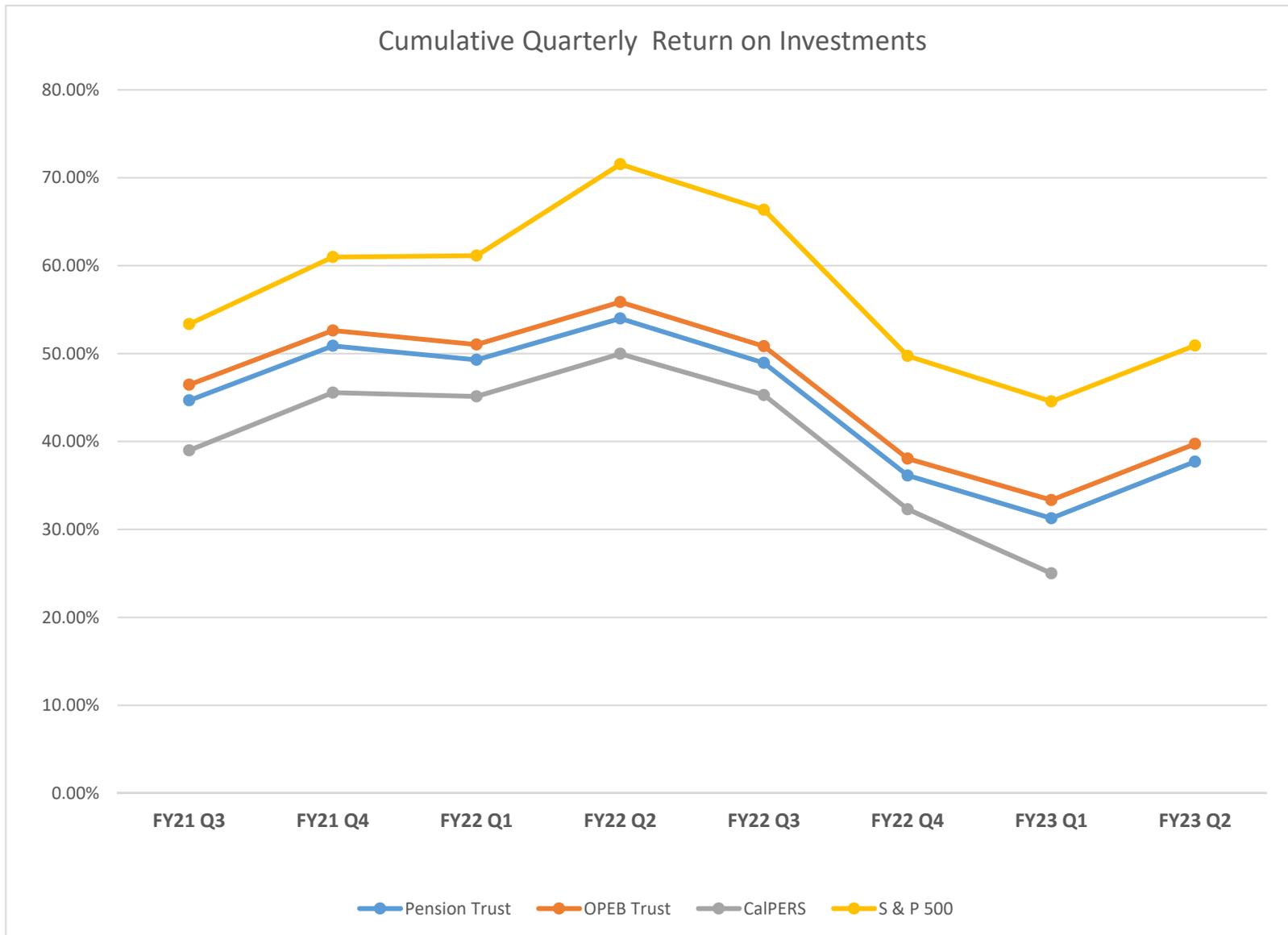
*OCIP 12/31/2022 Interest Rate not available at reporting deadline.

I certify that this report reflects the cash and investments of Mesa Water District and is in conformity with the Government Code requirements and the District Investment Policy/Guidelines in effect at the time of the investment.

Marwan Khalifa
 Marwan Khalifa, CPA, MBA, - District Treasurer



*** CalPERS FY23 Q2 data was unavailable at time of publishing.**



*** CalPERS FY23 Q2 data was unavailable at time of publishing.**

Mesa Water District
 Transactions Summary
 Quarterly Treasurer's Status Report - Investment Activity
 Group By: Action
 Portfolio / Report Group: US Bank | Custodian - Fixed
 Begin Date: 09/30/2022, End Date: 12/31/2022

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
FHLB 5.41 10/18/2027-23	3130ATN94	5.445	10/24/2022	10/18/2027	250,000.00	249,612.50	225.42	249,837.92
Evergreen Bank IL 4 12/16/2026	300185LF0	4.000	12/16/2022	12/16/2026	249,000.00	249,000.00	0.00	249,000.00
Alliant Credit Union IL 4.85 12/30/2027	01882MAA0	4.850	12/30/2022	12/30/2027	248,000.00	248,000.00	0.00	248,000.00
Sub Total / Average Buy					747,000.00	746,612.50	225.42	746,837.92
Matured								
Ally Bank UT 1.85 10/24/2022	02007GML4	0.000	10/24/2022	10/24/2022	247,000.00	247,000.00	0.00	247,000.00
FHLB 3 12/9/2022	3130AFE78	0.000	12/9/2022	12/9/2022	1,000,000.00	1,000,000.00	0.00	1,000,000.00
Sub Total / Average Matured					1,247,000.00	1,247,000.00	0.00	1,247,000.00

Mesa Water District

Date To Date

Interest | Received - Quarterly

Report Format: By Transaction

Group By: Asset Category

Portfolio / Report Group: Report Group | Treasurer's Report

Begin Date: 9/30/2022, End Date: 12/31/2022

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
LAIF Policy - No Limit							
LAIF LGIP	LGIP0012	6/30/2010	N/A	N/A	1,091.29	3.70	0.00
Sub Total/Average					1,091.29	3.70	0.00
Orange County LGIP - OCIP Policy - No Limit							
Orange County Investment Pool LGIP	LGIP9LC	9/30/2011	N/A	N/A	833,417.06	2,046.83	0.00
Sub Total/Average					833,417.06	2,046.83	0.00
Miscellaneous Cash (Petty Emergency)							
Miscellaneous Cash	CASH	6/30/2015	N/A	N/A	14,000.00	0.00	0.00
Sub Total/Average					14,000.00	0.00	0.00
Negotiable CD 30%							
Ally Bank UT 1.85 10/24/2022	02007GML4	10/24/2019	10/24/2022	1.850	0.00	2,291.01	0.00
Preferred Bank CA 0.25 7/17/2023	740367LV7	7/17/2020	7/17/2023	0.250	249,000.00	155.19	0.00
Merrick Bank UT 3 7/31/2023	59013J6G9	1/30/2019	7/31/2023	3.000	249,000.00	1,862.38	0.00
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	11/8/2019	11/8/2023	1.750	249,000.00	1,086.39	0.00
Raymond James Bank 1.75 11/8/2023	75472RAH4	11/8/2019	11/8/2023	1.750	247,000.00	2,179.01	0.00
Third Federal Savings 1.75 11/13/2023	88413QCJ5	11/12/2019	11/13/2023	1.750	247,000.00	2,179.01	0.00
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	12/2/2019	12/4/2023	1.700	249,000.00	1,055.36	0.00
John Marshall Bancorp VA 0.2 12/29/2023	47804GGC1	12/30/2020	12/29/2023	0.200	249,000.00	124.16	0.00
Goldman Sachs NY 3.3 1/16/2024	38148P4E4	1/16/2019	1/16/2024	3.300	245,000.00	0.00	0.00
Bankwell Bank CT 0.35 1/30/2024	06654BCM1	7/30/2020	1/30/2024	0.350	249,000.00	0.00	0.00
Morgan Stanley UT 3.05 1/31/2024	61690UDV9	1/31/2019	1/31/2024	3.050	246,000.00	0.00	0.00
Morgan Stanley NY 3.05 1/31/2024	61760AVF3	1/31/2019	1/31/2024	3.050	246,000.00	0.00	0.00
Enerbank UT 1.15 4/29/2024	29278TNY2	4/29/2020	4/29/2024	1.150	249,000.00	713.92	0.00
First Freedom Bank 1.1 4/30/2024	32027BAM9	4/30/2020	4/30/2024	1.100	249,000.00	682.87	0.00
Capital One VA 2.65 5/22/2024	14042RLP4	5/22/2019	5/22/2024	2.650	246,000.00	3,286.29	0.00
Eaglebank MD 2.5 5/24/2024	27002YEN2	5/24/2019	5/24/2024	2.500	249,000.00	1,551.98	0.00
Farm Bureau Bank NV 0.25 7/9/2024	307660LK4	10/9/2020	7/9/2024	0.250	249,000.00	155.19	0.00
Luana Savings Bank IA 0.2 8/19/2024	549104WN3	2/19/2021	8/19/2024	0.200	249,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
Synchrony Bank UT 0.55 9/3/2024	87164WA73	9/3/2021	9/3/2024	0.550	249,000.00	0.00	0.00
Sallie Mae Bank UT 1.9 10/16/2024	7954504P7	10/17/2019	10/16/2024	1.900	247,000.00	2,352.93	0.00
Celtic Bank UT 1.65 10/23/2024	15118RSV0	10/23/2019	10/23/2024	1.650	249,000.00	1,024.30	0.00
Garnett State Bank 1.7 11/19/2024	366526AW1	11/19/2019	11/19/2024	1.700	249,000.00	1,055.36	0.00
Citizens State Bank 1.7 11/22/2024	176688CR8	11/22/2019	11/22/2024	1.700	249,000.00	1,055.36	0.00
Transportation Alliance Bank 0.4 1/30/2025	89388CFD5	8/3/2021	1/30/2025	0.400	247,000.00	246.33	0.00
BMO Harris Bank IL 0.5 3/28/2025-20	05600XAY6	9/28/2020	3/28/2025	0.500	249,000.00	310.40	0.00
Baycoast Bank MA 0.9 3/31/2025	072727BG4	3/31/2020	3/31/2025	0.900	248,000.00	0.00	0.00
First Commercial Bank MS 0.3 3/31/2025	31984GFK0	9/30/2020	3/31/2025	0.300	249,000.00	186.24	0.00
Flagstar Bank MI 1.25 4/30/2025	33847E3A3	4/30/2020	4/30/2025	1.250	248,000.00	1,554.25	0.00
Apex Bank TN 0.95 5/8/2025	03753XBK5	5/8/2020	5/8/2025	0.950	249,000.00	589.75	0.00
Seattle Bank WA 0.75 6/2/2025-20	81258PKJ1	6/2/2020	6/2/2025	0.750	249,000.00	465.59	0.00
Medallion Bank UT 0.6 7/15/2025	58404DHM6	7/15/2020	7/15/2025	0.600	249,000.00	372.47	0.00
BMW Bank UT 0.5 9/25/2025	05580AXF6	9/25/2020	9/25/2025	0.500	249,000.00	0.00	0.00
Texas Exchange Bank TX 0.6 12/18/2025	88241TJR2	12/18/2020	12/18/2025	0.600	249,000.00	372.47	0.00
JPMorgan Chase OH 0.5 12/29/2025-21	48128UUZ0	12/29/2020	12/29/2025	0.500	249,000.00	624.21	0.00
Live Oak Banking NC 0.5 2/10/2026	538036NE0	2/10/2021	2/10/2026	0.500	249,000.00	310.40	0.00
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	7/29/2021	7/29/2026	0.950	248,000.00	0.00	0.00
UBS Bank UT 0.95 8/25/2026	90348JS50	8/25/2021	8/25/2026	0.950	249,000.00	589.75	0.00
Capital One Bank VA 1.1 11/17/2026	14042TDW4	11/17/2021	11/17/2026	1.100	248,000.00	1,375.21	0.00
Evergreen Bank IL 4 12/16/2026	300185LF0	12/16/2022	12/16/2026	4.000	249,000.00	0.00	0.00
Discover Bank 3.4 7/6/2027	254673L38	7/6/2022	7/6/2027	3.400	245,000.00	0.00	0.00
Alliant Credit Union IL 4.85 12/30/2027	01882MAA0	12/30/2022	12/30/2027	4.850	248,000.00	0.00	0.00
Sub Total/Average					9,930,000.00	29,807.78	0.00

US Agency - No Limit

FHLB 3 12/9/2022	3130AFE78	1/9/2019	12/9/2022	3.000	0.00	15,000.00	0.00
FFCB 0.125 5/3/2023-21	3133EMPA4	2/5/2021	5/3/2023	0.125	250,000.00	156.25	0.00
FFCB 2.125 6/5/2023	3133EKPT7	11/8/2019	6/5/2023	2.125	500,000.00	5,312.50	0.00
FHLMC 0.375 7/14/2023-22	3134GV5F1	7/14/2020	7/14/2023	0.375	250,000.00	0.00	0.00
FAMC 3.05 9/19/2023	3132X06C0	1/9/2019	9/19/2023	3.050	500,000.00	0.00	0.00
FFCB 0.25 9/21/2023-22	3133EMAM4	9/24/2020	9/21/2023	0.250	500,000.00	0.00	0.00
FFCB 0.27 11/3/2023-22	3133EMFN7	11/3/2020	11/3/2023	0.270	250,000.00	337.50	0.00
FHLMC 0.3 11/13/2023-22	3134GXAY0	11/13/2020	11/13/2023	0.300	250,000.00	375.00	0.00
FFCB 0.25 3/1/2024-21	3133EMSD5	3/24/2021	3/1/2024	0.250	250,000.00	0.00	0.00
FHLMC 0.5 5/20/2024-22	3134GVXR4	5/21/2020	5/20/2024	0.500	500,000.00	1,250.00	0.00
FAMC 2.15 6/5/2024	31422BGA2	11/8/2019	6/5/2024	2.150	500,000.00	5,375.00	0.00
FHLMC 0.45 7/8/2024-22	3134GV4S4	7/13/2020	7/8/2024	0.450	750,000.00	0.00	0.00
FHLMC 0.35 9/30/2024-22	3134GWVM5	9/30/2020	9/30/2024	0.350	250,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
FFCB 0.3 11/12/2024-21	3133EMQQ8	3/2/2021	11/12/2024	0.300	250,000.00	375.00	0.00
FFCB 1.32 1/21/2025	3133ENLU2	3/17/2022	1/21/2025	1.320	250,000.00	0.00	0.00
FFCB 0.32 2/3/2025-21	3133EMPV8	2/5/2021	2/3/2025	0.320	250,000.00	0.00	0.00
FHLB 0.625 2/24/2025-22	3130ANQ86	8/24/2021	2/24/2025	0.625	250,000.00	0.00	0.00
FFCB 0.43 3/3/2025	3133EMSJ2	3/3/2021	3/3/2025	0.430	250,000.00	0.00	0.00
FHLB 0.5 3/10/2025-21	3130ALDZ4	3/24/2021	3/10/2025	0.500	250,000.00	0.00	0.00
FHLMC 0.7 5/13/2025-21	3134GVSY5	5/13/2020	5/13/2025	0.700	500,000.00	1,750.00	0.00
FFCB 0.6 6/16/2025-22	3133EMH47	6/17/2021	6/16/2025	0.600	250,000.00	750.00	0.00
FNMA 0.6 7/29/2025-22	3136G4D75	12/18/2020	7/29/2025	0.600	250,000.00	0.00	0.00
FNMA 0.5 8/14/2025-23	3135G05S8	4/29/2021	8/14/2025	0.500	250,000.00	0.00	0.00
FNMA 0.375 8/25/2025	3135G05X7	11/12/2020	8/25/2025	0.375	250,000.00	0.00	0.00
FFCB 0.53 9/29/2025-21	3133EMBH4	6/17/2021	9/29/2025	0.530	500,000.00	0.00	0.00
FHLMC 0.4 9/30/2025-21	3134GWVP8	9/30/2020	9/30/2025	0.400	250,000.00	0.00	0.00
FHLMC 0.65 10/27/2025-21	3134GW5R3	5/25/2021	10/27/2025	0.650	375,000.00	1,218.75	0.00
FHLMC 0.45 10/29/2025-21	3134GW3J3	4/22/2021	10/29/2025	0.450	250,000.00	562.50	0.00
FNMA 0.54 11/3/2025-22	3135GA2G5	10/30/2020	11/3/2025	0.540	500,000.00	1,350.00	0.00
FNMA 0.56 11/17/2025-22	3135GA2Z3	11/17/2020	11/17/2025	0.560	325,000.00	910.00	0.00
FNMA 0.58 11/25/2025-22	3135GA5E7	11/30/2020	11/25/2025	0.580	250,000.00	725.00	0.00
FFCB 0.47 12/22/2025-22	3133EMLC4	12/22/2020	12/22/2025	0.470	250,000.00	587.50	0.00
FFCB 0.45 2/2/2026-23	3133EMPD8	3/2/2021	2/2/2026	0.450	300,000.00	0.00	0.00
FHLB 0.53 2/10/2026	3130AKWW2	8/19/2021	2/10/2026	0.530	310,000.00	0.00	0.00
FHLB 0.625 2/24/2026-21	3130AL7M0	3/2/2021	2/24/2026	0.625	250,000.00	0.00	0.00
FFCB 0.8 3/9/2026-23	3133EMSU7	9/24/2021	3/9/2026	0.800	250,000.00	0.00	0.00
FHLB 0.6 3/10/2026-21	3130ALFX7	3/10/2021	3/10/2026	0.600	250,000.00	0.00	0.00
FHLB 0.75 3/16/2026-21	3130ALF33	3/24/2021	3/16/2026	0.750	250,000.00	0.00	0.00
FHLB 0.85 3/30/2026-21	3130ANY79	11/10/2021	3/30/2026	0.850	250,000.00	0.00	0.00
FHLMC 1.03 4/29/2026-22	3130ALZM9	4/29/2021	4/29/2026	1.030	250,000.00	1,287.50	0.00
FHLB 0.875 5/26/2026-21	3130AMHB1	5/28/2021	5/26/2026	0.875	250,000.00	1,093.75	0.00
FFCB 0.9 6/15/2026-22	3133EMH21	6/17/2021	6/15/2026	0.900	250,000.00	1,125.00	0.00
FFCB 0.94 9/28/2026-22	3133EM6E7	9/28/2021	9/28/2026	0.940	250,000.00	0.00	0.00
FHLMC 0.8 10/27/2026-21	3134GW4C7	11/10/2021	10/27/2026	0.800	250,000.00	1,000.00	0.00
FHLB 3.125 10/29/2026-24	3130ARUF6	5/12/2022	10/29/2026	3.125	250,000.00	3,906.25	0.00
FFCB 1.46 11/30/2026-23	3133ENFP0	11/30/2021	11/30/2026	1.460	250,000.00	1,825.00	0.00
FFCB 1.68 3/10/2027	3133ENRD4	3/17/2022	3/10/2027	1.680	250,000.00	0.00	0.00
FHLB 3 4/21/2027-23	3130ARJF9	4/21/2022	4/21/2027	3.000	250,000.00	3,750.00	0.00
FHLB 5.41 10/18/2027-23	3130ATN94	10/24/2022	10/18/2027	5.410	250,000.00	0.00	0.00
Sub Total/Average					14,810,000.00	50,022.50	0.00

US Treasury - No Limit

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
T-Note 0.125 8/31/2023	91282CCU3	1/24/2022	8/31/2023	0.125	200,000.00	0.00	0.00
T-Note 0.375 10/31/2023	91282CDD0	11/10/2021	10/31/2023	0.375	250,000.00	468.75	0.00
T-Note 0.125 2/15/2024	91282CBM2	8/19/2021	2/15/2024	0.125	250,000.00	0.00	0.00
T-Note 0.25 3/15/2024	91282CBR1	9/24/2021	3/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.25 6/15/2024	91282CCG4	9/24/2021	6/15/2024	0.250	250,000.00	312.50	0.00
T-Note 2.25 12/31/2024	9128283P3	4/13/2022	12/31/2024	2.250	250,000.00	2,812.50	0.00
T-Note 0.375 4/30/2025	912828ZL7	7/1/2021	4/30/2025	0.375	250,000.00	468.75	0.00
T-Note 0.375 4/30/2025	912828ZL7	8/19/2021	4/30/2025	0.375	250,000.00	468.75	0.00
T-Note 0.25 6/30/2025	912828ZW3	4/22/2021	6/30/2025	0.250	250,000.00	312.50	0.00
T-Note 0.375 1/31/2026	91282CBH3	4/29/2021	1/31/2026	0.375	250,000.00	0.00	0.00
T-Note 0.625 7/31/2026	91282CCP4	9/24/2021	7/31/2026	0.625	250,000.00	0.00	0.00
Sub Total/Average					2,700,000.00	4,843.75	0.00
US Bank MM Custody Policy 50%US							
Bank Custodian MM	MM65000	7/31/2020	N/A	N/A	228,019.18	7,048.71	0.00
Sub Total/Average					228,019.18	7,048.71	0.00
Pacific Premier Bank Policy - n/a							
Pacific Premier Bank Checking Cash	MM0831	5/28/2020	N/A	N/A	11,130,415.98	0.00	0.00
Sub Total/Average					11,130,415.98	0.00	0.00
Total / Average					39,646,943.51	93,773.27	0.00

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS OPEB Trust
As of 12/31/2022

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS OPEB Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	5,641.13	147,656.15	142,155.64
DFA Large Cap	233203868	Mutual Fund	3,978.80	93,729.10	92,029.36
Dodge & Cox International	256206103	Mutual Fund	701.78	28,102.93	30,253.02
Dodge & Cox Stock Fund	256219106	Mutual Fund	607.19	114,769.79	130,973.93
Doubeline Core Fix Income	258620301	Mutual Fund	12,778.99	136,601.47	117,438.83
Harbor Capital Appreciation	411512528	Mutual Fund	1,259.57	101,992.56	79,214.04
Hartford Schroders	41665X859	Mutual Fund	5,994.42	106,815.56	87,158.91
iShares Russell Mid Cap	464287499	Mutual Fund	1,985.00	103,884.22	133,888.25
iShares SP500	464287408	Mutual Fund	406.00	53,619.33	58,898.42
MFS International	552746356	Mutual Fund	809.82	30,656.88	29,169.28
PGIM Total Return Bond	74440B884	Mutual Fund	10,051.64	141,129.52	118,005.36
PIMCO	693390841	Mutual Fund	2,028.78	18,105.98	15,236.03
Pimco Total Return Fund	693390700	Mutual Fund	13,981.60	140,808.73	118,284.30
Price T Rowe Growth	741479406	Mutual Fund	1,281.38	96,360.70	79,086.10
Undiscovered	904504479	Mutual Fund	1,266.64	95,133.09	95,984.85
US Bank PARS OPEB Trust MM	MM4900	Money Market	141,447.93	141,447.93	141,447.93
Vanguard Growth & Income	921913208	Mutual Fund	3,785.61	301,688.13	297,776.88
Vanguard Real Estate	922908553	Mutual Fund	465.00	38,386.48	38,353.20
Vanguard Short Term	922031836	Mutual Fund	6,410.76	66,814.35	63,786.96
Vanguard Small Cap Growth	922908595	Mutual Fund	468.00	124,400.09	93,852.72
Sub Total / Average PARS OPEB Trust			215,350.04	2,082,102.99	1,962,994.01
Total / Average			215,350.04	2,082,102.99	1,962,994.01

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS Pension Trust
As of 12/31/2022

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS Pension Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	38,111.70	1,015,218.07	960,414.61
DFA Large Cap	233203868	Mutual Fund	26,862.82	626,805.96	621,337.06
Dodge & Cox International	256206103	Mutual Fund	4,618.12	170,814.49	199,086.65
Dodge & Cox Stock Fund	256219106	Mutual Fund	3,958.32	745,189.95	853,845.95
Doubeline Core Fix Income	258620301	Mutual Fund	88,086.63	945,054.28	809,516.01
Harbor Capital Appreciation	411512528	Mutual Fund	8,528.72	700,576.37	536,371.77
Hartford Schroders	41665X859	Mutual Fund	40,016.15	708,772.73	581,834.66
iShares Russell Mid Cap	464287499	Mutual Fund	13,789.00	533,510.69	930,068.05
iShares SP500	464287408	Mutual Fund	2,808.00	367,816.98	407,356.56
MFS International	552746356	Mutual Fund	5,520.63	188,398.39	198,853.04
PGIM Total Return Bond	74440B884	Mutual Fund	68,224.22	964,214.19	800,952.59
PIMCO	693390841	Mutual Fund	13,888.38	124,418.47	104,301.75
Pimco Total Return Fund	693390700	Mutual Fund	94,685.33	959,546.52	801,037.87
Price T Rowe Growth	741479406	Mutual Fund	8,698.82	655,931.19	536,891.23
Undiscovered	904504479	Mutual Fund	8,515.55	623,170.72	645,309.14
US Bank PARS - Pension Trust MM	MM4901	Money Market	1,017,267.53	1,017,267.53	1,017,267.53
Vanguard Growth & Income	921913208	Mutual Fund	23,641.53	1,888,252.51	1,859,641.97
Vanguard Real Estate	922908553	Mutual Fund	3,283.00	260,951.26	270,781.84
Vanguard Short Term	922031836	Mutual Fund	43,910.12	460,288.19	436,905.78
Vanguard Small Cap Growth	922908595	Mutual Fund	3,275.00	874,523.69	656,768.50
Sub Total / Average PARS Pension Trust			1,517,689.57	13,830,722.18	13,228,542.56
Total / Average			1,517,689.57	13,830,722.18	13,228,542.56

Mesa Water District
Transactions Summary
Quarterly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS OPEB Trust
Begin Date: 09/30/2022, End Date: 12/31/2022

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
PGIM Total Return Bond	74440B884	0.000	10/31/2022	N/A	35.236	407.68	0.00	407.68
Vanguard Short Term	922031836	0.000	10/31/2022	N/A	11.966	117.15	0.00	117.15
Hartford Schroders	41665X859	0.000	11/1/2022	N/A	195.994	2,642.00	0.00	2,642.00
Pimco Total Return Fund	693390700	0.000	11/1/2022	N/A	36.145	301.45	0.00	301.45
Pimco Total Return Fund	693390700	0.000	11/1/2022	N/A	450.338	3,760.32	0.00	3,760.32
PGIM Total Return Bond	74440B884	0.000	11/1/2022	N/A	37.857	453.15	0.00	453.15
PGIM Total Return Bond	74440B884	0.000	11/1/2022	N/A	295.789	3,428.20	0.00	3,428.20
Price T Rowe Growth	741479406	0.000	11/1/2022	N/A	52.366	3,488.62	0.00	3,488.62
Vanguard Short Term	922031836	0.000	11/1/2022	N/A	93.745	917.76	0.00	917.76
Doubeline Core Fix Income	258620301	0.000	11/1/2022	N/A	507.707	4,574.44	0.00	4,574.44
Pimco Total Return Fund	693390700	0.000	11/30/2022	N/A	39.09	337.35	0.00	337.35
Vanguard Short Term	922031836	0.000	11/30/2022	N/A	12.771	127.20	0.00	127.20
Pimco Total Return Fund	693390700	0.000	12/1/2022	N/A	57.405	485.65	0.00	485.65
PGIM Total Return Bond	74440B884	0.000	12/1/2022	N/A	39.649	465.48	0.00	465.48
Vanguard Short Term	922031836	0.000	12/1/2022	N/A	13.276	132.10	0.00	132.10
MFS International	552746356	0.000	12/8/2022	N/A	25.828	955.39	0.00	955.39
Columbia Contrarian Fund	19766M709	0.000	12/9/2022	N/A	519.277	13,371.37	0.00	13,371.37
Price T Rowe Growth	741479406	0.000	12/14/2022	N/A	39.204	2,606.25	0.00	2,606.25
Undiscovered	904504479	0.000	12/16/2022	N/A	87.752	6,850.78	0.00	6,850.78
Vanguard Growth & Income	921913208	0.000	12/19/2022	N/A	289.69	22,671.17	0.00	22,671.17
Dodge & Cox Stock Fund	256219106	0.000	12/19/2022	N/A	21.319	4,516.17	0.00	4,516.17
Dodge & Cox International	256206103	0.000	12/19/2022	N/A	16.601	706.37	0.00	706.37
PIMCO	693390841	0.000	12/20/2022	N/A	19.026	144.22	0.00	144.22
Vanguard Growth & Income	921913208	0.000	12/20/2022	N/A	296.673	23,238.37	0.00	23,238.37
Undiscovered	904504479	0.000	12/20/2022	N/A	7.19	535.54	0.00	535.54
Undiscovered	904504479	0.000	12/20/2022	N/A	15.584	1,160.72	0.00	1,160.72
Dodge & Cox Stock Fund	256219106	0.000	12/20/2022	N/A	15.628	3,319.11	0.00	3,319.11
Columbia Contrarian Fund	19766M709	0.000	12/20/2022	N/A	58.28	1,461.66	0.00	1,461.66
Vanguard Small Cap Growth	922908595	0.000	12/20/2022	N/A	14.00	2,799.37	0.00	2,799.37
Price T Rowe Growth	741479406	0.000	12/20/2022	N/A	49.795	3,088.30	0.00	3,088.30
Harbor Capital Appreciation	411512528	0.000	12/20/2022	N/A	95.11	6,001.41	0.00	6,001.41
iShares Russell Mid Cap	464287499	0.000	12/20/2022	N/A	5.00	334.13	0.00	334.13

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
PGIM Total Return Bond	74440B884	0.000	12/22/2022	N/A	124.306	1,478.00	0.00	1,478.00
Pimco Total Return Fund	693390700	0.000	12/27/2022	N/A	176.864	1,498.04	0.00	1,498.04
Hartford Schroders	41665X859	0.000	12/28/2022	N/A	121.416	1,762.96	0.00	1,762.96
Sub Total / Average Buy					3,877.877	120,137.88	0.00	120,137.88

Dividend								
DFA Large Cap	233203868	0.000	10/3/2022	N/A	0.00	0.00	722.72	722.72
Doubeline Core Fix Income	258620301	0.000	10/3/2022	N/A	0.00	0.00	409.70	409.70
PIMCO	693390841	0.000	10/31/2022	N/A	0.00	0.00	65.87	65.87
PGIM Total Return Bond	74440B884	0.000	10/31/2022	N/A	0.00	0.00	407.68	407.68
Vanguard Short Term	922031836	0.000	10/31/2022	N/A	0.00	0.00	117.15	117.15
Pimco Total Return Fund	693390700	0.000	11/1/2022	N/A	0.00	0.00	301.45	301.45
Doubeline Core Fix Income	258620301	0.000	11/1/2022	N/A	0.00	0.00	423.44	423.44
PIMCO	693390841	0.000	11/30/2022	N/A	0.00	0.00	72.08	72.08
Pimco Total Return Fund	693390700	0.000	11/30/2022	N/A	0.00	0.00	337.35	337.35
PGIM Total Return Bond	74440B884	0.000	11/30/2022	N/A	0.00	0.00	453.15	453.15
Vanguard Short Term	922031836	0.000	11/30/2022	N/A	0.00	0.00	127.20	127.20
PIMCO	693390841	0.000	12/1/2022	N/A	0.00	0.00	76.78	76.78
Pimco Total Return Fund	693390700	0.000	12/1/2022	N/A	0.00	0.00	485.65	485.65
PGIM Total Return Bond	74440B884	0.000	12/1/2022	N/A	0.00	0.00	465.48	465.48
Vanguard Short Term	922031836	0.000	12/1/2022	N/A	0.00	0.00	132.10	132.10
Doubeline Core Fix Income	258620301	0.000	12/2/2022	N/A	0.00	0.00	471.63	471.63
Pimco Total Return Fund	693390700	0.000	12/7/2022	N/A	0.00	0.00	1,498.04	1,498.04
MFS International	552746356	0.000	12/8/2022	N/A	0.00	0.00	387.52	387.52
Columbia Contrarian Fund	19766M709	0.000	12/9/2022	N/A	0.00	0.00	884.40	884.40
DFA Large Cap	233203868	0.000	12/14/2022	N/A	0.00	0.00	545.04	545.04
iShares SP500	464287408	0.000	12/19/2022	N/A	0.00	0.00	345.25	345.25
Vanguard Growth & Income	921913208	0.000	12/19/2022	N/A	0.00	0.00	2,412.88	2,412.88
Dodge & Cox Stock Fund	256219106	0.000	12/19/2022	N/A	0.00	0.00	382.05	382.05
Dodge & Cox International	256206103	0.000	12/19/2022	N/A	0.00	0.00	706.37	706.37
iShares Russell Mid Cap	464287499	0.000	12/19/2022	N/A	0.00	0.00	661.52	661.52
Undiscovered	904504479	0.000	12/20/2022	N/A	0.00	0.00	1,160.72	1,160.72
PGIM Total Return Bond	74440B884	0.000	12/22/2022	N/A	0.00	0.00	1,478.00	1,478.00
Hartford Schroders	41665X859	0.000	12/28/2022	N/A	0.00	0.00	1,762.96	1,762.96
Vanguard Real Estate	922908553	0.000	12/28/2022	N/A	0.00	0.00	541.03	541.03
Vanguard Small Cap Growth	922908595	0.000	12/28/2022	N/A	0.00	0.00	219.49	219.49
Doubeline Core Fix Income	258620301	0.000	12/30/2022	N/A	0.00	0.00	471.68	471.68
Sub Total / Average Dividend					0.00	0.00	18,526.38	18,526.38

Sell

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
iShares SP500	464287408	0.000	11/1/2022	N/A	22.00	3,157.31	0.00	3,157.31
Vanguard Growth & Income	921913208	0.000	11/1/2022	N/A	17.096	1,478.80	0.00	1,478.80
Undiscovered	904504479	0.000	11/1/2022	N/A	11.544	952.264	0.00	952.26
Undiscovered	904504479	0.000	11/1/2022	N/A	59.099	4,875.076	0.00	4,875.08
Dodge & Cox Stock Fund	256219106	0.000	11/1/2022	N/A	0.774	171.542	0.00	171.54
Dodge & Cox Stock Fund	256219106	0.000	11/1/2022	N/A	26.136	5,792.518	0.00	5,792.52
Columbia Contrarian Fund	19766M709	0.000	11/1/2022	N/A	21.468	603.04	0.00	603.04
Vanguard Small Cap Growth	922908595	0.000	11/1/2022	N/A	13.00	2,732.41	0.00	2,732.41
iShares Russell Mid Cap	464287499	0.000	11/1/2022	N/A	83.00	5,642.09	0.00	5,642.09
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	56.682	841.161	0.00	841.16
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	70.006	1,038.889	0.00	1,038.89
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	83.577	1,240.283	0.00	1,240.28
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	107.081	1,589.082	0.00	1,589.08
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	213.637	3,170.374	0.00	3,170.37
iShares SP500	464287408	0.000	12/20/2022	N/A	4.00	571.89	0.00	571.89
Vanguard Real Estate	922908553	0.000	12/20/2022	N/A	1.00	82.985	0.00	82.99
Vanguard Real Estate	922908553	0.000	12/20/2022	N/A	5.00	414.925	0.00	414.93
DFA Large Cap	233203868	0.000	12/20/2022	N/A	369.047	8,491.77	0.00	8,491.77
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	18.069	156.478	0.00	156.48
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	18.317	158.625	0.00	158.63
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	18.606	161.128	0.00	161.13
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	19.645	170.126	0.00	170.13
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	20.685	179.132	0.00	179.13
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	40.696	352.427	0.00	352.43
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	109.483	948.123	0.00	948.12
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	181.485	1,571.661	0.00	1,571.66
Dodge & Cox International	256206103	0.000	12/20/2022	N/A	50.632	2,167.05	0.00	2,167.05
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	11.801	141.966	0.00	141.97
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	12.117	145.768	0.00	145.77
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	12.837	154.429	0.00	154.43
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	12.895	155.127	0.00	155.13
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	15.552	187.091	0.00	187.09
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	17.562	211.271	0.00	211.27
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	25.795	310.314	0.00	310.31
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	78.667	946.365	0.00	946.37
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	161.147	1,938.60	0.00	1,938.60
MFS International	552746356	0.000	12/20/2022	N/A	7.08	254.597	0.00	254.60
MFS International	552746356	0.000	12/20/2022	N/A	74.765	2,688.553	0.00	2,688.55
Vanguard Short Term	922031836	0.000	12/20/2022	N/A	38.30	382.23	0.00	382.23
Doublin Core Fix Income	258620301	0.000	12/20/2022	N/A	4.261	39.712	0.00	39.71

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Doubeline Core Fix Income	258620301	0.000	12/20/2022	N/A	102.618	956.398	0.00	956.40
Doubeline Core Fix Income	258620301	0.000	12/20/2022	N/A	179.204	1,670.179	0.00	1,670.18
Sub Total / Average Sell					2,396.366	58,893.759	0.00	58,893.76

Mesa Water District
Transactions Summary
Quarterly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS Pension Trust
Begin Date: 09/30/2022, End Date: 12/31/2022

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
Hartford Schrodgers	41665X859	0.000	11/1/2022	N/A	1,469.96	19,815.00	0.00	19,815.00
Pimco Total Return Fund	693390700	0.000	11/1/2022	N/A	3,306.00	27,605.11	0.00	27,605.11
PGIM Total Return Bond	74440B884	0.000	11/1/2022	N/A	2,210.46	25,619.25	0.00	25,619.25
Price T Rowe Growth	741479406	0.000	11/1/2022	N/A	354.009	23,584.07	0.00	23,584.07
Vanguard Short Term	922031836	0.000	11/1/2022	N/A	724.551	7,093.35	0.00	7,093.35
Doubeline Core Fix Income	258620301	0.000	11/1/2022	N/A	3,443.22	31,023.44	0.00	31,023.44
PIMCO	693390841	0.000	12/20/2022	N/A	137.787	1,044.42	0.00	1,044.42
Vanguard Growth & Income	921913208	0.000	12/20/2022	N/A	2,009.56	157,408.64	0.00	157,408.64
Undiscovered	904504479	0.000	12/20/2022	N/A	648.405	48,293.23	0.00	48,293.23
Dodge & Cox Stock Fund	256219106	0.000	12/20/2022	N/A	107.126	22,751.40	0.00	22,751.40
Columbia Contrarian Fund	19766M709	0.000	12/20/2022	N/A	3,898.69	97,779.05	0.00	97,779.05
Vanguard Small Cap Growth	922908595	0.000	12/20/2022	N/A	106.00	21,195.23	0.00	21,195.23
Price T Rowe Growth	741479406	0.000	12/20/2022	N/A	604.129	37,468.06	0.00	37,468.06
Harbor Capital Appreciation	411512528	0.000	12/20/2022	N/A	646.106	40,769.31	0.00	40,769.31
iShares Russell Mid Cap	464287499	0.000	12/20/2022	N/A	42.00	2,806.65	0.00	2,806.65
PIMCO	693390841	0.000	12/22/2022	N/A	215.367	1,636.79	0.00	1,636.79
Hartford Schrodgers	41665X859	0.000	12/22/2022	N/A	434.421	6,459.84	0.00	6,459.84
iShares SP500	464287408	0.000	12/22/2022	N/A	75.00	10,621.96	0.00	10,621.96
Vanguard Growth & Income	921913208	0.000	12/22/2022	N/A	80.355	6,286.96	0.00	6,286.96
Vanguard Real Estate	922908553	0.000	12/22/2022	N/A	151.00	12,208.13	0.00	12,208.13
DFA Large Cap	233203868	0.000	12/22/2022	N/A	47.564	1,095.39	0.00	1,095.39
Undiscovered	904504479	0.000	12/22/2022	N/A	79.231	5,944.70	0.00	5,944.70
Dodge & Cox Stock Fund	256219106	0.000	12/22/2022	N/A	9.899	2,111.95	0.00	2,111.95
Columbia Contrarian Fund	19766M709	0.000	12/22/2022	N/A	102.871	2,574.85	0.00	2,574.85
Pimco Total Return Fund	693390700	0.000	12/22/2022	N/A	2,034.16	17,636.15	0.00	17,636.15
Vanguard Small Cap Growth	922908595	0.000	12/22/2022	N/A	117.00	23,119.54	0.00	23,119.54
Dodge & Cox International	256206103	0.000	12/22/2022	N/A	0.359	15.43	0.00	15.43
PGIM Total Return Bond	74440B884	0.000	12/22/2022	N/A	1,585.78	18,854.91	0.00	18,854.91
MFS International	552746356	0.000	12/22/2022	N/A	62.866	2,258.77	0.00	2,258.77
Price T Rowe Growth	741479406	0.000	12/22/2022	N/A	62.468	3,842.41	0.00	3,842.41
Vanguard Short Term	922031836	0.000	12/22/2022	N/A	793.77	7,929.73	0.00	7,929.73
Doubeline Core Fix Income	258620301	0.000	12/22/2022	N/A	1,961.59	18,301.61	0.00	18,301.61

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Harbor Capital Appreciation	411512528	0.000	12/22/2022	N/A	39.79	2,495.60	0.00	2,495.60
iShares Russell Mid Cap	464287499	0.000	12/22/2022	N/A	410.00	27,148.07	0.00	27,148.07
Sub Total / Average Buy					27,971.494	734,799.00	0.00	734,799.00

Dividend								
DFA Large Cap	233203868	0.000	10/3/2022	N/A	0.00	0.00	4,832.88	4,832.88
Doubeline Core Fix Income	258620301	0.000	10/3/2022	N/A	0.00	0.00	2,759.18	2,759.18
PIMCO	693390841	0.000	10/31/2022	N/A	0.00	0.00	443.80	443.80
PGIM Total Return Bond	74440B884	0.000	10/31/2022	N/A	0.00	0.00	2,738.10	2,738.10
Vanguard Short Term	922031836	0.000	10/31/2022	N/A	0.00	0.00	787.57	787.57
Pimco Total Return Fund	693390700	0.000	11/1/2022	N/A	0.00	0.00	2,024.74	2,024.74
Doubeline Core Fix Income	258620301	0.000	11/1/2022	N/A	0.00	0.00	2,851.70	2,851.70
PIMCO	693390841	0.000	11/30/2022	N/A	0.00	0.00	485.61	485.61
Pimco Total Return Fund	693390700	0.000	11/30/2022	N/A	0.00	0.00	2,266.45	2,266.45
PGIM Total Return Bond	74440B884	0.000	11/30/2022	N/A	0.00	0.00	3,041.78	3,041.78
Vanguard Short Term	922031836	0.000	11/30/2022	N/A	0.00	0.00	855.34	855.34
PIMCO	693390841	0.000	12/1/2022	N/A	0.00	0.00	520.01	520.01
Pimco Total Return Fund	693390700	0.000	12/1/2022	N/A	0.00	0.00	3,292.42	3,292.42
PGIM Total Return Bond	74440B884	0.000	12/1/2022	N/A	0.00	0.00	3,126.66	3,126.66
Vanguard Short Term	922031836	0.000	12/1/2022	N/A	0.00	0.00	892.62	892.62
Doubeline Core Fix Income	258620301	0.000	12/2/2022	N/A	0.00	0.00	3,177.08	3,177.08
Columbia Contrarian Fund	19766M709	0.000	12/12/2022	N/A	0.00	0.00	5,957.67	5,957.67
MFS International	552746356	0.000	12/12/2022	N/A	0.00	0.00	2,609.86	2,609.86
DFA Large Cap	233203868	0.000	12/14/2022	N/A	0.00	0.00	3,671.34	3,671.34
iShares SP500	464287408	0.000	12/19/2022	N/A	0.00	0.00	2,323.25	2,323.25
iShares Russell Mid Cap	464287499	0.000	12/19/2022	N/A	0.00	0.00	4,455.91	4,455.91
Vanguard Growth & Income	921913208	0.000	12/20/2022	N/A	0.00	0.00	16,254.23	16,254.23
Dodge & Cox Stock Fund	256219106	0.000	12/21/2022	N/A	0.00	0.00	2,573.65	2,573.65
Dodge & Cox International	256206103	0.000	12/21/2022	N/A	0.00	0.00	4,757.27	4,757.27
Undiscovered	904504479	0.000	12/22/2022	N/A	0.00	0.00	7,267.46	7,267.46
PGIM Total Return Bond	74440B884	0.000	12/27/2022	N/A	0.00	0.00	9,961.12	9,961.12
Vanguard Real Estate	922908553	0.000	12/28/2022	N/A	0.00	0.00	3,644.08	3,644.08
Vanguard Small Cap Growth	922908595	0.000	12/28/2022	N/A	0.00	0.00	1,481.10	1,481.10
Hartford Schroders	41665X859	0.000	12/29/2022	N/A	0.00	0.00	12,012.05	12,012.05
Pimco Total Return Fund	693390700	0.000	12/29/2022	N/A	0.00	0.00	10,317.86	10,317.86
Doubeline Core Fix Income	258620301	0.000	12/30/2022	N/A	0.00	0.00	3,251.34	3,251.34
Sub Total / Average Dividend					0.00	0.00	124,634.13	124,634.13

Sell								
iShares SP500	464287408	0.000	11/1/2022	N/A	163.00	23,392.78	0.00	23,392.78

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Vanguard Growth & Income	921913208	0.000	11/1/2022	N/A	107.944	9,337.16	0.00	9,337.16
Vanguard Real Estate	922908553	0.000	11/1/2022	N/A	14.00	1,163.44	0.00	1,163.44
Undiscovered	904504479	0.000	11/1/2022	N/A	473.945	39,095.72	0.00	39,095.72
Dodge & Cox Stock Fund	256219106	0.000	11/1/2022	N/A	166.045	36,800.55	0.00	36,800.55
Columbia Contrarian Fund	19766M709	0.000	11/1/2022	N/A	131.716	3,699.90	0.00	3,699.90
Vanguard Small Cap Growth	922908595	0.000	11/1/2022	N/A	103.00	21,649.07	0.00	21,649.07
iShares Russell Mid Cap	464287499	0.000	11/1/2022	N/A	603.00	40,990.16	0.00	40,990.16
Hartford Schroders	41665X859	0.000	12/20/2022	N/A	3,698.21	54,881.36	0.00	54,881.36
iShares SP500	464287408	0.000	12/20/2022	N/A	26.00	3,717.26	0.00	3,717.26
Vanguard Real Estate	922908553	0.000	12/20/2022	N/A	2.00	165.97	0.00	165.97
Vanguard Real Estate	922908553	0.000	12/20/2022	N/A	42.00	3,485.36	0.00	3,485.36
DFA Large Cap	233203868	0.000	12/20/2022	N/A	2,471.08	56,859.55	0.00	56,859.55
Pimco Total Return Fund	693390700	0.000	12/20/2022	N/A	2,325.77	20,141.13	0.00	20,141.13
Dodge & Cox International	256206103	0.000	12/20/2022	N/A	37.538	1,606.626	0.00	1,606.63
Dodge & Cox International	256206103	0.000	12/20/2022	N/A	300.213	12,849.114	0.00	12,849.11
PGIM Total Return Bond	74440B884	0.000	12/20/2022	N/A	1,822.78	21,928.04	0.00	21,928.04
MFS International	552746356	0.000	12/20/2022	N/A	373.425	13,428.36	0.00	13,428.36
Vanguard Short Term	922031836	0.000	12/20/2022	N/A	71.149	710.07	0.00	710.07
Doubeline Core Fix Income	258620301	0.000	12/20/2022	N/A	1,886.76	17,584.62	0.00	17,584.62
Sub Total / Average Sell					14,819.575	383,486.24	0.00	383,486.24



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MEMORANDUM

TO: Board of Directors
FROM: Celeste Carrillo, Senior Public Affairs Specialist
DATE: February 22, 2023
SUBJECT: Outreach Update

RECOMMENDATION

Receive and file the Outreach Update.

STRATEGIC PLAN

Goal #4: Increase favorable opinion of Mesa Water.

PRIOR BOARD ACTION/DISCUSSION

This item is provided monthly at a Mesa Water District (Mesa Water®) Board of Directors meeting.

DISCUSSION

Mesa Water's outreach program aims to connect the District with its constituents in order to achieve Goal #4 of the Board of Directors' (Board) Strategic Plan. Outreach activities are also designed to achieve the Strategic Plan goals related to customer service and/or regional water issues involvement by educating and informing the District's constituents about Mesa Water, water issues, and water in general. Mesa Water's constituents include external audiences, such as customers, community members, elected officials, industry colleagues, media, water districts and special districts – as well as internal audiences, such as staff, retirees and Board members.

Upcoming Fiscal Year 2023 Events

1. **Children's Water Education Festival** – University of California, Irvine – Wednesday, March 29 through Thursday, March 30, 2023, time TBD

The benefits of Mesa Water's outreach program include:

- Informing constituents about Southern California's perpetual drought, the historical drought facing California, and the importance of developing local and cost-effective sources of safe, reliable water for Mesa Water's service area and the region at large;
- Educating constituents about the importance of water and water stewardship, in order to sustain Southern California's population, quality of life, business, and economy;
- Educating constituents about Mesa Water's stewardship of ratepayer funds and financial responsibility to fund, invest in, and save for the current and future provision of safe and reliable water for the District's service area;
- Informing constituents of the District's infrastructure improvements to ensure water quality and water reliability for its service area;



- Learning from constituents and evolving as a well-informed Board of Directors;
- Promoting water use efficiency to Mesa Water's customers and community members to help them save water, money, and the environment;
- Ensuring, for public health and safety reasons, that Mesa Water customers and community members identify the District as their water provider and as the source of information about water in emergency situations;
- Supporting Mesa Water's service area as an actively involved participant in programs that provide added value and benefits to the community;
- Informing the media of Mesa Water's activities that benefit the District's customers and community;
- Empowering Mesa Water's Board and staff with information that will help them provide the best possible service to the District's customers and community members; and,
- Strengthening Mesa Water's industry relations to provide opportunities for improving the District's business and operations -- including the areas of financial and human resources strength, infrastructure and technological innovation, and setting/supporting policies that have a positive impact on Mesa Water's service area -- so that the District can continue to provide safe, high-quality, reliable, and affordable water to its customers.

FINANCIAL IMPACT

In Fiscal Year 2023, \$904,450 is budgeted for Support Services; \$330,740 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: February 22, 2023
SUBJECT: Fiscal Year 2023 Second Quarter Financial Update

RECOMMENDATION

Receive and file the Fiscal Year 2023 Second Quarter Financial Update.

STRATEGIC PLAN

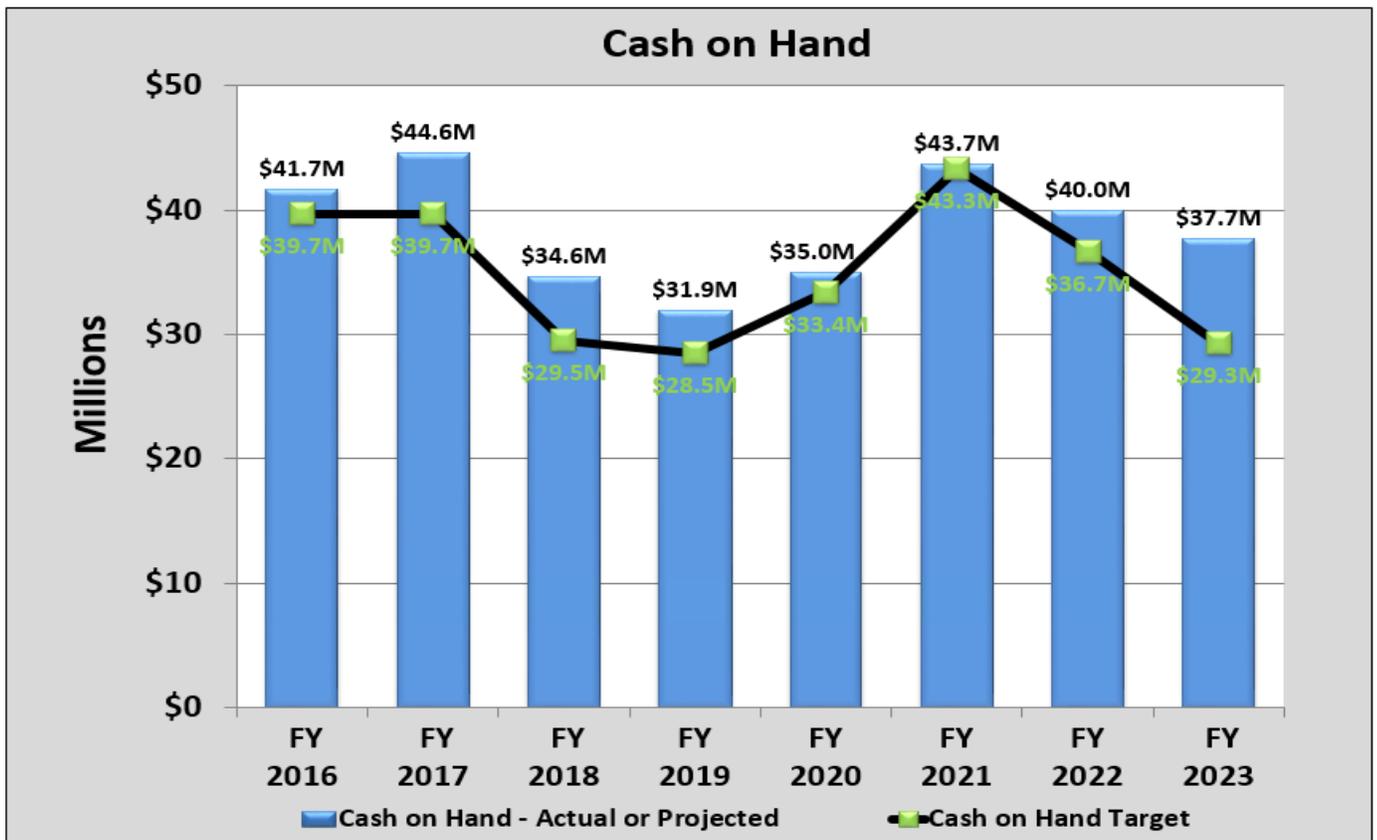
- Goal #1: Provide an abundant, local, reliable and safe water supply.
- Goal #2: Perpetually renew and improve our infrastructure.
- Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its May 11, 2022 meeting, the Board of Directors (Board) approved the Fiscal Year (FY) 2023 Budget.

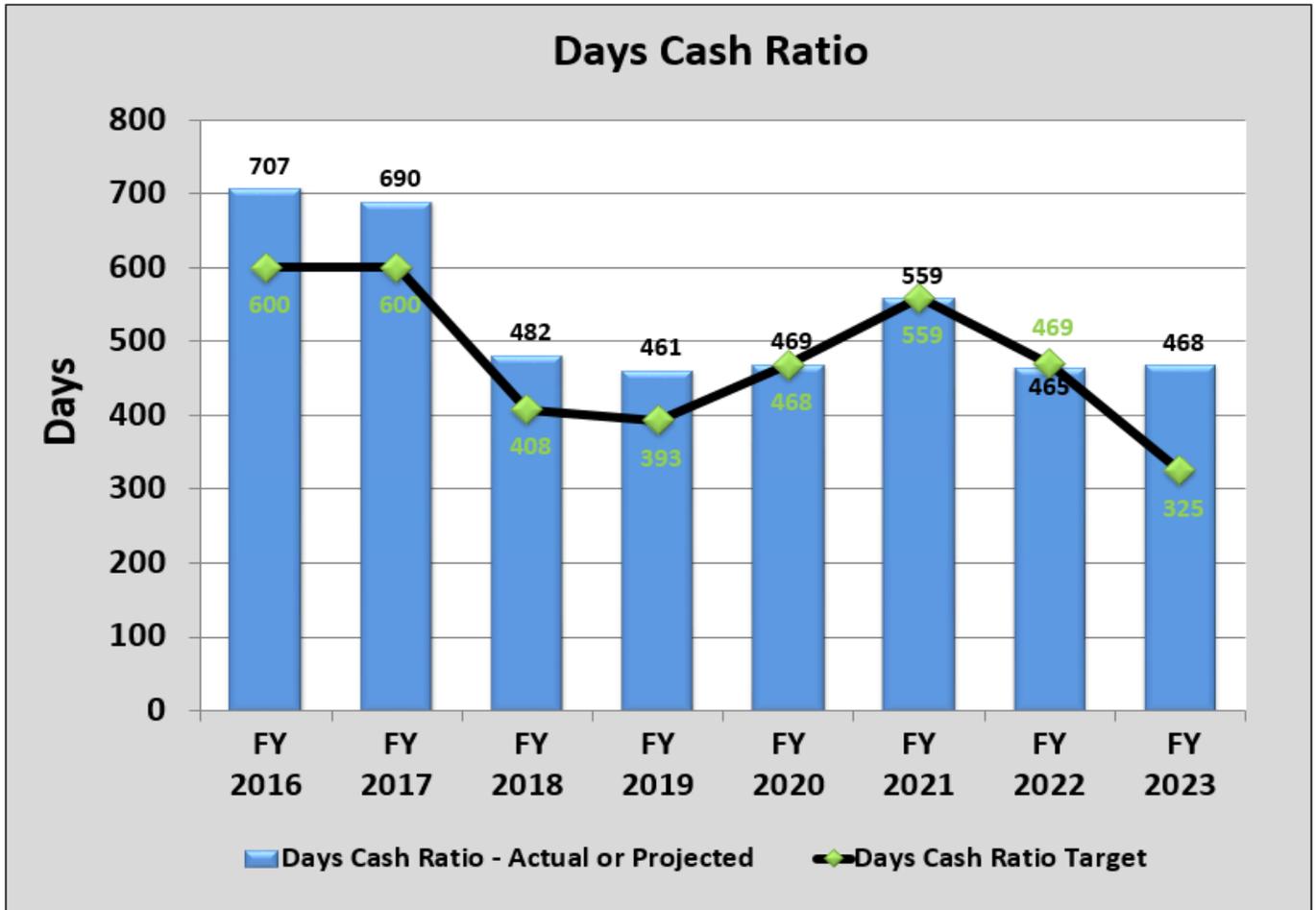
DISCUSSION

Through the second quarter of FY 2023, Cash on Hand totaled \$37,710,259. Cash on Hand of \$37,710,259 is above the forecasted year-end cash balance of \$29,311,226.





Additionally, 468 Days Cash is above the forecasted Days Cash estimate of 325 days at year end by 143 days.



The Current Debt Coverage ratio is 200%, which exceeds both requirements for the 2017 & 2020 Revenue Certificates of Participation (COPs) and the Designated Funds Policy. The Debt Coverage ratio goal of the Board is 150% and was established in the Designated Funds Policy.

Water production is below budget through the second quarter by approximately 5.5%.

The mix of water production between clear and amber water has varied which is depicted in the table below:

	Acre Feet		
	Budgeted	Actual	Variance
Clear Water	6,202	5,931	(271)
Amber Water	2,400	2,190	(210)
Import Water	-	10	10
Total	8,602	8,131	(471)



Clear and amber water costs have a combined favorable variance of \$592,179 due to production of water costs being slightly below budgeted.

Total operating revenues year-to-date have a favorable balance of \$343,816 or approximately 1.6%. This is a result of monthly meter charges being slightly higher than expected. Additionally, operating expenses through the second quarter have a favorable balance of \$2,858,928 or approximately 16.5%. This is predominately a result of lower than budgeted General and Administrative expenses and water production costs. As a result, operating income through December 31, 2022 has a favorable balance of \$3,022,697 or approximately 261.3%.

In addition, non-operating revenue, net of expenses, through the second quarter of FY 2023 has an unfavorable balance of \$317,886 or approximately -30.2%. This is mostly due to unrealized investment losses.

Overall, the Change in Net Position has a favorable balance of \$2,401,220 or approximately 323.5% through December 31, 2022.

ATTACHMENTS

Attachment A: Statement of Revenues, Expenses, and Changes in Net Position for the Six Months Ended 12/31/2022



Statement of Revenues, Expenses, and Changes in Net Position For the Six Months Ended 12/31/2022

	FY2023 YTD BUDGET	FY2023 YTD ACTUAL	Variance
OPERATING REVENUES:			
Water consumption sales	\$ 16,624,829	\$ 16,166,848	\$ (457,981)
Monthly meter service charge	3,961,271	4,581,811	620,540
Recycled water sales	752,361	810,498	58,137
Other charges and services	142,500	265,620	123,120
TOTAL OPERATING REVENUES	21,480,961	21,824,777	343,816
OPERATING EXPENSES:			
Imported sources of supply	264,850	188,582	76,268
Basin managed water	-	-	-
Clear water cost	4,394,985	4,161,748	233,237
Amber water cost	2,467,546	2,184,872	282,674
Recycled water	522,638	467,081	55,557
Transmission and distribution	3,893,063	3,667,412	225,651
General and administrative	5,830,890	3,845,348	1,985,542
TOTAL OPERATING EXPENSES	17,373,972	14,515,044	2,858,928
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION:	4,106,989	7,309,733	3,202,744
Depreciation and amortization	(2,950,000)	(3,130,047)	(180,047)
OPERATING INCOME (LOSS)	1,156,989	4,179,686	3,022,697
NONOPERATING REVENUES / (EXPENSES):			
Investment earnings	205,000 *	(124,889) *	(329,889)
Interest expense - long term debt	(1,245,565)	(1,245,563)	2
Impairment of capital assets & termination of lease	(5,000)	-	5,000
Other non-operating, net	(7,500)	(499)	7,001
NONOPERATING REVENUES / (EXPENSES)	(1,053,065)	(1,370,951)	(317,886)
INCOME BEFORE CAPITAL CONTRIBUTIONS	103,924	2,808,734	2,704,810
CAPITAL CONTRIBUTIONS:			
Capacity and installation charges	140,000	-	(140,000)
Capital Grant (includes LRP)	398,376	334,786	(63,590)
Developers and others	100,000	-	(100,000)
TOTAL CAPITAL CONTRIBUTIONS	638,376	334,786	(303,590)
CHANGE IN NET POSITION	\$ 742,300	\$ 3,143,520	\$ 2,401,220

* Includes Pension Trust Earnings.



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MEMORANDUM

TO: Board of Directors
FROM: Denise Garcia, Chief Administrative Officer
DATE: February 22, 2023
SUBJECT: Quarterly Training Report

RECOMMENDATION

Receive the Quarterly Training Report for October 1, 2022 to December 31, 2022.

STRATEGIC PLAN

Goal #5: Attract, develop and retain skilled employees.

DISCUSSION

As part of the Board of Directors' (Board) approved 2023 Strategic Plan Goal #5 – Attract, develop and retain skilled employees, Objective B is to Develop Employee Skills, specifically the following:

- Fully train a minimum of two employees in key processes to ensure accountability and sustainability
- Develop and implement an operational and institutional knowledge transfer plan
- Provide employee development training and leadership opportunities
- Provide quarterly training report

Attached is the Quarterly Training Report for October 1, 2022 to December 31, 2022. In addition to the training listed on the report, staff also conducts safety training for all employees and Monday Morning Tailgate Talks for Water Operations and Engineering.

The Tailgate Talks for this quarter included the following topics:

- Powerful Protection from Personal Protective Equipment (PPE)
- Avoid Arc Flash
- Safety Quiz: Forklift Operations
- Understanding Safety Data Sheets
- Safety Tips for Employees Working Remotely or Alone
- Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillators (AEDs) Save Lives
- Energized Electrical Equipment Can Be Deadly
- Safety Quiz: Asbestos
- Trenching: Don't Dig Into Trouble
- Quick Equipment Checks
- An Open-and-Shut Case for Gate Valve Safety
- Safety Quiz: Excavations
- Biohazards and Worker Safety



The Safety Training program included the following topics:

- COVID-19 Prevention Refresher
- Emergency Action Plan (EAP) Team
- PPE Refresh
- Confined Space
- Asbestos Building Inspector

Below are the required continuing education hours needed, over a three-year period, for each Distribution and Treatment Certification Renewal held by staff:

Distribution and Treatment Certification Renewals – Required Continuing Education Hours (within the last three years)				
Grade 1	Grade 2	Grade 3	Grade 4	Grade 5
12 hours	16 hours	24 hours	36 hours	36 hours

FINANCIAL IMPACT

The cost for the training is budgeted each fiscal year, per department or in the overall safety budget.

ATTACHMENTS

Attachment A: Quarterly Training Report for October 1, 2022 to December 31, 2022



FY23 Quarterly Training Report

2nd Quarter October 1, 2022 - December 31, 2022

Postion	Department	Date of Training	Type of Training	Organization
Customer Services Manager	Customer Services	10/12/2022	Anti-Harassment Training for Supervisors & Managers	Target Solutions
Human Resources Analyst	Human Resources	10/13/2022	The Negotiations Process	National PELRA
Operator I	Operations	10/13/2022	Water Treatment Exam Prep Grade 2	American Water College
Senior Operator	Operations	10/18 - 20/2022	CVU 101-201	Cla-Val
Public Affairs Specialist Senior Public Affairs Specialist	Public Affairs	10/19/2022	Make the Most of Your Social Data	Sprout Social
Chief Operating Officer Senior Operator	Operations	11/1 - 4/2022	2022 SWMOA Annual Conference	SWMOA
Operator II Senior Operator	Operations	11/8 - 9/2022	Maintenance & Construction Expo 2022	WaterWisePro
Chief Administrative Officer	Administrative Services	11/28 - 12/1/2022	ACWA Fall Conference	Association of California Water Agencies
Public Affairs Specialist Senior Public Affairs Specialist	Public Affairs	11/30/2022	Developing and Implementing Effective Communications Plans That Move the Needle	California Association of Public Information Officials



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: February 22, 2023
SUBJECT: Fiscal Year 2022 Audit Results and Annual Financial Report

RECOMMENDATION

Approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2022 and direct staff to finalize the Fiscal Year 2022 Annual Financial Report.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

The Fiscal Year (FY) 2022 audit for Mesa Water District (Mesa Water®) has been completed and the draft Annual Financial Report (AFR) is attached. The AFR was prepared in accordance with guidelines established by the Governmental Accounting Standards Board (GASB). Lance, Soll & Lunghard, LLP (LSL) conducted an independent audit of Mesa Water's financial records in accordance with generally accepted auditing standards and has expressed an unmodified opinion on the District's financial statements for the fiscal year ended June 30, 2022.

Representatives from LSL will attend the February 22, 2023 Board of Directors (Board) meeting to present the results of the audit and a summary of the financial results for the fiscal year ended June 30, 2022.

FY 2022 financial results (as of June 30, 2022) are summarized below:

- Mesa Water has met or exceeded its Fiscal Year Budgeted Target goals for Days Cash Ratio and Cash on Hand:
 - Days Cash Ratio was 588 days (Target 469 Days)
 - Cash on Hand was \$50.6MM (Target \$36.7MM)

Statement of Net Position (Balance Sheet)

Highlights include:

- Current assets, including cash, investments and receivables, increased \$7.6MM, primarily due to the increase in net position.
- Non-current assets decreased \$25.3MM, primarily due to the usage of the 2020 Certificates of Participation (COPs) Restricted Funds.
- Current liabilities increased \$1.5MM, primarily due to an increase in accounts payable and accrued expenses.



- Non-current liabilities decreased by \$9.7MM, primarily due to the paying down of the 2017 COPs, as well as a decrease in Net Pension Liability due to the actuarial results from June 30, 2021.

Statement of Revenues, Expenses and Changes in Net Position (Income Statement)

For the fiscal year ended June 30, 2022, the Change in Net Position was a decrease (loss) of \$0.4MM.

Highlights include:

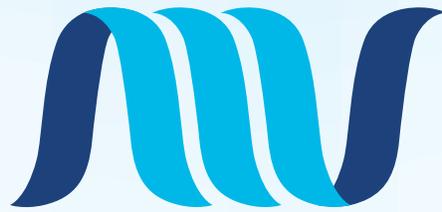
- Operating revenues increased from \$39.9MM to \$41.0MM, due to the increase in monthly meter service charges and water consumption rate.
- Non-Operating losses of \$2.6MM are primarily due to an unrealized Section 115 Pension Trust investment loss.
- Operating expenses increased by \$2.9MM over the previous year, due to increases in cost for transmission and distribution as well as general and administrative expenses.

FINANCIAL IMPACT

In Fiscal Year 2023, \$40,550 is budgeted for Auditing Services; \$32,200 has been spent to date.

ATTACHMENTS

Attachment A: Annual Financial Report for the Fiscal Year Ended 2022



MesaWater
DISTRICT®

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE
FISCAL YEAR ENDED
JUNE 30, 2022**

Mesa Water District | Costa Mesa, California

MesaWater.org

Dedicated to Satisfying our Community's Water Needs

Mesa Water District

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022



1965 Placentia Avenue
Costa Mesa, CA 92627-3420

Prepared by:
Financial Services Department

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MESA WATER DISTRICT
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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MESA WATER DISTRICT
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION

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*Dedicated to
Satisfying our Community's
Water Needs*

BOARD OF DIRECTORS

Shawn Dewane

*President
Division V*

Marice H. DePasquale

*Vice President
Division III*

Jim Atkinson

*Director
Division IV*

Fred R. Bockmiller, P.E.

*Director
Division I*

James R. Fisler

*Director
Division II*

Paul E. Shoenberger, P.E.

General Manager

Denise Garcia

District Secretary

Marwan Khalifa, CPA, MBA

District Treasurer

**Atkinson, Andelson,
Loya, Ruud & Romo**

Legal Counsel

1965 Placentia Avenue
Costa Mesa, CA 92627
tel 949.631.1200
fax 949.574.1036
info@MesaWater.org
MesaWater.org

February 9, 2023

Board of Directors
Mesa Water District

Introduction

It is our pleasure to submit the Annual Financial Report for Mesa Water District (Mesa Water) for the fiscal year ended June 30, 2022, following guidelines set forth by the Governmental Accounting Standards Board (GASB). Mesa Water is ultimately responsible for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures in this financial report. Mesa Water staff prepared this financial report and believes that the data presented is accurate in all material respects. This report is designed in a manner that we believe beneficial to enhance the reader's understanding of Mesa Water's financial position and activities.

Generally Accepted Accounting Principles (GAAP) require 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 MD&A can be found immediately after the Independent Auditor's Report.

Mesa Water Structure and Leadership

Mesa Water is a special water district organized pursuant to Water Code Section 33200 and operates pursuant to Water Code Section 30000. Mesa Water has been providing water service to its customers since 1960. Mesa Water is governed by a five-member Board of Directors (Board), elected at-large by division within Mesa Water's service area. The General Manager administers the day-to-day operations of Mesa Water in accordance with policies and procedures established by the Board. Mesa Water employs approximately 57 employees, some of whom are part-time or temporary. Mesa Water's Board meets on the second and fourth Wednesday of each month. Meetings are publicly noticed and citizens are encouraged to attend. Mesa Water provides water service to approximately 110,000 residents in the City of Costa Mesa, parts of the City of Newport Beach, and some unincorporated areas of Orange County through approximately 25,000 service connections.

Mesa Water's Services

Residential customers comprise approximately 82% of Mesa Water's customer base and purchase approximately 67% of the water produced annually by Mesa Water. In Fiscal Year 2022, Mesa Water's potable supply was comprised of 100% groundwater.



Economic Condition, Outlook and Major Initiatives

Mesa Water carries out its mission with a highly skilled and competent staff empowered to conduct Mesa Water's business by placing customer needs and welfare first. Employees strive to carry out their work mindful of Mesa Water's mission: "Mesa Water District, a local independent special district, manages its finances and water infrastructure, and advocates water policy, while reliably providing an abundance of clean, safe water to benefit the public's quality of life."

Mesa Water's service area includes various regional facilities and landmark venues, including but not limited to: John Wayne Airport, Orange Coast College, Vanguard University, Orange County Fairgrounds, Orange County Performing Arts Center, South Coast Repertory Theater, and the shopping complex at South Coast Plaza. The local economy is primarily based upon retail, commercial business, and light manufacturing.

In Mesa Water's service area, consumers are currently experiencing the benefits of the Board's forward-thinking planning and decades-long investments in water use efficiency and water infrastructure projects to help lower our regional dependence on imported water.

Two decades ago, Mesa Water's Board set a goal to reduce reliance on imported water from Northern California and the Colorado River by increasing the District's production capacity of groundwater and recycled water. Mesa Water is fortunate to be able to pump safe, high-quality groundwater from Orange County's clear-water aquifer and from the deeper, amber-colored aquifer located directly under our service area.

The Mesa Water Reliability Facility (MWRF) was the final step in eliminating the District's dependence on imported water as Mesa Water is now able to meet 100% of its community's water needs with locally-sourced supplies. In Fiscal Year 2021, Mesa Water completed the design phase of the two new well sites, and commenced construction. Once the wells sites are completed, they will enhance Mesa Water's capability to rely solely upon locally-sourced groundwater. Furthermore, producing local water uses less electricity than is needed to import water from hundreds of miles away.

This year Mesa Water is celebrating the 10th anniversary of being 100% local and reliable. This means Mesa Water has not taken any imported water in the last 10 years.

In Fiscal Year 2020, the Board took a major step towards reliability by approving a three-year \$70MM Capital Improvement Program funded through Certificates of Participation. Among these capital improvement projects, Mesa Water will construct two new wells to increase local water production capacity. Once the wells sites are completed, they will enhance Mesa Water's capability to rely solely upon locally-sourced groundwater. Mesa Water continues to invest in pipeline integrity testing to ensure economical and timely replacement for continued reliable service and high-quality water to customers. Fiscal Year 2022 was the third year of this three-year initiative.

Mesa Water has continued its efforts to encourage water use efficiency within its service area in compliance with the State Water Resources Control Board emergency regulation implemented in June 2022. In conjunction with Metropolitan Water District of Southern California (MWD) and Municipal Water District of Orange County (MWDOC), Mesa Water distributes and provides financial incentives for high efficiency water use devices, and has developed education and technical assistance programs designed for residents, homeowners associations, businesses, and other public agencies. Mesa Water also works with the City of Costa Mesa to promote the wise use of water through the City's development plan check process. These active programmatic efforts have resulted in a cumulative water savings of approximately 17,835 acre feet of water to date.



As of July 1, 2022, Mesa Water charges a uniform commodity rate of \$4.72 per unit and a bi-monthly fixed charge of \$30.03 for a 5/8 inch meter. One unit of water equals 748 gallons, which means that the cost per gallon is 0.63 cents. At \$987 per year, the cost of water service for a typical single-family home using 127,900 gallons of water annually remains a good value for Mesa Water's customers.

In Fiscal Year 2022 COVID-19 continued to impact the economy greatly. With continued material shortages, which in turn increases cost dramatically, the economic impact was seen from a federal level all the way down to the City of Costa Mesa. As a result of Mesa Water's Board forward thinking, Mesa Water was able to continue to provide safe, local, and reliable water without any major cutbacks.

Water Supply

Mesa Water currently has seven groundwater wells that produce high quality water at a lower cost than imported water, with two of the wells associated with the MWRF. The MWRF treats amber groundwater from a previously unusable aquifer, providing Mesa Water with an additional potable water source. Amber groundwater from this lower aquifer is more expensive to produce than clear groundwater produced from the upper aquifer. However, the treatment cost of amber groundwater is substantially less expensive than purchasing imported water.

To encourage the use of water production through the MWRF, MWD has assisted Mesa Water by reimbursing a portion of the costs of treating amber groundwater. The program used by MWD to reimburse Mesa Water is the Local Resource Program (LRP) which expands the use of amber groundwater and thereby reduces the demand on MWD supplies.

Mesa Water has been treating and delivering amber groundwater to customers since 1985 using a variety of treatment methods. The expansion and upgrade of the MWRF includes nano-filtration membrane technology, which expanded capacity to treat amber groundwater by approximately 50% while reducing energy costs by nearly 67%.

In Fiscal Year 2022, Mesa Water produced approximately 77% of its potable water supply from clear groundwater and related groundwater exchange programs, approximately 23% from amber groundwater and 0% from imported water.

Mesa Water also sells recycled water for irrigation purposes. The water is purchased from OCWD and replaces potable water that would otherwise have been used for irrigation. Approximately 6% of total water supplied to consumers is recycled.

Internal Control Structure

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



Budgetary Control

Mesa Water's Board annually adopts a budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations, accountability for Mesa Water's enterprise operations, and capital projects. The budget is presented on the accrual basis of accounting and is consistent with the presentation of Mesa Water's Annual Financial Report.

Investment Policy

The Board has adopted an investment policy that conforms to state law, Mesa Water's ordinances and resolutions, prudent money management, and the "prudent person" standards. The objectives of the Statement of Investment Policy are safety, liquidity and then yield. Currently, funds are invested in various securities as authorized by Mesa Water's Investment Policy.

Water Rates and Revenues

Revenue from user charges generated from Mesa Water's customers support operations and maintenance, as well as capital improvement projects, to provide the high-quality water that the community depends on. Accordingly, water rates are reviewed every five years when a Water Rate Schedule is prepared to achieve the Board's financial goals. Water rates are user charges imposed on customers for services and are the primary component of Mesa Water's revenue. Water rates are composed of a commodity (usage) charge, a fixed bi-monthly service charge. Mesa Water raised rates by an average of 5% in Fiscal Year 2022.

Audit and Financial Reporting

State Law and bond covenants require Mesa Water to obtain an annual audit of its financial statements by an independent Certified Public Accountant. The accounting firm of Lance, Soll & Lunghard, LLP conducted the audit of Mesa Water's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Risk Management

Mesa Water participates in the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) for the purchase of workers' compensation, liability, property, automobile, and fidelity insurance. The typical liability limits are \$1 million per incident/occurrence. Additionally, Mesa Water is self-insuring earthquake risk.

Awards and Acknowledgements

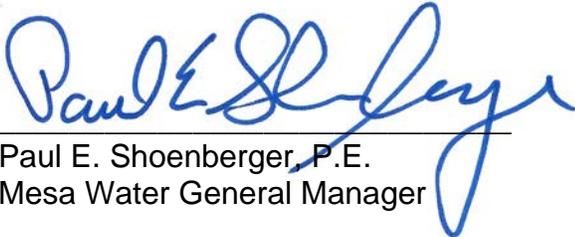
This is the 29th year that Mesa Water is submitting its Annual Financial Report for the Government Finance Officers Association of the United States and Canada's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that this Annual Financial Report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for 2022. Per communication from GFOA, the award for 2021 has not been issued as of the date of this report. As such, it will not be included in this report.



Preparation of this report was accomplished through the combined efforts of Mesa Water's staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to Mesa Water. We would also like to thank the members of the Board for their continued support in planning and implementing Mesa Water District's fiscal policies.

Respectfully submitted,



Paul E. Shoenberger, P.E.
Mesa Water General Manager



Marwan Khalifa, CPA, MBA
Mesa Water Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

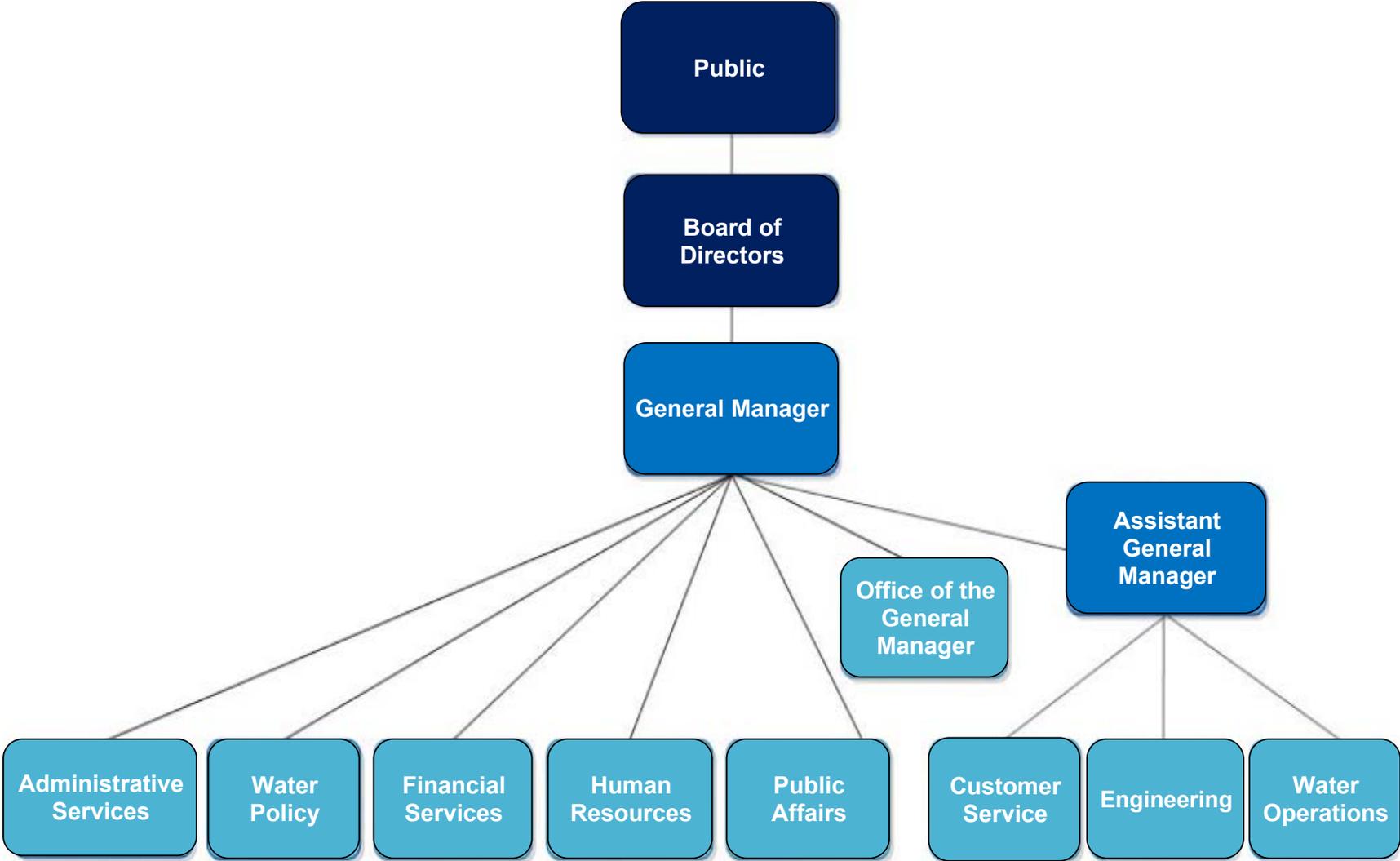
**Mesa Water District
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2020

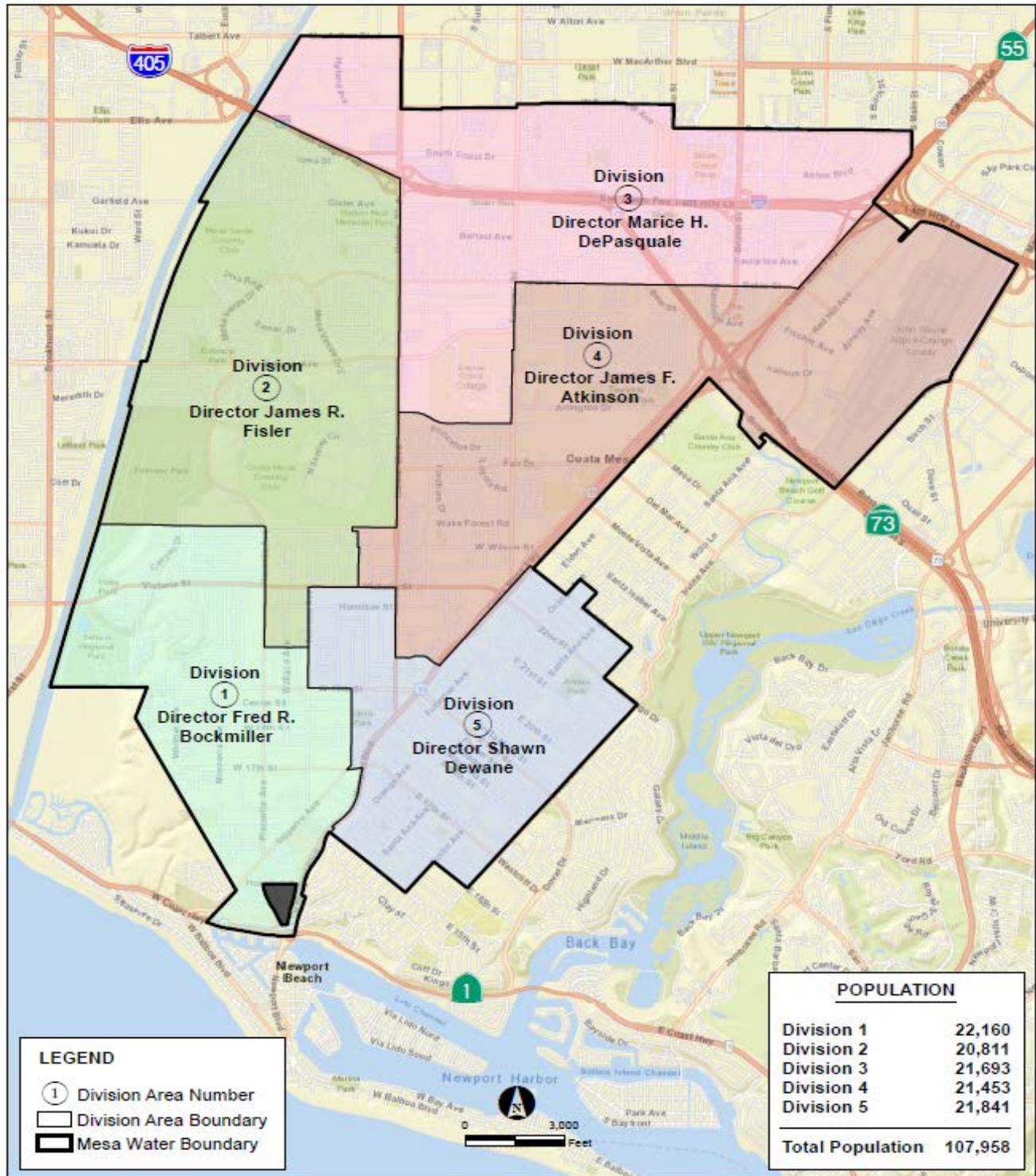
Christopher P. Morrill

Executive Director/CEO



Mesa Water District

District Service Area Map



FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mesa Water District
Costa Mesa, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Mesa Water District (the "District") as of and for the year ended June 30, 2022, 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 District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Mesa Water Risk Retention Corporation (MWRRC), a blended component unit of the District. The MWRRC represents 4 percent, 7 percent, and 0.8 percent, respectively, of the assets, net position, and revenues of the District activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the MWRRC, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), 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 Standards for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.



To the Board of Directors
Mesa Water District
Costa Mesa, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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, *Government Auditing Standards*, and the State Controller's Minimum Audit 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, *Government Auditing Standards*, and the State Controller's Minimum Audit Standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we



To the Board of Directors
Mesa Water District
Costa Mesa, California

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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The certificates of participation – revenue coverage and reconciliation of total revenues and total expenses schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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 supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2023 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Lance, Soll & Lughard, LLP".

Brea, California
February 9, 2023

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Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

The following discussion and analysis of the financial performance of the Mesa Water District (District/Mesa Water) provides an overview of the District's financial activities for the year ended June 30, 2022. This section should be read in conjunction with the basic financial statements and notes to the financial statements, which follows this analysis.

Financial Highlights

- Net position equaled \$151.6 million, a decrease of \$0.4 million or 0.3% from the prior year. \$104.7 million of Net Position was for net investment in capital assets, and the remaining \$33.7 million was unrestricted.
- Total operating revenue increased \$1.0 million or 2.7% as a result of increased water sales revenue.
- Total revenues decreased \$5.9 million or 13.4%, primarily due to unrecognized investment losses being significantly higher than the prior year.
- Total expenses increased by \$3.9 million or 10.6%. This increase is primarily due to increased cost for transmission and distribution.
- Total Capital Assets increased by \$16.2 million due to \$22.3 million in net additions and deletions, offset by depreciation expense of \$6.1 million.
- Total debt decreased by \$4.2 million due to principal repayments.

This annual report consists of a series of financial statements: (1) The Statement of Net Position, (2) Statement of Revenues, Expenses and Changes in Net Position, and (3) Statement of Cash Flows, all of which together provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies. The report also contains notes to the financial statements and other supplementary information.

Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities) and deferred outflows and inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure, and assessing the liquidity and financial flexibility of the District.

Statement of Revenues, Expenses and Changes in Net Position measures 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. The statement can be used to evaluate profitability and credit worthiness.

Statement of Cash Flows provides information about the District's cash receipts, cash payments and changes in cash resulting from operations, investments, and financing activities.

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the financial statements.

Other Information includes required supplementary information.

Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Financial Analysis of the District

The following condensed schedules contain summary financial information extracted from the basic financial statements to assist general readers in evaluating the District's overall financial position and results of operations as described in this Management's Discussion and Analysis (MD&A). Increases or decreases in these schedules can be used as performance indicators to assess whether the District's overall financial position has improved or deteriorated. Other external factors such as changes in economic conditions, customer growth, weather conditions and legislative mandates as well as changes in Federal and State water quality standards should also be considered as part of this assessment.

Statement of Net Position

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Assets and Deferred Outflows:			
Current assets	\$ 59,098,019	\$ 51,477,142	\$ 7,620,877
Non-current assets	49,061,798	74,377,596	(25,315,798)
Capital and intangible assets, net	<u>158,249,073</u>	<u>142,069,283</u>	<u>16,179,790</u>
Total Assets	<u>266,408,890</u>	<u>267,924,021</u>	<u>(1,515,131)</u>
Deferred charges on debt refundings	355,831	485,225	(129,394)
Deferred amounts from OPEB & pension plans	<u>2,613,566</u>	<u>2,682,152</u>	<u>(68,586)</u>
Total Deferred Outflows	<u>2,969,397</u>	<u>3,167,377</u>	<u>(197,980)</u>
Total Assets and Deferred Outflows	<u>\$ 269,378,287</u>	<u>\$ 271,091,398</u>	<u>\$ (1,713,111)</u>
Liabilities:			
Current liabilities	\$ 16,923,682	\$ 15,364,031	\$ 1,559,651
Non-current liabilities	<u>93,278,866</u>	<u>103,069,194</u>	<u>(9,790,328)</u>
Total Liabilities	<u>110,202,548</u>	<u>118,433,225</u>	<u>(8,230,677)</u>
Deferred Inflow of Resources - Actuarial	<u>7,532,396</u>	<u>585,053</u>	<u>6,947,343</u>
Total Liabilities and Deferred Inflows	<u>117,734,944</u>	<u>119,018,278</u>	<u>(1,283,334)</u>
Net position:			
Net Investment in capital assets	104,657,953	105,770,707	(1,112,754)
Restricted for pension benefits	13,277,537	6,139,421	7,138,116
Unrestricted	<u>33,707,853</u>	<u>40,162,992</u>	<u>(6,455,139)</u>
Total Net Position	<u>151,643,343</u>	<u>152,073,120</u>	<u>(429,777)</u>
Total Liabilities, Deferred Inflows, and Net position	<u>\$ 269,378,287</u>	<u>\$ 271,091,398</u>	<u>\$ (1,713,111)</u>

The Statement of Net Position reflects the District's financial position as of June 30. The statement includes assets, deferred outflow of resources, liabilities, and deferred inflows of resources. The Net Position represents the District's net worth including, but not limited to, capital contributions and investments in capital assets. A condensed summary of the District's total Net Position as of June 30 is set forth below:

The District's total Assets and Deferred Outflows exceeded total liabilities and Deferred Inflows by \$151.6 million and \$152.0 million as of June 30, 2022 and 2021, respectively.

Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

The largest single component of the District's Net Position (69% and 70% for June 30, 2022 and 2021, respectively) reflect the District's net investment in capital assets. 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.

As of June 30, 2021 and 2022, the District showed a positive balance in its Unrestricted Net Position of \$33.7 million and \$40.1 million, respectively.

Of the \$93.2 million of non-current liabilities, \$69.3 million and 16.2 million is attributed to the 2020 and 2017 COPS respectively. The net pension liability accounts for \$7.3 million of the balance. This amount does not include a CalPERS defined benefit pension plan trust with PARS (Pension Trust) in the amount of \$13.2 million for fiscal year ended June 30, 2022. The PARS trust is legally restricted to providing benefits for members of the defined benefit pension plan. However, in accordance with GASB 68, the asset balance is not included in calculation of the net pension liability above.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position summarizes the District's operations during the fiscal year. A summary of the District's changes in Net Position for the fiscal years ended June 30, 2022 is presented below:

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Revenues				
Operating revenues	\$ 41,072,417	\$ 39,990,535	\$ 1,081,882	2.7%
Non-operating revenues	(2,656,135)	4,373,131	(7,029,266)	-160.7%
Total Revenues	<u>38,416,282</u>	<u>44,363,666</u>	<u>(5,947,384)</u>	-13.4%
Expenses:				
Operating expenses (not including deprec.)	31,425,466	28,489,209	2,936,257	10.3%
Depreciation and amortization	6,130,487	5,491,984	638,503	11.6%
Non-operating expenses	3,100,026	2,765,997	334,029	12.1%
Total Expenses	<u>40,655,979</u>	<u>36,747,190</u>	<u>3,908,789</u>	10.6%
Net income before contributions	(2,239,697)	7,616,476	(9,856,173)	-129.4%
Capital Contributions	<u>1,809,920</u>	<u>2,091,685</u>	<u>(281,765)</u>	-13.5%
Change in Net Position	(429,777)	9,708,161	(10,137,938)	-104.4%
Net Position, beginning of year	<u>152,073,120</u>	<u>142,364,959</u>	<u>9,708,161</u>	6.8%
Net Position, end of year	<u>\$ 151,643,343</u>	<u>\$ 152,073,120</u>	<u>\$ (429,777)</u>	-0.3%

The District's Net Position decreased by \$0.4 million for the year ended June 30, 2022, while for the year ended June 30, 2021, Net Position increased by \$9.7 million.

Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Total District Revenues

Total District Revenues for the year ended June 30, 2022 is summarized below:

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Water sales	\$ 30,400,094	\$ 29,431,505	\$ 968,589	3.3%
Meter service charges	8,913,788	8,464,262	449,526	5.3%
Recycled water sales	1,470,021	1,428,840	41,181	2.9%
Other charges and services	288,514	665,928	(377,414)	-56.7%
Total Operating Revenues	<u>41,072,417</u>	<u>39,990,535</u>	<u>1,081,882</u>	2.7%
Investment earnings	(3,989,935)	4,367,631	(8,357,566)	-191.4%
Gain on sale/disposition of capital assets, net	-	5,500	(5,500)	-100.0%
Intergovernmental	365,745	-	365,745	0.0%
Other nonoperating revenue, net	968,055	-	968,055	0.0%
Total Non-operating revenues	<u>(2,656,135)</u>	<u>4,373,131</u>	<u>(7,029,266)</u>	-160.7%
Total Revenues	<u>\$ 38,416,282</u>	<u>\$ 44,363,666</u>	<u>\$ (5,947,384)</u>	-13.4%

The District's operating revenues totaled \$41.0 million in fiscal year 2022. This represents an increase of \$1.0 million or 2.7% from the prior year. The increase in total operating revenue was a result of \$0.9 million in water sales, \$0.4 million increase in meter service charges.

The vast majority of the decrease in non-operating revenues reflects investment losses. The \$0.9 million increase in other nonoperating revenue is from legal settlements.

Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Total District Expenses

A summary of Total District Expenses for the year ended June 30, 2022 is outlined below:

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Import source of supply	\$ 413,434	\$ 370,881	\$ 42,553	11.5%
Basin managed water	3,200	28,388	(25,188)	-88.7%
Clear well production	7,895,494	7,569,448	326,046	4.3%
Amber well production	3,501,950	3,191,073	310,877	9.7%
Recycled water	<u>920,277</u>	<u>1,009,398</u>	<u>(89,121)</u>	<u>-8.8%</u>
Total Water Supply	12,734,355	12,169,188	565,167	4.6%
Transmission and distribution	8,432,923	7,360,850	1,072,073	14.6%
General and administrative	10,258,188	8,959,171	1,299,017	14.5%
Depreciation and amortization	<u>6,130,487</u>	<u>5,491,984</u>	<u>638,503</u>	<u>11.6%</u>
Total Operating Expense	<u>37,555,953</u>	<u>33,981,193</u>	<u>3,574,760</u>	<u>10.5%</u>
Interest expense - long-term debt	2,606,831	2,754,815	(147,984)	-5.4%
Loss on sale/disposition of capital assets, net	469,500	-	469,500	0.0%
Other nonoperating expense, net	<u>23,695</u>	<u>11,182</u>	<u>12,513</u>	<u>111.9%</u>
Total Nonoperating Expenses	<u>3,100,026</u>	<u>2,765,997</u>	<u>334,029</u>	<u>12.1%</u>
Total Expenses	<u>\$ 40,655,979</u>	<u>\$ 36,747,190</u>	<u>\$ 3,908,789</u>	<u>10.6%</u>

The District's total expenses increased by \$3.9 million or 10.6%. This increase primarily due to additional spending in transmission and distribution and general and administrative expenses.

Capital Assets

Changes in capital assets amounts for the year ended June 30, 2022 is as follows:

	<u>Balance</u> <u>2021</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance</u> <u>2022</u>
Capital assets:				
Non-depreciable assets	\$ 23,971,247	\$ 17,563,480	\$ -	\$ 41,534,727
Depreciable assets	214,765,383	5,216,297	(1,795,782)	218,185,898
Accumulated Depreciation	<u>(96,667,347)</u>	<u>(6,130,487)</u>	<u>1,326,282</u>	<u>(101,471,552)</u>
	<u>\$ 142,069,283</u>	<u>\$ 16,649,290</u>	<u>\$ (469,500)</u>	<u>\$ 158,249,073</u>

As of June 30, 2022 and 2021, the District's capital assets amounted to \$158.2 million and \$142.0 million, respectively, net of accumulated depreciation, resulting in a net increase of \$16.2 million. Capital additions to depreciable assets were \$5.2 million in fiscal year 2022. Depreciation remained relatively constant in comparison to the prior year. In addition, the District implemented GASB 87, Leases during the fiscal year that resulted in the recording of new right to

Mesa Water District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

use assets. Please refer to Note 3, Capital Assets, in the accompanying Notes to the Financial Statements.

Debt Administration

Changes in debt amounts for the year ended June 30, 2022 is as follows:

	<u>Balance 2021</u>	<u>Additions</u>	<u>Payments/ Deletions</u>	<u>Balance 2022</u>
2017 Series COPS	\$ 23,378,993	\$ -	\$ (3,744,391)	\$ 19,634,602
2020 Series COPS	<u>69,810,276</u>	<u>-</u>	<u>(481,577)</u>	<u>69,328,699</u>
Total long-term debt	<u>\$ 93,189,269</u>	<u>\$ -</u>	<u>\$ (4,225,968)</u>	<u>\$ 88,963,302</u>

As of June 30, 2022, the District had total outstanding debt of \$88.9 million, which was a decrease of \$4.2 million from the prior fiscal year. The decrease was due to principal repayments. Please refer to Note 6, Long-Term Debt in the accompanying Notes to the Financial Statements.

Requests for Information

This financial report is designed to provide the District's funding sources, ratepayers, 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 the District at 1965 Placentia Avenue, Costa Mesa, California 92627-3420 or call (949) 574-1022.

BASIC FINANCIAL STATEMENTS

MESA WATER DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>2022</u>
Assets:	
Current:	
Cash and Investments	\$ 50,634,478
Accrued Interest Receivable	52,903
Accounts Receivable, Net	7,671,433
Material Supplies and Inventory	480,203
Deposits and Prepaid Items	<u>259,002</u>
Total Current Assets	<u>59,098,019</u>
Noncurrent:	
Restricted - Cash and Investments Held by Fiscal Agent	35,316,960
Restricted - Cash and Investments Held by Pension Trust	13,277,537
Net OPEB Asset	467,301
Capital Assets not Being Depreciated	41,534,727
Capital assets, Net of Accumulated Depreciation/Amortization	<u>116,714,346</u>
Total Noncurrent Assets	<u>207,310,871</u>
Total Assets	<u>266,408,890</u>
Deferred Outflows of Resources:	
Unamortized Loss on Bond Defeasance	355,831
Deferred Amounts from OPEB Plan	244,199
Deferred Amounts from Pension Plans	<u>2,369,367</u>
Total Deferred Outflows of Resources	<u>2,969,397</u>
Liabilities:	
Current:	
Accounts Payable and Accrued Expenses	9,125,187
Accrued Wages and Related Payables	300,398
Customer Advances and Deposits	2,523,784
Accrued Interest Payable	995,371
Long-Term Liabilities - Due Within One Year:	
Current Portion of Compensated Absences	478,331
Current Portion of Certificates of Participation Payable	3,385,000
Current Portion of Leases Payable	<u>115,611</u>
Total Current Liabilities	<u>16,923,682</u>
Noncurrent:	
Long-Term Liabilities - Due in More Than One Year:	
Compensated Absences	119,583
Net Pension Liability	7,395,983
Certification of Participation Payable	85,578,302
Leases Payable	<u>184,998</u>
Total Noncurrent Liabilities	<u>93,278,866</u>
Total Liabilities	<u>110,202,548</u>
Deferred Inflows of Resources:	
Deferred Amounts from OPEB Plan	769,267
Deferred Amounts from Pension Plans	<u>6,763,129</u>
Total Deferred Inflows of Resources	<u>7,532,396</u>
Net Position:	
Net Investment in Capital Assets	104,657,953
Restricted for Pension Benefits	13,277,537
Unrestricted	<u>33,707,853</u>
Total Net Position	<u>\$ 151,643,343</u>

MESA WATER DISTRICT

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2022**

	<u>2022</u>
Operating Revenues:	
Water Consumption Sales	\$ 30,400,094
Monthly Meter Service Charge	8,913,788
Recycled Water Sales	1,470,021
Other Charges and Services	288,514
	<u>41,072,417</u>
Total Operating Revenues	41,072,417
Operating Expenses:	
Imported Sources of Supply	413,434
Basin Managed Water	3,200
Clear Water	7,895,494
Amber Water	3,497,340
Recycled Water	920,277
Transmission and Distribution	8,437,533
Depreciation and Amortization	6,130,487
General and Administrative	10,258,188
	<u>37,555,953</u>
Total Operating Expenses	37,555,953
Operating Income (Loss)	<u>3,516,464</u>
Nonoperating Revenues (Expenses):	
Intergovernmental	365,745
Investment Earnings (Loss)	(3,989,935)
Interest Expense - Long-Term Debt	(2,606,831)
Gain (Loss) on Sale/Disposition of Capital Assets, Net	(469,500)
Legal Settlements	968,055
Other Nonoperating, Net	(23,695)
	<u>(5,756,161)</u>
Total Nonoperating Revenues (Expenses)	(5,756,161)
Income (Loss) Before Capital Contributions	(2,239,697)
Capital Contributions	
Capacity and Installation Charges	276,876
Capital Grant	587,232
Developers and Others	945,812
	<u>1,809,920</u>
Total Capital Contributions	1,809,920
Changes in Net Position	(429,777)
Net Position:	
Beginning of Fiscal Year	<u>152,073,120</u>
End of Fiscal Year	<u>\$ 151,643,343</u>

MESA WATER DISTRICT

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

	<u>2022</u>
Cash Flows from Operating Activities:	
Cash Receipts from Customers for Water Sales and Services	\$ 40,618,516
Cash Paid to Vendors and Suppliers for Materials and Services	(20,053,698)
Cash Paid to Employees for Salaries and Wages	<u>(9,267,576)</u>
Net Cash Provided (Used) by Operating Activities	<u>11,297,242</u>
Cash Flows from Non-Capital Financing Activities:	
Non-Capital Grants	352,450
Legal Settlements	<u>968,055</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>1,320,505</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(21,833,965)
Proceeds from Capacity and Installation Charges	276,876
Proceeds from Capital Grants	587,232
Principal Paid on Capital Long-Term Debt	(3,175,000)
Interest Paid on Capital Long-Term Debt	(3,573,148)
Principal Paid on Leases	(82,812)
Interest Paid on Leases	(1,560)
Lease Item	<u>383,421</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(27,418,956)</u>
Cash Flows from Investing Activities:	
Payment to PARS OPEB Trust	(110,000)
Earnings on PARS Pension Trust Used to Purchase Investments, Net of Administrative Fees	(2,392,014)
Investment Earnings	314,382
Sale of Investments	10,301,328
Purchase of Investments by MWRRRC	(4,007,473)
Purchase of Investments	<u>(6,229,719)</u>
Net Cash Provided (Used) by Investing Activities	<u>(2,123,496)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(16,924,705)</u>
Cash and Cash Equivalents at Beginning of Year	<u>74,847,693</u>
Cash and Cash Equivalents at End of Year	<u>\$ 57,922,988</u>

MESA WATER DISTRICT

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

	<u>2022</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ 3,516,464
Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	6,130,487
(Increase) Decrease in Accounts Receivable	(538,247)
(Increase) Decrease in Materials and Supplies Inventory	(32,921)
(Increase) Decrease in Deposits and Prepaid Expense	(68,152)
(Increase) Decrease in Deferred Outflows of Resources Related to OPEB	39,509
(Increase) Decrease in Deferred Outflows of Resources Related to Pension	29,077
Increase (decrease) in Accounts Payable	1,214,653
Increase (decrease) in Customer Advances and Deposits	84,346
Increase (decrease) in Compensated Absences	(59,550)
Increase (decrease) in Accrued Wages and Related Payables	28,983
Increase (decrease) in Net OPEB Liability/Asset	(814,831)
Increase (decrease) in Net Pension Liability	(5,179,919)
Increase (decrease) in Deferred Inflows of Resources Related to OPEB	482,891
Increase (decrease) in Deferred Inflows of Resources Related to Pension	6,464,452
	<u>7,780,778</u>
Total Adjustments	
Net Cash Provided (Used) by Operating Activities	\$ 11,297,242
Non-Cash Investing, Capital, and Financing Activities:	
Change in Fair Value of Investments	\$ (1,961,881)
Developer Constructed Facilities	945,812
Loss on Sale of Capital Assets	469,500
Amortization of Loss on Bond Defeasance	129,394
Amortization of Long-Term Debt Premiums	1,050,968
Reconciliation of cash and cash equivalents to statement of net position	
Cash and Investments	50,634,478
Restricted Cash and Investments	48,594,497
Less: Noncash Equivalents	(41,305,987)
Cash and Cash Equivalents	<u>\$ 57,922,988</u>

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MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

Organization and Description of the District

Mesa Water District (the District) is an independent special district formed on January 1, 1960, pursuant to Section 33200 et. seq., of the California Water Code, which was designated the Costa Mesa District Merger Law. The general provisions of this law called for the consolidation of four predecessor agencies.

The District is located in Orange County, California and provides water to the City of Costa Mesa, parts of the City of Newport Beach, and unincorporated parts of Orange County, including the John Wayne Airport. The District sells water at a “pass through” cost to the City of Huntington Beach through a jointly owned pipeline for which the City of Huntington Beach contributes 41.4% of the operation and maintenance costs. Amounts received from this agreement are netted against the costs to result in only the District’s cost remaining.

The District’s potable water is produced from groundwater wells or purchased from the Municipal Water District of Orange County (MWDOC), a member agency of the Metropolitan Water District of Southern California (MWD). Nonpotable (recycled) water is purchased from the Orange County Water District (OCWD).

The District’s revenue results solely from its activities as a water utility and it does not receive tax revenues of any kind.

The District is governed by a five-member Board of Directors (Board) who serve overlapping four-year terms. Each member of the Board represents one of five geographic divisions of approximately equal population. The Board periodically elects one of its members to serve as President and another as Vice-President. The Board appoints the General Manager who is responsible for the day-to-day operations and the administration of the District in accordance with its policies. The Board also appoints the District Secretary, Assistant District Secretary, District Treasurer, and Assistant District Treasurer.

The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

Mesa Water District Improvement Corporation (Corporation) was incorporated in March 1988. The Corporation is a California nonprofit public benefit corporation formed to assist in the financing of certain improvements to the District’s water system and as such has no employees or other operations. The Corporation meets the definition of a component unit, and would be presented on a blended basis, since it is part of the primary government; however, since the Corporation has no activity, no financial information has been included in these financial statements.

Mesa Water Risk Retention Corporation (MWRRC) was incorporated as a nonprofit corporation under the Utah Revised Nonprofit Corporation Act on December 15, 2021. MWRRC commenced operations on January 25, 2022, as a pure captive insurer under the captive insurance laws of the State of Utah. MWRRC was established by Mesa Water District and is reported as a blended component unit under the District. MWRRC was formed to provide a self-insurance plan for the District for earthquake property insurance coverage on a claim basis with limits of \$5,000,000 per occurrence and in the aggregate.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Although the Corporation and the MWRRC are legally separate entities, the governing boards are comprised of the same membership as the District's Board. The District may impose its will on the Corporation and there is a financial benefit/burden relationship between the District and the Corporation. The Corporation does not issue separate financial statements and does not have any activity for the fiscal years ended June 30, 2022. The MWRRC issues separate financial statements which can be obtained by contacting the District.

Condensed component unit information for the MWRRC for the year ended June 30, 2022, is as follows:

Balance Sheet		Statement of Operations	
Assets		Revenues	
Investments, at fair value	\$ 3,744,217	Premiums earned	\$ 543,000
Cash and cash equivalents	6,895,848	Net investment income	11,078
Prepaid expenses	<u>13,750</u>	Net investment loss	<u>(263,256)</u>
Total assets	<u>10,653,815</u>	Total revenues	<u>290,822</u>
Liabilities		Expenses	
Due to Mesa Water District	96,686	General and administrative expenses	<u>212,193</u>
Accrued expenses	<u>21,500</u>	Total liabilities	<u>212,193</u>
Total liabilities	<u>118,186</u>	Net income	<u>\$ 78,629</u>
Shareholder's Equity			
Common stock	250,000		
Additional paid-in-capital	10,207,000		
Retained earnings	<u>78,629</u>		
Total shareholder's equity	<u>\$ 10,535,629</u>		

Statement of Changes in Shareholder's Equity

	Common Stock	Additional Paid-In-Capital	Retained Earnings	Total
Issuance of common stock	\$ 250,000	\$ -	\$ -	\$ 250,000
Capital contributions	-	10,207,000	-	10,207,000
Net income	-	-	78,629	78,629
Balance at June 30, 2022	<u>\$ 250,000</u>	<u>\$ 10,207,000</u>	<u>\$ 78,629</u>	<u>\$ 10,535,629</u>

Statement of Cash Flows

Net cash provided by:	
Operating activities	\$ 446,321
Investing activities	(4,007,473)
Financing activities	<u>10,457,000</u>
Net increase in cash and cash equivalents	6,895,848
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 6,895,848</u>

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting – Proprietary Fund

The District is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the net position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing business in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the economic measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the statement of net position. The statement of revenues, expenses and changes in net position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows.

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with water operations. The principal operating revenues of the District are charges to customers for sales and services such as water consumption sales, monthly meter service charge, recycled water sales, concessions from governmental agencies, and other charges and services. Operating expenses include cost of sales and services, which includes imported sources of supply, basin managed water, clear water, amber water, recycled water, transmission and distribution, general and administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Capital contributions are reported as a separate line item in the statement of revenues, expenses and changes in net position and consist of contributed capital assets (developers and others), capital grants, and other charges that are legally restricted for capital expenditures by state law or by Board action that established those charges (capacity and installation charges).

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

New Pronouncements

Current Year Standards – GASB No. 87

In June 2017, the GASB issued Statement No. 87, “Leases”. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2019. The District has implemented GASB 87 in this annual report.

Net Position

In the statement of net position, net position is classified into the following categories:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding debt and other payables that are attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments. The District’s restricted net position reflects the restricted – cash held by pension trust offset by corresponding pension deferred outflows and inflows of resources and the net pension liability.

Unrestricted Net Position – This amount is all net position that do not meet the definition of “net investment in capital assets”.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied except in the case of restricted pension net position for which the District will specifically identify annual amounts to be utilized from the pension trust to fund the annual required payments for the net pension liability.

Budgetary Policies

The District adopts an annual nonappropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparison of actual revenue and expense with planned revenue and expense for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

Cash and Cash Equivalents

The District considers all highly liquid investments that were purchased with a maturity of three months or less to be cash equivalents, except for the cash held with fiscal agent.

Note 1: Summary of Significant Accounting Policies (Continued)

Investments and Investment Policy

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District has adopted an investment policy directing the District's Treasurer 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.

Accounts Receivable

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.

Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as capital projects or pension. These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

Prepaid Expenses

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

Material and Supplies Inventory

Materials and supplies inventory consists primarily of pipe fittings, meters, and hydrants used for construction and repairs to the water system, which are valued at cost. The first in first out (FIFO) perpetual cost flow assumption is used when inventory is expensed or capitalized the time of use.

Capital, Intangible Assets and Right-to-Use Leased Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for capitalizing purchases at \$5,000 for both infrastructure and noninfrastructure assets. Donated assets are recorded at acquisition value at the date of donation. 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.

Right-to-use leased assets are defined as assets with an estimated useful life in excess of one year and with an initial, individual cost of \$5,000 or more. Such assets are recorded at the present value of the lease liability, including expenses to place the asset into service. In accordance with GASB Statement No. 87, the District has reported right-to-use leased assets for vehicles and equipment.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

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

<u>Useful Life</u>	
Land Improvements	15 to 50 Years
Buildings and Improvements	10 to 50 Years
Machinery and Equipment	4 to 10 Years
Transmission and Distribution System	10 to 99 Years
Reservoirs	50 to 75 Years
Metering Stations	10 to 99 Years
Wells and Pumping Plant	5 to 50 Years
Intangible Assets	3 to 40 Years
Control Systems	4 to 20 Years
Mesa Water Reliability Facility	5 to 50 Years
Right-to-Use Leased Assets	Shorter of the leased asset's useful life or the lease term

Compensated Absences

The District's personnel policies provide for accumulation of vacation. Liabilities for vacation are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retiring or separating from the District.

Customer Advances and Deposits

Customer advances include deposits received in aid of construction, which are partially refundable if the applicable construction does not take place. Construction advances are transferred to contributed capital when the applicable construction project is completed.

Customer advances also include fees received for installation and inspection services for which the District has yet to provide the service. Revenue is recognized when the service is provided and any deposit remaining at the conclusion of the service is refunded to the customer.

Customer deposits may be collected at the time water service is initiated. Deposits may be applied to customer accounts or refunded at the time an account is closed.

Water Sales

The majority of water sales are billed on a bi-monthly cyclical basis. Large meter customers and high consumption users are billed on a monthly basis. Estimated unbilled water sales and service charges through June 30th have been accrued as of year-end.

Capital Contributions

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

Note 1: Summary of Significant Accounting Policies (Continued)

Capacity Charges

The District recognizes revenue from capacity charges at the time the deposits become nonrefundable, which is when the relevant system actually connects to the District's potable water system.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The District has the following items that qualify for reporting in this category:

- An unamortized loss on bond defeasance results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows related to pensions and OPEB equal to employer contributions made after the measurement date of the net pension and OPEB liabilities.
- Deferred outflows related to pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows from pensions and OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining services lives of all employees that are provided with pensions and OPEB through the plans.
- Deferred outflows related to pensions and OPEB resulting from the net difference in projected and actual earnings on investments of the pension plan and OPEB plan fiduciary net position. These amounts are amortized over five years.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- Deferred inflows related to pensions and OPEB for differences between actual and expected experiences and changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and OPEB through the plans.
- Deferred inflows related to pensions and OPEB resulting from the net difference in projected and actual earnings on investments of the pension and OPEB plan fiduciary net position. These amounts are amortized over five years.
- Deferred inflows related to pensions from changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average expected remaining services lives of all employees that are provided with pensions through the plans.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows and 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) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the 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. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

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:

	<u>2022</u>
Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	June 30, 2020 to June 30, 2021

Other Post Employment Benefit (OPEB) Plan

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

Use of Estimates

The preparation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments

Cash and investments as of June 30, 2022, are classified in the financial statements as follows:

	<u>2022</u>
Statements of Net Position	
Cash and Investments	\$ 50,634,478
Restricted Cash and Investments: Fiscal Agent	35,316,960
Restricted Cash and Investments: Pension Trust	13,277,537
Total Cash and Investments	<u>\$ 99,228,975</u>

Cash and investments as of June 30, 2022, consist of the following:

	<u>2022</u>
Petty Cash	\$ 14,500
Deposits with Financial Institutions	11,130,207
Deposits held with MWRRC	6,895,848
Total Cash	<u>18,040,555</u>
Investments	28,849,706
Investments held with MWRRC	3,744,217
Restricted:	
Held by Pension Trust	13,277,537
Held by Fiscal Agent	35,316,960
Total Investments	<u>81,188,420</u>
Total Cash and Investments	<u>\$ 99,228,975</u>

Investments Authorized by the California Government Code and the District's Investment Policy

The following table identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's Investment Policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's Investment Policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments that are governed by provisions other than the general provisions of the California Government Code or the District's Investment Policy. These include investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, the investments of funds within the pension Trust that are governed by the agreement between the District and the trustee, and the investments of the MWRRC which are governed by the Utah Code Annotated (U.C.A.) § 31A-18-105.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

Authorized Investment Type	Maximum Maturity	Maximum in Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 Years	None	None
Mesa Water District Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
California Local Agency Obligations	5 Years	None	None
U.S. Agency Securities	5 Years	None	None
Bankers' Acceptances	180 Days	40%	30%
Prime Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	30%	*
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20%	**
Medium-Term Notes	5 Years	30%	10%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Trust Indenture or Other Contract	Per Contract	Per Contract	Per Contract
Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Shares of Beneficial Interest in JPA's	N/A	None	None
Certificates of Deposits	5 Years	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 Million
County Pooled Investment Funds	N/A	None	None
Time Deposits	5 Years	None	*

*Subject to FDIC limits

**of Base

The District's investment policy mirrors the California Government Code except for mortgage pass-through securities. The District's policy is more restrictive than the California Government Code as investments in mortgage pass-through securities shall not exceed 10% of the portfolio.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's Investment Policy.

Pension Trust

Investment Policy

The District established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the District's pension plan. The pension trust Funds' specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the District.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

Those guidelines are as follows:

Risk Tolerance: Capital Appreciation

Risk Management: The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process help to drive return potential while reducing portfolio risk.

Investment Objective: The primary goal of the capital appreciation objective is growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.

Strategic Ranges: 0% to 20% Cash
10% to 30% Fixed Income
65% to 85% Equity

Investments Held by MWRRC

The MWRRC, incorporated as a nonprofit corporation under the Utah Revised Nonprofit Corporation Act, invests according to the provisions of the Utah Code Annotated (U.C.A.) § 31A-18-105. The MWRRC invests in equity securities that consist of equity and fixed income mutual funds. Dividend income is recognized within investment earnings on the statement of revenues, expenses and changes in net position.

Investment in State Investment Pool and County 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 District is also a voluntary participant in the Orange County Investment Pool (OCIP) that is regulated by California Government Code and the Orange County Board of Supervisors under the oversight of the Orange County Treasurer-Tax Collector. The fair value of the District's investments in these pools is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF and OCIP for each respective portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF and OCIP, which are recorded on an amortized cost basis multiplied by a fair value factor.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a governmental entity 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 the failure of the counterparty (e.g., broker-dealer) to a transaction, a governmental entity 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 and OCIP).

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

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), and, the District's investment policy that requires no more than two-thirds of the District's deposits in a depository shall be collateralized by mortgage-backed securities, with the remainder to be secured by nonmortgage-backed securities.

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the 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. \$250,000 of bank balances at June 30, 2022. Bank balances of \$9,230,462 at June 30, 2022, respectively, are collateralized in accordance with IRC; however, the collateralized securities are not held in the District's name.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its Investment Policy, 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 is maturing over time as necessary to provide the cash flows and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided in the following tables that shows the distribution of the District's investments by maturity as of June 30, 2022.

Investment Type	June 30, 2022			
	Total	12 Months or Less	13 to 24 Months	25 to 60 Months
Local Agency Investment Pool	\$ 1,085	\$ 1,085	\$ -	\$ -
Orange County Investment Pool	830,119	830,119	-	-
Federal Agency Securities:				
Federal Farm Credit Bank (FFCB)	4,989,160	741,860	2,134,973	2,112,327
Federal National Mortgage Association (FNMA)	2,180,994	499,655	-	1,681,339
Federal Home Loan Bank (FHLB)	3,400,276	1,003,030	468,008	1,929,238
Federal Home Loan Mortgage Corporation (FHLMC)	3,631,474	-	2,371,823	1,259,651
Federal Agricultural Mortgage Corporation (FAMC)	993,035	-	993,035	-
Negotiable Certificates of Deposit	9,230,462	495,365	6,926,123	1,808,974
Money Market Mutual Funds	1,049,779	1,049,779	-	-
U.S. Treasury Obligation	2,543,322	-	1,859,102	684,220
Held by Fiscal Agent:				
Money Market Mutual Funds	35,316,960	35,316,960	-	-
Held by Pension Trust:				
Mutual Funds	13,277,537	13,277,537	-	-
Held by MWRRC:				
Equity Securities	3,744,217	3,744,217	-	-
Total	\$ 81,188,420	\$ 56,959,607	\$ 14,753,064	\$ 9,475,749

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

Disclosures Relating to 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. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's Investment Policy, or debt agreements, and the actual ratings by Standard & Poor's as of year-end for each investment type for the fiscal years ended June 30, 2022.

Investment Type	June 30, 2022			Total
	AA+	AAA	Not Rated	
Local Agency Investment Pool	\$ -	\$ -	\$ 1,085	\$ 1,085
Orange County Investment Pool	-	-	830,119	830,119
Federal Agency Securities:				
Federal Farm Credit Bank (FFCB)	4,750,600	238,560	-	4,989,160
Federal National Mortgage Association (FNMA)	2,180,994	-	-	2,180,994
Federal Home Loan Bank (FHLB)	3,400,276	-	-	3,400,276
Federal Home Loan Mortgage Corporation (FHLMC)	3,631,474	-	-	3,631,474
Federal Agricultural Mortgage Corporation (FAMC)	993,035	-	-	993,035
Negotiable Certificates of Deposit	-	-	9,230,462	9,230,462
Money Market Mutual Funds	-	-	1,049,779	1,049,779
U.S. Treasury Obligation	2,304,464	238,858	-	2,543,322
Held By Fiscal Agent:				
Money Market Mutual Funds	-	-	35,316,960	35,316,960
Held by Pension Trust:				
Mutual Funds	-	-	13,277,537	13,277,537
Held by MWRRC:				
Equity Securities	-	-	3,744,217	3,744,217
Total	<u>\$ 17,260,843</u>	<u>\$ 477,418</u>	<u>\$ 63,450,159</u>	<u>\$ 81,188,420</u>

Investments in any one issuer (other than external investment pools, such as LAIF, OCIP, and the pension trust) that represent 5% or more of total District investments (excluding investments held by fiscal agent and held by pension trust) are as follows for fiscal year ended June 30, 2022:

June 30, 2022		
Issuer	Investment Type	Amount
FFCB	Federal Agency Securities	\$ 4,989,160
FHLB	Federal Agency Securities	3,400,276
FHLMC	Federal Agency Securities	3,631,474
FNMA	Federal Agency Securities	2,180,994
Total		<u>\$ 14,201,904</u>

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets (significant other observable inputs), and Level 3 inputs are significant unobservable inputs.

Federal agency securities, negotiable certificates of deposit, U.S. treasury obligations, and mutual funds classified in level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The District had the following recurring fair value measurements as of June 30, 2022:

Investment Type	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Federal Agency Securities:				
Federal Farm Credit Bank (FFCB)	\$ -	\$ 4,989,160	\$ -	\$ 4,989,160
Federal National Mortgage Association (FNMA)	-	2,180,994	-	2,180,994
Federal Home Loan Bank (FHLB)	-	3,400,276	-	3,400,276
Federal Home Loan Mortgage Corporation (FHLMC)	-	3,631,474	-	3,631,474
Federal Agricultural Mortgage Corporation (FAMC)	-	993,035	-	993,035
Negotiable Certificates of Deposit	-	9,230,462	-	9,230,462
U.S. Treasury Obligation	-	2,543,322	-	2,543,322
Held by Pension Trust:				
Mutual Funds	-	13,277,537	-	13,277,537
Held by MWRRC				
Equity Securities	3,744,217	-	-	3,744,217
Total	\$ 3,744,217	\$ 40,246,260	\$ -	43,990,477
Local Agency Investment Pool*				1,085
Orange County Investment Pool*				830,119
Money Market Mutual Funds*				1,049,779
Held by Fiscal Agent:				
Money Market Mutual Funds*				35,316,960
Total Investment Portfolio				\$ 81,188,420

**Not subject to fair value measurement hierarchy.*

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 3: Capital Assets

Changes in capital assets during the fiscal year ended June 30, 2022 were as follows:

	Balance June 30, 2021	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2022
Nondepreciable Assets:				
Land	\$ 11,225,090	\$ -	\$ -	\$ 11,225,090
Construction-In-Progress	12,746,157	17,563,480	-	30,309,637
Total Nondepreciable Assets	<u>23,971,247</u>	<u>17,563,480</u>	<u>-</u>	<u>41,534,727</u>
Depreciable Assets:				
Land Improvements	2,023,750	248,011	-	2,271,761
Building and Improvements	9,647,371	114,785	-	9,762,156
Machinery and Equipment	5,528,718	271,035	(114,240)	5,685,513
Transmission and Distribution System	104,910,031	3,530,814	(1,681,542)	106,759,303
Reservoirs	28,999,946	176,579	-	29,176,525
Wells and Pumping Plant	22,538,530	311,495	-	22,850,025
Metering Stations	1,225,758	-	-	1,225,758
Intangible Assets	3,495,281	181,854	-	3,677,135
Right to Use Lease - Machinery and Equipment	-	381,724	-	381,724
Control Systems	5,074,242	-	-	5,074,242
Mesa Water Reliability Facility	31,321,756	-	-	31,321,756
Total Depreciable Assets	<u>214,765,383</u>	<u>5,216,297</u>	<u>(1,795,782)</u>	<u>218,185,898</u>
Accumulated Depreciation:				
Land Improvements	(781,236)	(101,189)	-	(882,425)
Buildings and Improvements	(2,660,115)	(364,564)	-	(3,024,679)
Machinery and Equipment	(3,780,758)	(408,548)	114,240	(4,075,066)
Transmission and Distribution System	(47,669,106)	(1,818,132)	1,212,042	(48,275,196)
Reservoirs	(12,564,039)	(480,279)	-	(13,044,318)
Wells and Pumping Plant	(4,499,936)	(469,048)	-	(4,968,984)
Metering Stations	(405,000)	(24,515)	-	(429,515)
Intangible Assets	(2,298,886)	(367,775)	-	(2,666,661)
Right to Use Lease - Machinery and Equipment	-	(83,086)	-	(83,086)
Control Systems	(3,538,405)	(366,426)	-	(3,904,831)
Mesa Water Reliability Facility	(18,469,866)	(1,646,925)	-	(20,116,791)
Total Accumulated Depreciation	<u>(96,667,347)</u>	<u>(6,130,487)</u>	<u>1,326,282</u>	<u>(101,471,552)</u>
Total Depreciable Assets, Net	<u>118,098,036</u>	<u>(914,190)</u>	<u>(469,500)</u>	<u>116,714,346</u>
Total Capital Assets, Net	<u>\$ 142,069,283</u>	<u>\$ 16,649,290</u>	<u>\$ (469,500)</u>	<u>\$ 158,249,073</u>

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 4: Compensated Absences

Compensated absences comprise of unpaid vacation which is accrued as earned. The changes in compensated absences balances during the fiscal years ended June 30, 2022, were as follows:

2022					
Beginning of Year	Earned	Taken	End of Year	Current Portion	Long-Term Portion
\$ 657,464	\$ 371,164	\$ 430,714	\$ 597,914	\$ 478,331	\$ 119,583

Note 5: Other Post-Employment Benefits (OPEB) Plan

Plan Description

The District has an agent multiple-employer defined benefit plan that provides postemployment health care benefits, including medical, dental, and vision benefits, to eligible employees and their dependents at retirement through the California Public Employees Medical and Hospital Care Act (PEMHCA).

The District elected to join PARS (OPEB Trust) as a means to fund the Annual Determined Contribution (ADC). The OPEB Trust issues a publicly available financial report for the fiduciary net position that is available upon request. The plan itself does not issue a separate financial report.

The District is required to pay the PEMCHA minimum (\$149/month in 2022) for each CalPERS retiree who is enrolled in CalPERS medical insurance for whom the District was their employer.

The following requirements must be satisfied in order to be eligible for postemployment medical, dental, and vision benefits: (1) attainment of age 55, and (2) 11 years of full-time service, and (3) retirement from the District (the District must be the last employer prior to retirement). For qualifying participants enrolled in a CalPERS medical plan, their District benefit includes the PEMHCA minimum.

Spouses at the time of the employee's retirement and surviving spouses are also eligible to receive benefits. Retirees may enroll in any plan available through the District's medical and dental programs. The ability to participate in the vision program is linked to participation in the medical program.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 5: Other Post-Employment Benefits (OPEB) Plan (Continued)

Employees Covered

As of the measurement dates June 30, 2022, the following current and former employees were covered by the benefit terms under the plan:

	Measurement Date <u>2022</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	33
Inactive Employees or Beneficiaries Entitled to But Not Yet Receiving Benefits	-
Active Employees	<u>60</u>
Total	<u><u>93</u></u>

Contributions

Benefit provisions and contribution requirements are established and may be amended by the Board of Directors through agreements and memorandums of understanding between the District and its employees. The plan does not require employee contributions. Administrative costs of the OPEB plan are financed through investment earnings or paid directly by the District.

The annual contribution for the fiscal years ended June 30, 2022, were based on the actuarially determined contribution and pay-as-you-go basis (i.e. as medical insurance premiums become due), respectively. For the fiscal year ended June 30, 2022, the District paid \$69,486 for current premiums, the implied subsidy was \$36,834, and payments to the OPEB trust totaled \$110,000 for total contributions of \$216,320.

Accounting for the Plan

The OPEB trust with PARS is prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments with PARS are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Securities for which market quotations are not readily available are valued at their fair value as determined by the custodian with the assistance of a valuation service.

Note 5: Other Post-Employment Benefits (OPEB) Plan (Continued)

Fiduciary Net Position with PARS Trust

The PARS OPEB Trust (Trust) contains assets of 250 member agencies as of June 30, 2021. The Trust invests in various investment securities including U.S. Treasury Obligations, U.S. Government Agency Issues, Corporate Debt Issues, Foreign Debt Issues, Municipal Debt Issues, Money Market Mutual Funds, Equity Mutual Funds, Fixed Income Mutual Funds, Domestic Common Stocks, and Foreign Stocks.

Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Trust manages exposure to interest rate risk 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 is maturing over time as necessary to provide the cash flows and liquidity needed for operations. Investments in the Trust mature as of June 30, 2021, as follows: 1% in one year or less, 5% in two to five years, 8% in five to ten years, 9% in more than 10 years.

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. The Trust investments are rated by Standard and Poor's or Moody's as of June 30, 2022, as follows: 3% are rated AAA; 1% are AA+, AA, or AA-; 4% are A+, A, A-; 5% are BBB+, BBB, or BBB-; 5% are exempt from ratings, and 82% are not rated.

Concentration of credit risk is the heightened risk of potential loss when investments are concentrated in one issuer. At June 30, 2021, the Trust had no investments concentrated in one issuer (other than mutual funds, U.S. treasury obligations, and corporate debt securities) that exceeded 5% of the Trust's investments.

All of the Trust's cash deposits as of June 30, 2021 of \$15,295,958, which includes the balances of all 250 member agencies, are federally insured for up to \$250,000 by the Federal Deposit Insurance Corporation. Deposits in excess of the federally insured amount are subject to custodial credit risk, which is the risk that, in the event of the failure of a depository financial institution, the Trust will not be able to recover its deposits.

Net OPEB Liability (Asset)

For the fiscal year ended June 30, 2022, the District's net OPEB liability (asset) was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021. A summary of the principal assumptions and methods used to determine the net OPEB liability (asset) are shown below.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 5: Other Post-Employment Benefits (OPEB) Plan (Continued)

Actuarial Assumptions

The net OPEB liability (asset) in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal, level percentage of payroll
Asset Valuation Method	Fair value
Actuarial assumptions:	
Discount rate	6.75%
Long-Term Expected Rate of Return on Investments	6.750%
General Inflation	2.750%
Medical Trend	Non-Medicare: 5.75% for 2022, decreasing to an ultimate rate of 4.04% by 2075 Medicare: 5.40% for 2022, decreasing gradually to an ultimate rate of 4.04% by 2075
Mortality	CalPERS Experience Study published in November 2021
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

The long-term expected rates of return are GovInvest's estimates and are presented as geometric means developed over a 20-year period. The long-term expected real rates of return for each major asset class included in the OPEB plan's target asset allocation as of the fiscal years ended June 30, 2021, are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
PARS OPEB Trust:		
Global Equity	73.00%	4.67%
Fixed Income	20.00%	1.09%
Real Estate Investment Trusts	2.00%	3.98%
Cash	5.00%	-0.33%
Total	<u>100.00%</u>	
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of return, Rounded		6.75%

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 5: Other Post-Employment Benefits (OPEB) Plan (Continued)

Discount Rate

For the fiscal years ended June 30, 2021, the discount rate used to measure the net OPEB liability (asset) was 6.75%. The projection of cash flows used to determine the discount rate assumed District contributions would result in sufficient plan assets to pay all benefits from the trust. Based on those assumptions, the OPEB 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 OPEB trust was applied to all periods of the projected benefits payments to determine the total OPEB liability (asset).

Changes in the Net OPEB Liability (Asset)

The changes in the net OPEB liability (asset) are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2021 (Measurement Date)	\$ 1,790,353	\$ 1,442,823	\$ 347,530
Changes in the Year:			
Service Cost	71,669	-	71,669
Interest on the Total OPEB Liability	122,126	-	122,126
Changes in Assumptions	(163,499)	-	(163,499)
Difference between expected and actual experience	(129,956)	-	(129,956)
Contributions - Employer	-	217,255	(217,255)
Net Investment Income	-	506,327	(506,327)
Benefit Payments	(107,255)	(107,255)	-
Administrative Expenses	-	(8,411)	8,411
Net Changes	(206,915)	607,916	(814,831)
Balance at June 30, 2022 (Measurement Date)	<u>\$ 1,583,438</u>	<u>\$ 2,050,739</u>	<u>\$ (467,301)</u>

Change of Assumptions

Payroll growth, mortality, disability, termination, and retirement rates have been updated from CalPERS Experience Study and Review of Actuarial Assumptions published in December 2017 to the most recent study published in November 2021. The impact of these changes is a decrease in liability.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Plan's Net OPEB Liability (Asset) as of the Fiscal Year ended June 30, 2022	\$ (288,694)	\$ (467,301)	\$ (617,680)

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 5: Other Post-Employment Benefits (OPEB) Plan (Continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Medical Trend Rates

The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using medical trend rates that are 1-percentage point lower:

	4.75% (Non-Medicare) and 4.4% (Medicare) Decreasing to 3.04% in 2075	5.75% (Non-Medicare) and 5.4% (Medicare) Decreasing to 4.04% in 2075	8.25% (Non-Medicare) and 5.3% (Medicare) Decreasing to 5.04% in 2075
Plan's Net OPEB Liability (Asset) as of the Fiscal Year ended June 30, 2022	\$ (620,845)	\$ (467,301)	\$ (282,144)

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$76,625.

As of the measurement period ending June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 216,320	\$ -
Difference between actual and expected experience	-	(321,089)
Change in Assumptions	27,879	(161,713)
Net difference between projected and actual earnings on pension plan investments	-	(286,465)
Total	<u>\$ 244,199</u>	<u>\$ (769,267)</u>

The \$216,320 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ending June 30,	Amount
2023	\$ (162,710)
2024	(156,087)
2025	(157,243)
2026	(171,341)
2027	(50,323)
Thereafter	(43,684)
Total	<u>\$ (741,388)</u>

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 6: Long-Term Debt

The following amounts of debt were outstanding June 30, 2022:

	Balance at June 30, 2021	Additions	Repayments	Balance at June 30, 2021	Amount Due in One Year
2017 Series COPs	\$ 20,105,000	\$ -	\$ (3,175,000)	\$ 16,930,000	\$ 3,385,000
Plus: Unamortized Premium	3,273,993	-	(569,390)	2,704,603	-
Subtotal 2017 COPs	<u>23,378,993</u>	<u>-</u>	<u>(3,744,390)</u>	<u>19,634,603</u>	<u>3,385,000</u>
2020 Series COPs	55,985,000	-	-	55,985,000	-
Plus: Unamortized Premium	13,825,276	-	(481,577)	13,343,699	-
Subtotal 2020 COPs	<u>69,810,276</u>	<u>-</u>	<u>(481,577)</u>	<u>69,328,699</u>	<u>-</u>
Total Long-Term Debt	<u>\$ 93,189,269</u>	<u>\$ -</u>	<u>\$ (4,225,967)</u>	<u>\$ 88,963,302</u>	<u>\$ 3,385,000</u>

2017 Revenue Certificates of Participation

On June 19, 2017, the District issued \$29,295,000 of 2017 Revenue Certificates of Participation (COPs). The issuance proceeds were used to refund the 2010 COPs and to finance the purchase of two wells in order to increase the pumping capacity of the District. The COPs were issued at a premium of \$5,551,554 which will be amortized by \$42,263 per month over the life of the debt service, which is 10 years. Principal is payable on March 15th of each year and interest payments are payable on March 15th and September 15th each year, commencing September 15, 2017 with an interest rate of 5.0%. The COPs are scheduled to mature on March 15, 2027.

As a result of the refunding, the 2010 COPs are considered to be in substance defeased, and the related liabilities have been removed from the District's financial statements.

Future annual debt service requirements on the 2017 COPs are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 3,385,000	\$ 846,500	\$ 4,231,500
2024	3,605,000	677,250	4,282,250
2025	3,835,000	497,000	4,332,000
2026	4,050,000	305,250	4,355,250
2027	2,055,000	102,750	2,157,750
Total	<u>\$ 16,930,000</u>	<u>\$ 2,428,750</u>	<u>\$ 19,358,750</u>

2020 Revenue Certificates of Participation

On June 2, 2020, the District issued \$55,985,000 of 2020 Revenue Certificates of Participation (COPs). The issuance proceeds were used to finance improvements to the District Water System, including but not limited to: (i) the construction of two new groundwater production wells to increase groundwater production capacity, (ii) the rehabilitation of two reservoirs currently in operation, (iii) the development and construction of an outreach center at the Mesa Water Reliability Facility (MWRf), (iv) the rehabilitation and/or abandonment of nine large vaults, and (v) the scheduled annual replacements of hydrants, valves and meters. The COPs were issued at a premium of \$14,346,984 which will be amortized over the life of the debt service, which is approximately

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 6: Long-Term Debt (Continued)

30 years. Principal is payable on March 15th of each year and interest payments are payable on March 15th and September 15th each year, commencing September 15, 2020 with interest rates ranging from of 3.0% to 5.0%. The COPs are scheduled to mature on March 15, 2050.

Future annual debt service requirements on the 2020 COPs are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ -	\$ 2,566,200	\$ 2,566,200
2024	-	2,566,200	2,566,200
2025	-	2,566,200	2,566,200
2026	-	2,566,200	2,566,200
2027	-	2,566,200	2,566,200
2028-2032	7,800,000	12,089,000	19,889,000
2033-2037	9,955,000	9,934,000	19,889,000
2038-2042	12,360,000	7,532,250	19,892,250
2043-2047	15,035,000	4,851,100	19,886,100
2048-2050	10,835,000	1,101,250	11,936,250
Total	<u>\$ 55,985,000</u>	<u>\$ 48,338,600</u>	<u>\$ 104,323,600</u>

Pledged Revenues

The 2017 and 2020 Certificates of Participation are secured by a pledge of net revenues from the operation of the enterprise. The District has covenanted that it will set charges which will be sufficient to provide net revenues equal to at least 125% of the aggregate amount of annual debt service of the District. For the year ended June 30, 2022, the District reported net revenues of \$9,682,981 and debt service of \$5,741,200, which is 168%.

Note 7: Leases

The District implemented GASB Statement No. 87 in the fiscal year ended June 30, 2022. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Lease Payable and Right to Use Lease Assets

During the current and prior fiscal years, the District entered into various lease agreement as lessee for the acquisition and use of vehicles and equipment as detailed below.

As of July 1, 2021, the District entered into a 48-month lease for the use of a Mailing System. An initial lease liability was recorded in the amount of \$13,150. As of June 30, 2022, the value of the lease liability is \$9,888. The District is required to make quarterly fixed payments of \$831. The lease has an interest rate of 0.5214%. The value of the right to use asset as of June 30, 2022 is \$13,144 with accumulated amortization of \$3,270.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 7: Leases (Continued)

As of July 1, 2021, the District entered into a 27-month lease for the use of a 2020 Ford Explorer. An initial lease liability was recorded in the amount of \$12,247. As of June 30, 2022, the value of the lease liability is \$7,015. The District is required to make monthly fixed payments of \$474. The lease has an interest rate of 0.4740%. The value of the right to use asset as of June 30, 2022 is \$12,467 with accumulated amortization of \$5,527.

As of July 1, 2021, the District entered into a 36-month lease for the use of a 2019 Ford Escape. An initial lease liability was recorded in the amount of \$16,635. As of June 30, 2022, the value of the lease liability is \$11,117. The District is required to make monthly fixed payments of \$498. The lease has an interest rate of 0.4740%. The value of the right to use asset as of June 30, 2022 is \$16,624 with accumulated amortization of \$5,542.

As of July 1, 2021, the District entered into a 48-month lease for the use of a copiers with Canon Financial. An initial lease liability was recorded in the amount of \$106,674. As of June 30, 2022, the value of the lease liability is \$83,200. The District is required to make monthly fixed payments of \$2,001. The lease has an interest rate of 0.5610%. The value of the right to use asset as of June 30, 2022 is \$104,773 with accumulated amortization of \$11,641.

On December 2, 2021, the District, CA entered into a 36-month lease for the use of phone system equipment. An initial lease liability was recorded in the amount of \$234,715. As of June 30, 2022, the value of the lease liability is \$189,389. The District is required to make monthly fixed payments of \$6,596. The lease has an interest rate of 0.7980%. The value of the right to use asset as of June 30, 2022 is \$234,715 with accumulated amortization of \$45,464.

Right-to-use leased assets include the following as of June 30, 2022:

Lease Type	Major Class of Underlying Asset	Amount of Leased Capital Asset	Accumulated Amortization
Machinery and Equipment	Right-to-use machinery and equipment	\$ 381,724	\$ 83,086

Leases payable include the following as of June 30, 2022:

Asset Class	Balance as of July 1, 2021	Additions	Reductions	Balance as of June 30, 2022	Short-term Portion
Equipment	\$ 119,823	\$ 234,715	\$ 72,061	\$ 282,477	\$ 104,809
Vehicles	28,883	-	10,751	18,132	10,802
Total Leases Payable	\$ 148,706	\$ 234,715	\$ 82,812	\$ 300,609	\$ 115,611

The future principal and interest lease payments as of June 30, 2022, were as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 115,611	\$ 1,741	\$ 117,352
2024	112,913	920	113,833
2025	60,099	216	60,315
2026	11,986	20	12,006
Total	<u>\$ 300,609</u>	<u>\$ 2,897</u>	<u>\$ 303,506</u>

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 8: Deferred Compensation Program

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. The District is not required to make any contributions to this Program. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

Note 9: 401(a) Defined Contribution Plan and Terminated Retiree Health Savings Plan

Plan Prior to January 1, 2017

For the benefit of its employees, the District participated in a Retiree Health Savings Plan (RHSP). The purpose of the RHSP was to provide supplementary health care benefits to the District's executive management. Prior to January 1, 2017, the District contributed \$15,000 per year for each member of the RHSP, which was automatically vested. No contributions were required of the participants. Members could withdraw funds at the normal retirement age of 55. Benefit terms, including contribution requirements, were established and could be amended by the District's Board of Directors.

The District is no longer making contributions to this plan since it was terminated on January 1, 2017 and replaced with a 401(a) plan as noted below. After the termination date, the only additions consist of investment earnings.

These assets are held in trust for the exclusive benefit of the participants. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

Since the District has little administrative involvement and does not perform the investing function for the RHSP, the assets and related liabilities are not shown on the statement of net position.

Plan After January 1, 2017

On January 1, 2017, the District terminated the RHSP plan noted above and replaced this plan with a 401(a) single employer defined contribution pension plan for employees within the Management Group. Beginning in fiscal year 2022, the District expanded this program to all district employees resulting in an increase of contributions. The District contributes 2.5% of each participant's base salary each year subject to limitations by the federal code, which is automatically vested. No contributions are required of the plan participants. Members can withdraw funds at the normal retirement age of 55. Benefit terms, including contribution requirements, are established and may be amended by the District's Board of Directors.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: 401(a) Defined Contribution Plan and Terminated Retiree Health Savings Plan (Continued)

For the year ended June 30, 2022, the District contributed \$236,407 to the 401(a) plan.

These assets are held in trust for the exclusive benefit of the participants. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

Note 10: Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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 to 62 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five 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. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect as of the fiscal year ended June 30, 2022, are summarized as follows:

	Miscellaneous	
	Hire Date Prior to January 1, 2013	Hire Date on or After January 1, 2013
Benefit Formula	2% at Age 55	2% at Age 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 to 63	52 to 67
Monthly Benefits, as a Percent of Eligible Compensation	1.426% to 2.418%	1.0% to 2.5%
Required Employee Contribution Rates:	6.910%	7.250%
June 30, 2022:		
Required Employer Contribution Rates:		
Normal Cost Rate	11.600%	7.730%
Payment of Unfunded Liability	\$ 939,449	\$ 6,438

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 10: 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 are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. 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. District contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

For the fiscal years ended June 30, 2022, the District made contributions of \$1,539,987.

Actuarial Methods and Assumptions used to determine Total Pension Liability

The total pension liability for the June 30, 2021 measurement period was determined by an actuarial valuation as of June 30, 2021. The total pension liability was based on the following assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

(1) Varies by entry age and service

(2) The mortality table used was developed based on CalPERS' specific data. For more details on this table, please refer to the Experience Study and Review of Assumptions report from December 2017.

(3) The less of contact COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Long-term Expected Rate of Return

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

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 10: Defined Benefit Pension Plan (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 (geometric) returns were calculated over the short term (first 10 years) and the long-term (11+ 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 rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class for the fiscal year ended June 30, 2022 are as follows:

<u>Asset Class (a)</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10</u>	<u>Real Return Years 11+ (c)</u>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

(a) In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

(b) An expected inflation of 2.0% used for this period

(c) An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for fiscal year ended June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a net pension liability for its proportionate share of the net pension liability as follows:

Miscellaneous - Proportionate Share of the Net Pension Liability	<table border="1"> <tr> <td style="text-align: center;">2022</td> </tr> <tr> <td style="text-align: center;"><u>\$ 7,395,983</u></td> </tr> </table>	2022	<u>\$ 7,395,983</u>
2022			
<u>\$ 7,395,983</u>			

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 10: Defined Benefit Pension Plan (Continued)

The District's net pension liability for the Plan is measured as the proportionate share of the collective net pension liability. For the fiscal year ended June 30, 2022, the net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportionate share 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 proportionate share of the net pension liability for the Plan as of the measurement dates ended June 30, 2022 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2020	0.29814%
Proportion - June 30, 2021	0.25802%
Change - Increase (Decrease)	<u>-0.04012%</u>

For the years ended June 30, 2022, the District recognized a pension expense of \$2,853,554 for the Plan.

As the measurement period ending June 30, 2021, the District reports other amounts for the Plan as deferred outflow and deferred inflow of resources related to pensions as follows:

	<u>June 30, 2022</u>	
	<u>Deferred</u>	
	<u>Outflows of</u>	<u>Deferred Inflows</u>
	<u>Resources</u>	<u>of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,539,987	\$ -
Difference between actual and expected experience	829,380	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(306,827)
Net difference between projected and actual earnings on pension plan investments	-	(6,456,302)
Total	<u>\$ 2,369,367</u>	<u>\$ (6,763,129)</u>

The \$1,539,987 is reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2023	\$ (1,310,295)
2024	(1,356,093)
2025	(1,483,132)
2026	(1,784,229)
Total	<u>\$ (5,933,749)</u>

MESA WATER DISTRICT

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

Note 10: Defined Benefit Pension Plan (Continued)

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, 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 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease <u>(6.15%)</u>	Discount Rate <u>(6.15%)</u>	1% Increase <u>(8.15%)</u>
Plan's Net Pension Liability as of the Fiscal Year ended June 30, 2022	\$ 14,197,244	\$ 7,395,983	\$ 1,773,477

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2022, the District had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Additional Funding of the Pension Plan

In June 2017, the District approved the creation of a CalPERS defined benefit pension plan trust with PARS (Pension Trust). The PARS trust is legally restricted to providing benefits for members of the defined benefit pension plan. However, in accordance with GASB 68, the asset balance is not included in calculation of the net pension liability above.

The District made no contributions to the Pension Trust in the fiscal year ended June 30, 2022. Investment earnings of \$2,392,014, administrative expenses of \$73,708, and distributions of \$945,887 resulted in an asset balance of \$13,277,537 as of June 30, 2022.

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. On June 30, 2022, the District participated in the liability and property programs of the ACWA/JPIA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of \$5 million. ACWA/JPIA purchases additional excess coverage layers: \$55 million for general, auto, and public official's liability which increases the limits on the insurance coverage noted above.
- Public employee dishonesty coverage up to \$3.0 million per loss and includes public employee dishonesty, forgery or alteration, computer fraud, and ERISA.

MESA WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 11: Risk Management (Continued)

- Cyber liability coverage up to \$5,000,000 per occurrence and \$5,000,000 in aggregate.
- 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. ACWA/JPIA is self-insured for the first \$100,000 and purchases excess coverage up to \$500 million limited to insurable value of \$88,186,798.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence limited to insurable value, subject to various deductibles depending on the type of equipment.
- Workers' Compensation Insurance up to California statutory limits for all work related injuries/illnesses covered by California law. ACWA/JPIA is self-insured to \$2 million has purchased excess insurance to the statutory limit.

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, 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 claims payable as of June 30, 2022.

The District is self-insured for earthquake property insurance through the MWRRC. In establishing reserves for losses and loss adjustment expenses, the MWRRC utilizes the findings of an independent consulting actuary. The principal estimate and analysis methods utilized by the MWRRC's actuary to evaluate the reserve estimates are the incurred and paid development methods, the incurred and paid Bornhuetter-Ferguson methods and the frequency severity method. As of June 30, 2022, no claims have been reported and therefore, management believes that no reserves for losses and loss adjustment expenses are required as of June 30, 2022.

Note 12: Commitments and Contingencies

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 13: Net Investment in Capital Assets

The breakdown for net investment in capital assets for the year ended June 30, 2022 is as follows:

Capital assets	\$ 157,950,435
Less: Capital-related borrowings and deferred inflows of resources	(88,963,302)
Add: Loss on Bond Defeasance	355,831
Unspent debt proceeds	35,316,960
Add: Right-to-use leased assets, net of amortization	298,638
Less: Lease liability	(300,609)
Net investment in capital assets	<u><u>\$ 104,657,953</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

MESA WATER DISTRICT

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLAN
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Proportion of the Net Pension Liability	0.25802%	0.29814%	0.28784%	0.27773%
Proportionate Share of the Net Pension Liability	\$ 7,395,983	\$ 12,575,902	\$ 11,526,367	\$ 10,466,745
Covered Payroll	5,786,754	5,167,801	4,731,286	4,788,239
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	127.81%	243.35%	243.62%	218.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.64%	74.81%	75.26%	75.26%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes of Assumptions:

There were no significant changes in assumptions.

(1) Historical information is required only for measurement years for which GASB Statement 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
0.26976%	0.26051%	0.24319%	0.25558%
\$ 10,633,962	\$ 9,049,658	\$ 6,671,898	\$ 6,316,538
4,880,332	4,641,846	4,124,923	5,360,103
217.89%	194.96%	161.75%	117.84%
73.31%	74.06%	82.72%	83.03%

June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
\$ 838,463	\$ 766,997	\$ 693,154	\$ 510,456
(838,463)	(766,997)	(693,154)	(510,456)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,788,239	\$ 4,880,332	\$ 4,641,846	\$ 4,124,923
17.51%	15.72%	14.93%	12.37%

MESA WATER DISTRICT

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

Fiscal Year	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service cost	\$ 71,669	\$ 72,849	\$ 79,816	\$ 77,491	\$ 75,234
Interest on the total OPEB liability	122,126	118,050	131,954	124,626	117,658
Differences between expected and actual experience	(129,956)	-	(363,133)	-	-
Changes in assumptions	(163,499)	(29,495)	48,279	-	-
Benefit payments	(107,255)	(94,212)	(97,603)	(94,147)	(89,724)
Net change in total OPEB liability	(206,915)	67,192	(200,687)	107,970	103,168
Total OPEB liability - beginning	1,790,353	1,723,161	1,923,848	1,815,878	1,712,710
Total OPEB liability - ending (a)	1,583,438	1,790,353	1,723,161	1,923,848	1,815,878
Plan Fiduciary Net Position					
Contribution - employer	217,255	210,656	103,882	100,236	339,724
Net investment income	506,327	23,764	77,659	109,377	135,762
Benefit payments	(107,255)	(94,212)	(97,603)	(94,147)	(89,724)
Administrative expense	(8,411)	(9,697)	(9,215)	(9,121)	(6,367)
Net change in plan fiduciary net position	607,916	130,511	74,723	106,345	379,395
Plan fiduciary net position - beginning	1,442,823	1,312,312	1,237,589	1,131,244	751,849
Plan fiduciary net position - ending (b)	\$ 2,050,739	\$ 1,442,823	\$ 1,312,312	\$ 1,237,589	\$ 1,131,244
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ (467,301)	\$ 347,530	\$ 410,849	\$ 686,259	\$ 684,634
Plan fiduciary net position as a percentage of the total OPEB liability	129.51%	80.59%	76.16%	64.33%	62.30%
Covered-employee payroll	\$ 5,786,754	\$ 5,167,801	\$ 4,737,491	\$ 4,788,239	\$ 4,798,000
Net OPEB liability as a percentage of covered-employee payroll	-8.08%	6.72%	8.67%	14.33%	14.27%

(1) Historical information is required only for the measurement periods for which GASB Statement 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

Benefit changes:

There were no changes in benefits

Changes in assumptions:

Payroll growth, mortality, disability, termination, and retirement rates have been updated from CalPERS Experience Study and Review of Actuarial Assumptions published in December 2017 to the most recent study published in November 2021. The impact of these changes is a decrease in liability.

Health care trend rates have been updated as follows, which caused a decrease in the liability.

- Medical/prescription drug: From an initial rate of 7.25% (non-Medicare) / 6.30% (Medicare) in 2021 that decreases gradually to an ultimate rate of 4.00% to Getzen 2021 table that reflects actual premium increases from 2021 to 2022 followed by 5.75% (non-Medicare) / 5.40% (Medicare) in 2022 that decreases gradually to an ultimate rate of 4.04%.
- PEMHCA minimum trend has been reduced from 4.25% to 4.20% in 2021 followed by 3.75% thereafter.
- Dental and vision trends have been updated from 3.75% to 0.00% from 2021 to 2022 followed by 3.50% for dental and 2.50% for vision.

MESA WATER DISTRICT

**SCHEDULE OF PLAN CONTRIBUTIONS - OPEB
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	\$ 122,916	\$ 119,039	\$ 115,302	\$ 147,000	\$ 143,000
Contribution in Relation to the Actuarially Determined Contributions	(216,320)	(217,769)	(210,656)	(103,882)	(98,000)
Contribution Deficiency (Excess)	<u>\$ (93,404)</u>	<u>\$ (98,730)</u>	<u>\$ (95,354)</u>	<u>\$ 43,118</u>	<u>\$ 45,000</u>
Covered-employee payroll	\$ 6,076,826	\$ 5,786,754	\$ 5,167,801	\$ 4,737,491	\$ 4,788,239
Contributions as a percentage of covered payroll	3.56%	3.76%	4.08%	2.19%	2.05%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay
Actuarial Assumptions:	
Discount Rate	6.75%
General Inflation	2.50%
Payroll Increases	2.80%
Medical Trend	Non-Medicare:
	Medicare: 5.40% in 2022, decreasing to an ultimate rate of 4.04% in 2075 and later years
Mortality Factors	CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021

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SUPPLEMENTARY INFORMATION

MESA WATER DISTRICT

**CERTIFICATES OF PARTICIPATION
REVENUE COVERAGE
YEAR ENDED JUNE 30, 2022**

	<u>2022</u>
Total Operating and Nonoperating Revenue and Capacity	
Installation Charges	\$ 37,359,358
Legal settlements available	968,055
Total Maintenance and Operating Expenses and Nonoperating Expenses	<u>31,741,592</u>
Net Revenues	<u>\$ 6,585,821</u>
 Certificates of Participation Annual Debt Service and all Other Parity Debt Constituting Obligations Payable from Net Revenues	 <u>\$ 5,741,200</u>
 Ratio of Net Revenues to Annual Debt Service and all Other Parity Debt Payable from Net Revenues	 1.15

MESA WATER DISTRICT

**CERTIFICATES OF PARTICIPATION
RECONCILIATION OF TOTAL REVENUES AND TOTAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	<u>2022</u>
Revenues:	
Operating Revenues	\$ 41,072,417
Nonoperating Revenues - Investment Earnings (Loss)*	(1,671,629)
Capacity and Installation Charges	276,876
Legal settlements available	968,055
Total Revenues	<u>\$ 40,645,719</u>
Maintenance and Operating Expenses:	
Operating Expenses Before Depreciation and Amortization	\$ 31,425,466
Nonoperating Expenses - Other Nonoperating, Net	23,695
Plus: Other Postemployment Benefits Noncash Activity	292,431
Total Maintenance Operating Expenses	<u>31,741,592</u>
Nonoperating Expenses:	
Interest Expense - Long-Term Debt	2,606,831
Less: Certificates of Participation Interest Paid and Noncash Amortization of Bond Defeasance and Premiums	<u>(2,606,831)</u>
Total Nonoperating Expenses	<u>-</u>
Total Expenses	<u>\$ 31,741,592</u>

* Unrealized loss in relation to the PARS pension trust of \$2,318,306 was excluded from investment loss.

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STATISTICAL INFORMATION SECTION

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**STATISTICAL SECTION
DESCRIPTION OF SCHEDULES
JUNE 30, 2022**

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant own- source revenue, water sales, and related expenses.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

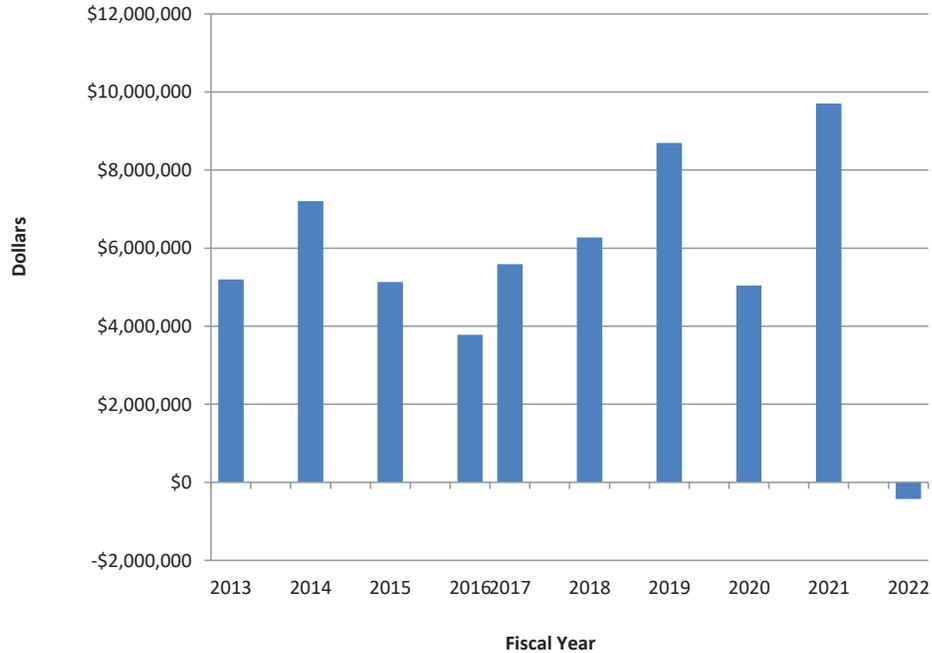
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides.

Mesa Water District
Changes in Net Position and Net Position by Component
Last Ten Fiscal Years
Schedule 1

	Fiscal Year			
	2013	2014	2015	2016
Changes in net position:				
Operating revenues (see schedule 2)	\$ 34,080,443	\$ 37,675,090	\$ 32,913,142	\$ 28,997,983
Operating expenses (see schedule 3)	<u>(29,095,185)</u>	<u>(31,103,589)</u>	<u>(28,025,981)</u>	<u>(26,227,594)</u>
Operating income(loss)	4,985,258	6,571,501	4,887,161	2,770,389
Net non-operating revenue(expense) (see schedule 4)	<u>(1,196,646)</u>	<u>(1,142,788)</u>	<u>(889,936)</u>	<u>(2,009,000)</u>
Net income(loss) before capital contributions	3,788,612	5,428,713	3,997,225	761,389
Capital contributions	1,409,655	1,771,171	2,552,466	3,016,356
Extraordinary Loss on Capital Assets Abandonment	-	-	-	-
Prior Period Adjustment	-	-	<u>(1,418,737)</u>	-
Changes in net position	<u>\$ 5,198,267</u>	<u>\$ 7,199,884</u>	<u>\$ 5,130,954</u>	<u>\$ 3,777,745</u>
Net position:				
Net Investment in capital assets	\$ 84,054,617	\$ 85,117,787	\$ 84,181,875	\$ 86,535,551
Restricted	-	-	-	-
Unrestricted	<u>24,676,306</u>	<u>30,813,020</u>	<u>28,797,704</u>	<u>30,221,773</u>
Total net position	<u>\$108,730,923</u>	<u>\$115,930,807</u>	<u>\$112,979,579</u>	<u>\$116,757,324</u>

* as restated.

Changes in Net Position

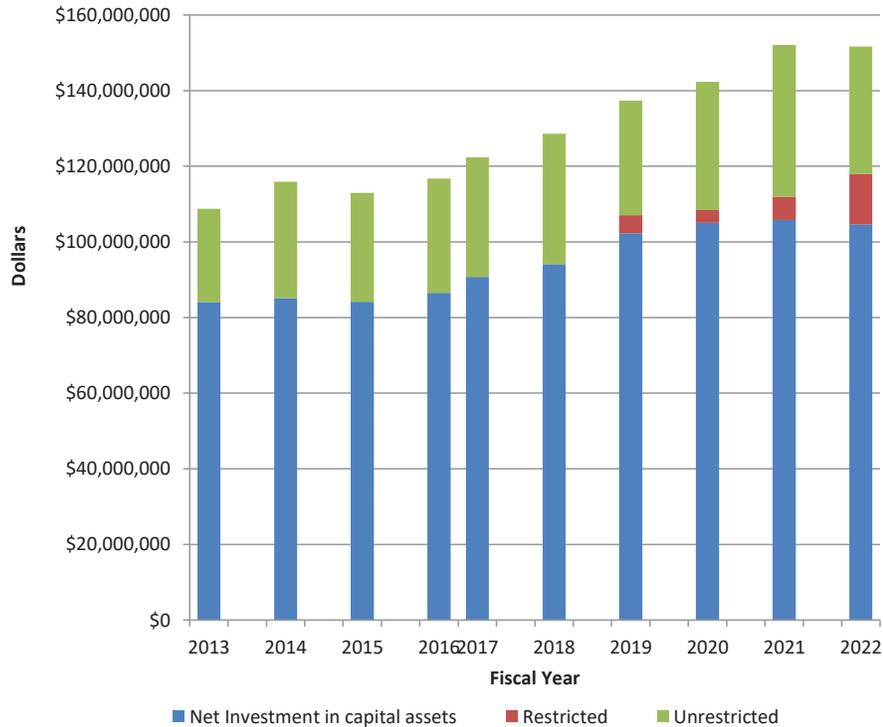


Source: Mesa Water District Audited Financial Statements.

**Mesa Water District
Changes in Net Position and Net Position by Component
Last Ten Fiscal Years
Schedule 1, Continued**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 31,124,804	\$ 35,705,309	\$ 36,167,875	\$ 36,724,890	\$ 39,990,535	\$ 41,072,417
(28,489,995)	(31,234,095)	(30,403,085)	(32,755,477)	(33,981,193)	(37,555,953)
2,634,809	4,471,214	5,764,790	3,969,413	6,009,342	3,516,464
(1,382,150)	(549,097)	1,014,748	(2,014,015)	1,607,134	(5,756,161)
1,252,659	3,922,117	6,779,538	1,955,398	7,616,476	(2,239,697)
4,340,361	3,283,326	1,917,078	3,084,408	2,091,685	1,809,920
-	-	-	-	-	-
-	(927,250)	-	-	-	-
\$ 5,593,020	\$ 6,278,193	\$ 8,696,616	\$ 5,039,806	\$ 9,708,161	\$ (429,777)
\$ 90,777,661	\$ 94,096,310	\$ 102,275,574	\$ 105,042,348	\$ 105,770,707	\$ 104,657,953
-	-	4,814,662	3,383,344	6,139,421	13,277,537
31,572,683	34,532,227	30,234,917	33,939,267	40,162,992	33,707,853
\$ 122,350,344	\$ 128,628,537	\$ 137,325,153	\$ 142,364,959	\$ 152,073,120	\$ 151,643,343

Net Position by Component



Mesa Water District
Historic Operating Results and Debt Service Coverage
Last Ten Fiscal Years
Schedule 1a

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Water Sales	\$ 23,205,333	\$ 24,639,988	\$ 24,034,254	\$ 21,357,269
Meter Service Charges	4,865,284	5,454,610	5,803,271	6,050,343
Pass-through Water Sales				
Governmental Agencies	3,948,733	4,035,580	-	-
Concessions from Governmental Agencies	-	1,238,000	968,138	-
Recycled Water Sales	1,549,378	1,698,506	1,397,919	1,056,481
Other Charges and Services	511,715	608,406	709,560	830,432
Capacity and Installation Charges	434,763	452,679	1,247,867	1,945,079
Investment Earnings	43,234	238,672	404,763	681,378
Legal Settlements	-	-	-	-
Total Revenues	<u>34,558,440</u>	<u>38,366,441</u>	<u>34,565,772</u>	<u>31,920,982</u>
Operation and Maintenance Costs				
Imported & Basin Managed Source of Supply	3,073,519	2,695,858	2,645,852	1,031,539
Transmission and Distribution	5,005,698	5,251,819	5,750,908	4,961,178
General and Administrative	6,217,746	6,320,500	7,380,985	7,900,124
Pass-through Water Purchases to				
Governmental Agencies	3,948,733	4,035,580	-	-
Total Clear Water Pumping	4,134,259	4,287,888	4,273,537	4,682,120
Total Amber Water Pumping	2,472,987	3,353,823	2,864,506	2,453,295
Recycled Water	443,319	470,767	436,560	496,582
In-lieu Source of Supply	-	-	-	-
Total Operating Expenses	<u>25,296,261</u>	<u>26,416,235</u>	<u>23,352,348</u>	<u>21,524,838</u>
Net Revenues	9,262,179	11,950,206	11,213,424	10,396,144
Senior Obligations	1,977,750	1,972,150	1,969,750	1,973,750
Senior Obligations Coverage	4.68	6.06	5.69	5.27
Revenues Available for Parity Obligations	<u>7,284,429</u>	<u>9,978,056</u>	<u>9,243,674</u>	<u>8,422,394</u>
Parity Obligations				
2010 Installment Payments	837,119	1,339,038	1,339,838	1,340,038
2020 Installment Payments	-	-	-	-
1991 OCWD Well Loan	46,207	97,324	-	-
1998 OCWD Well II Loan	37,598	352,239	-	-
1998 Wells IB and 10 Loan	52,149	147,207	-	-
Total Parity Obligations	<u>973,073</u>	<u>1,935,808</u>	<u>1,339,838</u>	<u>1,340,038</u>
Parity Obligations Coverage	7.49	5.15	6.90	6.29
Revenues Available for Capital Projects and Other Coverage	<u>\$ 6,311,356</u>	<u>\$ 8,042,249</u>	<u>\$ 7,903,837</u>	<u>\$ 7,082,357</u>

Source: Mesa Water District Audited Financial Statements.

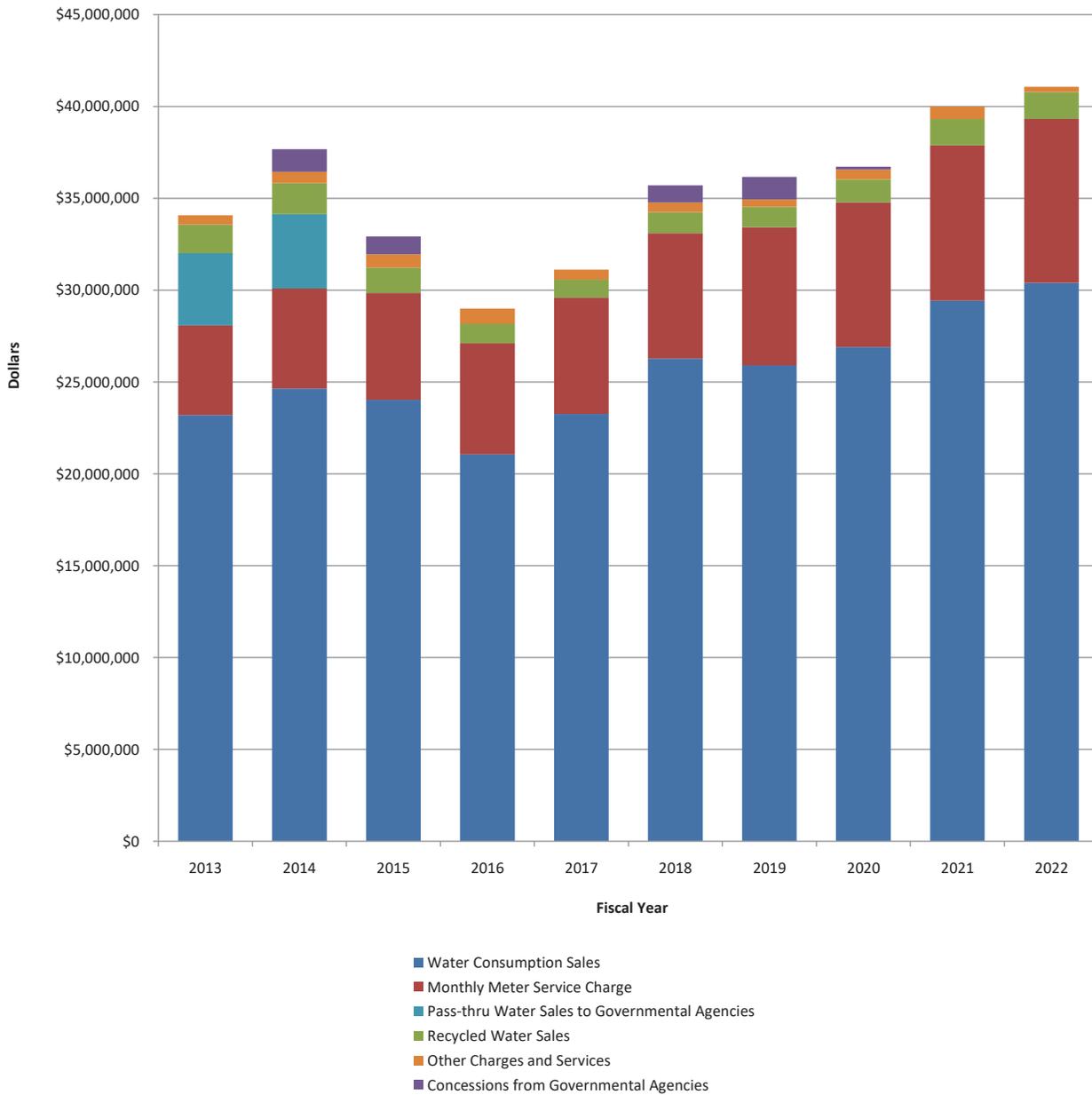
**Mesa Water District
Historic Operating Results and Debt Service Coverage
Last Ten Fiscal Years
Schedule 1a, Continued**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 23,261,150	\$ 26,272,951	\$ 25,910,454	\$ 26,913,077	\$ 29,431,505	\$ 30,400,094
6,331,300	6,838,600	7,511,575	7,870,740	8,464,262	8,913,788
-	-	-	-	-	-
-	933,937	1,226,127	163,691	-	-
971,796	1,137,748	1,119,273	1,250,605	1,428,840	1,470,021
560,558	522,073	400,446	526,777	665,928	288,514
2,498,287	1,912,740	860,855	1,297,240	473,316	276,876
25,518	535,930	1,872,020	1,255,743	4,367,631	(1,671,629)
-	-	-	-	-	968,055
<u>33,648,609</u>	<u>38,153,979</u>	<u>38,900,750</u>	<u>39,277,873</u>	<u>44,831,482</u>	<u>40,645,719</u>
842,353	2,405,315	2,996,819	896,268	399,269	413,434
5,021,716	6,132,007	5,479,178	6,020,490	7,360,850	8,432,923
8,184,895	7,978,006	7,589,724	9,270,384	8,959,171	10,258,188
-	-	-	-	-	-
4,427,407	2,776,268	5,453,136	6,760,158	7,569,448	7,895,494
4,520,866	3,134,554	2,970,494	3,158,924	3,191,073	3,501,950
572,549	629,455	758,122	861,521	1,009,398	920,277
-	3,168,477	-	270,406	-	-
<u>23,569,786</u>	<u>26,224,082</u>	<u>25,247,473</u>	<u>27,238,151</u>	<u>28,489,209</u>	<u>31,422,266</u>
10,078,823	11,929,897	13,653,277	12,039,722	16,342,273	9,223,453
1,974,000	1,899,150	4,028,500	4,078,250	4,129,000	4,180,250
5.11	6.28	3.39	2.95	3.96	2.21
<u>8,104,823</u>	<u>10,030,747</u>	<u>9,624,777</u>	<u>7,961,472</u>	<u>12,213,273</u>	<u>5,043,203</u>
1,339,638	-	-	-	-	-
-	-	-	-	2,010,190	2,566,200
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,339,638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,010,190</u>	<u>2,566,200</u>
6.05	N/A	N/A	N/A	6.08	1.97
<u>\$ 6,765,185</u>	<u>\$ 10,030,747</u>	<u>\$ 9,624,777</u>	<u>\$ 7,961,472</u>	<u>\$ 10,203,083</u>	<u>\$ 2,477,003</u>

Source: Mesa Water District Audited Financial Statements.

**Mesa Water District
Operating Revenues By Source
Last Ten Fiscal Years
Schedule 2**

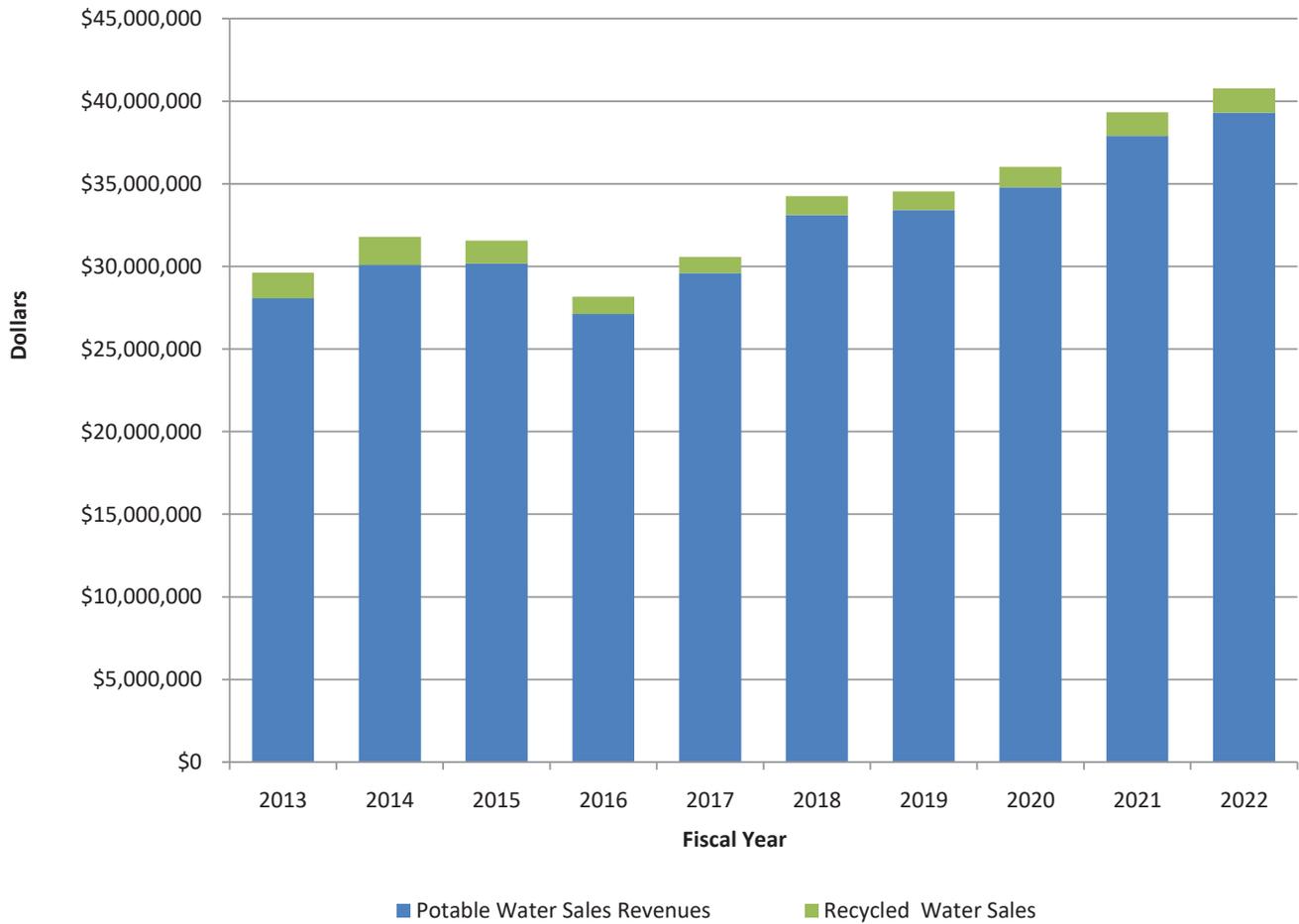
Fiscal Year	Water Consumption Sales	Monthly Meter Service Charge	Pass-thru Water Sales to Governmental Agencies	Recycled Water Sales	Other Charges and Services	Concessions from Governmental Agencies	Total Operating Revenues
2013	\$ 23,205,333	\$ 4,865,284	\$ 3,948,733	\$ 1,549,378	\$ 511,715	\$ -	\$ 34,080,443
2014	24,639,988	5,454,610	4,035,580	1,698,506	608,406	1,238,000	37,675,090
2015	24,034,254	5,803,271	-	1,397,919	709,560	968,138	32,913,142
2016	21,060,727	6,050,343	-	1,056,481	830,432	-	28,997,983
2017	23,261,150	6,331,300	-	971,796	560,558	-	31,124,804
2018	26,272,951	6,838,600	-	1,137,748	522,073	933,937	35,705,309
2019	25,910,454	7,511,575	-	1,119,273	400,446	1,226,127	36,167,875
2020	26,913,077	7,870,740	-	1,250,605	526,777	163,691	36,724,890
2021	29,431,505	8,464,262	-	1,428,840	665,928	-	39,990,535
2022	30,400,094	8,913,788	-	1,470,021	288,514	-	41,072,417



Source: Mesa Water District Audited Financial Statements.

Mesa Water District
Historic Water Sales Revenues¹
Last Ten Fiscal Years
Schedule 2a

Fiscal Year	Potable Water Sales Revenues²	Recycled Water Sales	Total	Increase (Decrease)
2013	\$ 28,070,617	\$ 1,549,378	\$ 29,619,995	8.9%
2014	30,094,598	1,698,506	31,793,104	7.3%
2015	30,174,271	1,397,919	31,572,190	-0.7%
2016	27,111,070	1,056,481	28,167,551	-10.8%
2017	29,592,450	971,796	30,564,246	8.5%
2018	33,111,551	1,137,748	34,249,299	12.1%
2019	33,422,029	1,119,273	34,541,302	0.9%
2020	34,783,817	1,250,605	36,034,422	4.3%
2021	37,895,767	1,428,840	39,324,607	9.1%
2022	39,313,882	1,470,021	40,783,903	3.7%



Notes:

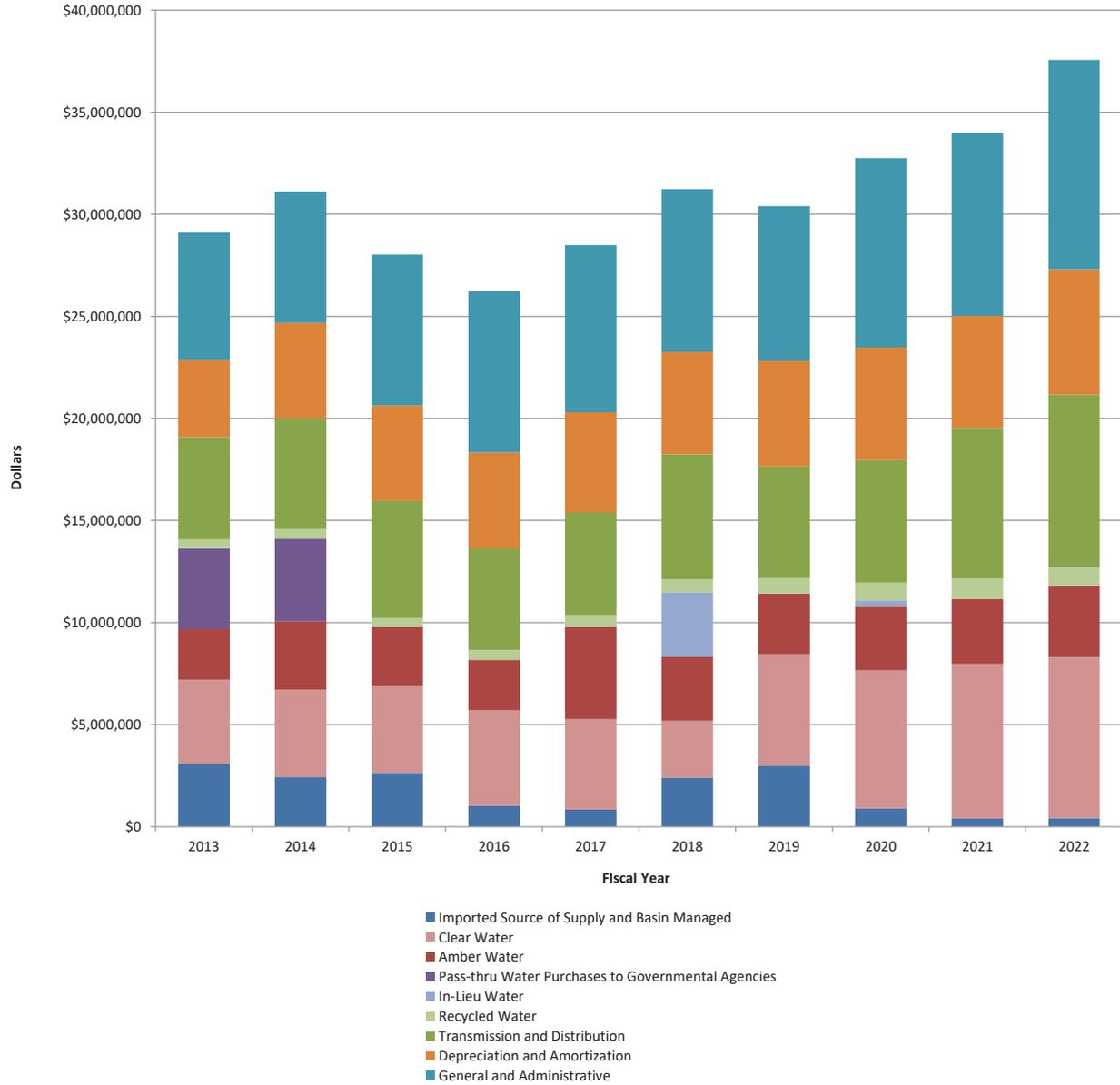
⁽¹⁾ Excludes revenues from sales at cost to the City of Huntington Beach.

⁽²⁾ Includes bimonthly meter charges.

Source: Mesa Water District Audited Financial Statements.

**Mesa Water District
Operating Expenses by Activity
Last Ten Fiscal Years
Schedule 3**

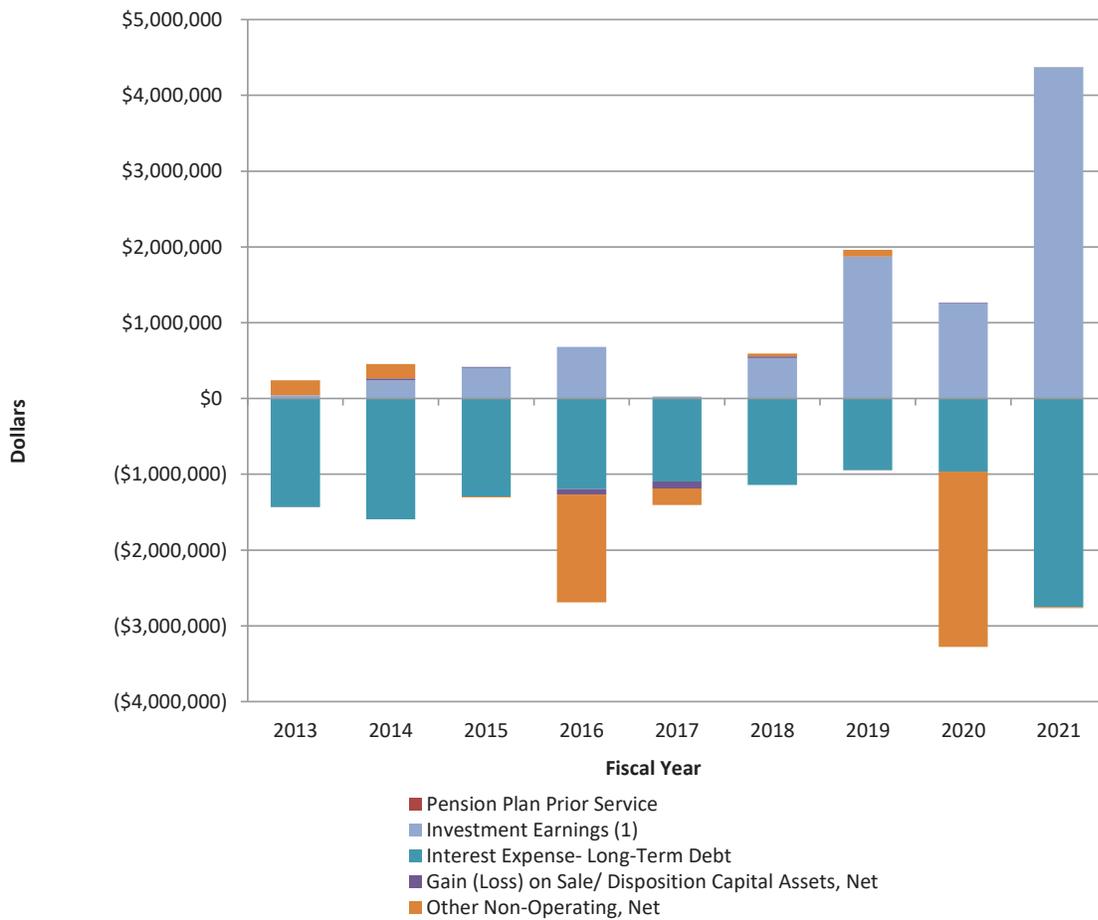
Fiscal Year	Imported Source of Supply and Basin Managed	Clear Water	Amber Water	Pass-thru Water Purchases to Governmental Agencies	In-Lieu Water	Recycled Water	Transmission and Distribution	Depreciation and Amortization	General and Administrative	Total Operating Expenses
2013	\$ 3,073,519	\$4,134,259	\$2,472,987	\$ 3,948,733	\$ -	\$ 443,319	\$ 5,005,698	\$ 3,798,924	\$ 6,217,746	\$29,095,185
2014	2,427,936	4,287,888	3,353,823	4,035,580	-	470,767	5,425,385	4,687,354	6,414,856	31,103,589
2015	2,645,852	4,273,537	2,864,506	-	-	436,560	5,750,908	4,673,633	7,380,985	28,025,981
2016	1,031,539	4,682,120	2,453,295	-	-	496,582	4,961,178	4,702,756	7,900,124	26,227,594
2017	842,353	4,427,407	4,520,866	-	-	572,549	5,021,716	4,920,209	8,184,895	28,489,995
2018	2,405,315	2,776,268	3,134,554	-	3,168,477	629,455	6,132,007	5,010,013	7,978,006	31,234,095
2019	2,996,819	5,453,136	2,967,369	-	-	758,122	5,482,303	5,155,612	7,589,724	30,403,085
2020	896,268	6,760,158	3,158,924	-	270,406	861,521	6,020,490	5,517,326	9,270,384	32,755,477
2021	399,269	7,569,448	3,191,073	-	-	1,009,398	7,360,850	5,491,984	8,959,171	33,981,193
2022	416,634	7,895,494	3,501,950	-	-	920,277	8,432,923	6,130,487	10,258,188	37,555,953



Source: Mesa Water District Audited Financial Statements.

**Mesa Water District
Non-operating Revenues and (Expenses)
Last Ten Fiscal Years
Schedule 4**

Fiscal Year	Investment Earnings ⁽¹⁾	Interest Expense-Long-Term Debt	Gain (Loss) on Sale/Disposition Capital Assets, Net	Other Non-Operating, Net	Pension Plan Prior Service	Nonoperating Revenues/(Expenses)
2013	\$ 43,234	\$ (1,429,154)	\$ (6,288)	\$ 195,562	\$ -	\$ (1,196,646)
2014	238,672	(1,595,546)	28,155	185,931	-	(1,142,788)
2015	404,763	(1,293,727)	9,639	(10,611)	-	(889,936)
2016	681,378	(1,196,589)	(69,130)	(1,424,659)	-	(2,009,000)
2017	25,518	(1,094,610)	(94,086)	(218,972)	-	(1,382,150)
2018	535,930	(1,140,774)	17,397	38,350	-	(549,097)
2019	1,872,020	(945,513)	(2,904)	91,145	-	1,014,748
2020	1,255,743	(964,979)	8,123	(2,312,902)	-	(2,014,015)
2021	4,367,631	(2,754,815)	5,500	(11,182)	-	1,607,134
2022	(3,989,935)	(2,606,831)	(469,500)	1,310,105	-	(5,756,161)



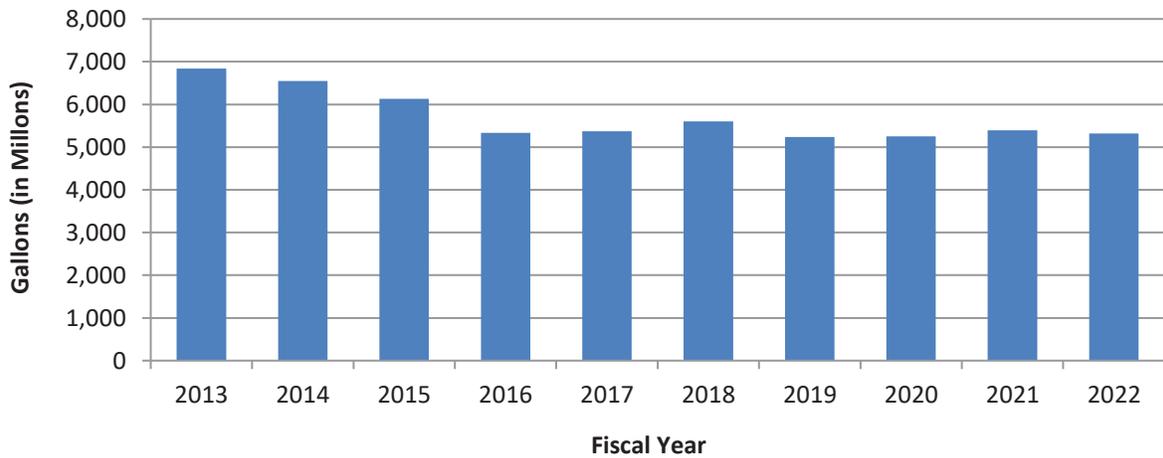
Note:

⁽¹⁾ Includes Interest Income Realized and Unrealized Gains and Losses On Investments.

Source: Mesa Water District Audited Financial Statements.

**Mesa Water District
Operating Revenue Base
Last Ten Fiscal Years
Schedule 5**

Fiscal Year	Production (Gallons)	AF	Sales AF	Production AF
2013	6,836,777,586	18,701	18,701	20,981
2014	6,551,560,206	19,011	19,011	20,106
2015	6,130,560,714	18,110	18,110	18,814
2016	5,330,922,360	15,057	15,057	16,360
2017	5,371,002,033	15,898	15,898	16,483
2018	5,605,288,902	17,059	17,059	17,202
2019	5,234,796,315	16,110	16,110	16,065
2020	5,252,066,418	15,905	15,905	16,118
2021	5,392,834,050	16,453	16,453	16,550
2022	5,319,843,426	15,549	15,549	16,326



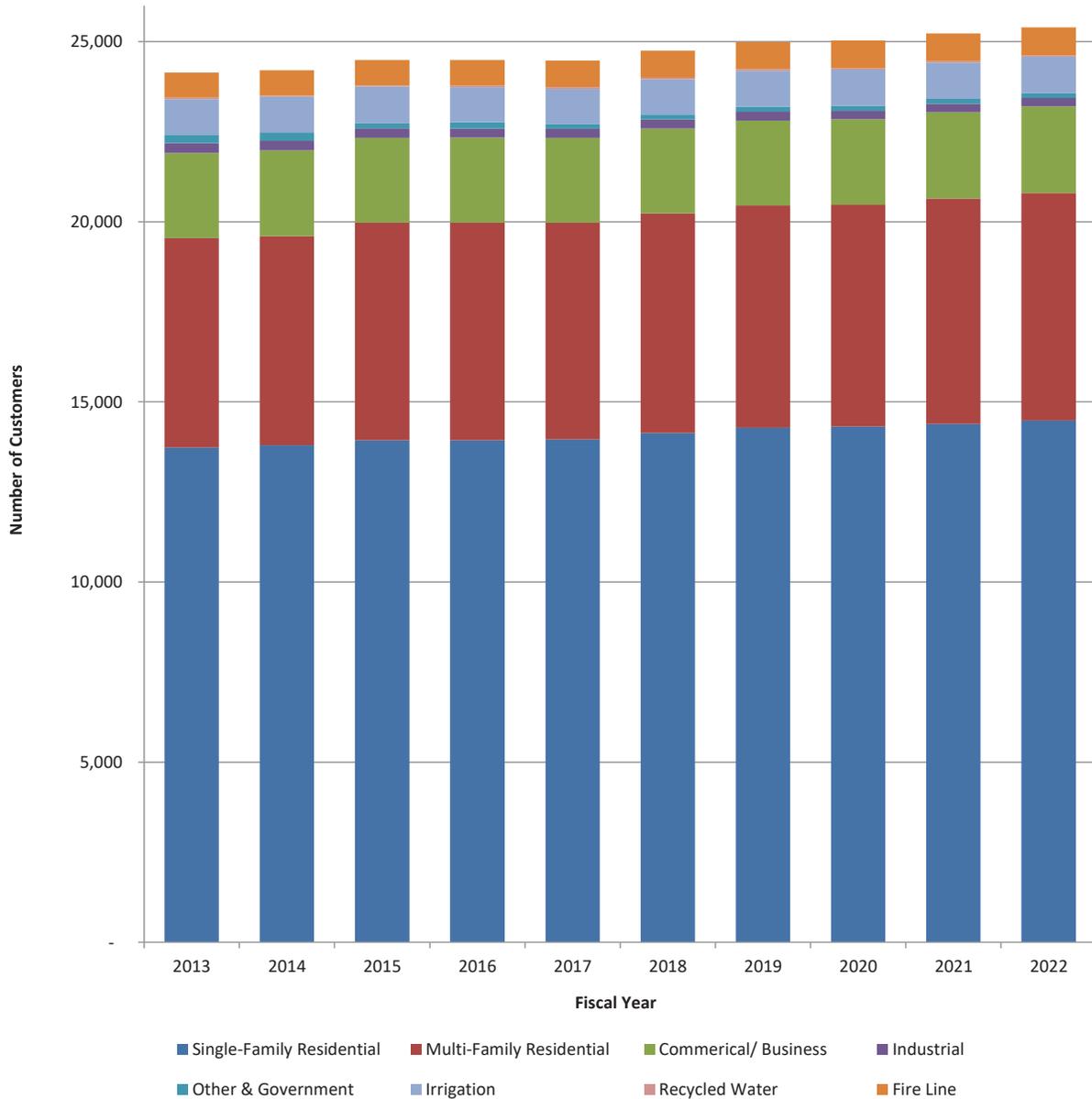
Note:

For Information Regarding Water Sales See Schedule 2 'Operating Revenue by Source'.

Source: Mesa Water District Billing System.

**Mesa Water District
Customer Connections
Last Ten Fiscal Years
Schedule 6**

Fiscal Year	Customer Type								Total Connections
	Single-Family Residential	Multi-Family Residential	Commerical/ Business	Industrial	Other & Government	Irrigation	Recycled Water	Fire Line	
2013	13,732	5,808	2,371	269	240	984	42	699	24,145
2014	13,798	5,806	2,374	267	228	996	32	704	24,205
2015	13,931	6,041	2,359	264	142	1013	36	705	24,491
2016	13,933	6,044	2,357	255	175	973	43	708	24,488
2017	13,955	6,021	2,351	253	139	973	42	743	24,477
2018	14,138	6,092	2,356	249	142	976	43	752	24,748
2019	14,286	6,162	2,361	247	141	995	43	758	24,993
2020	14,314	6,164	2,367	240	137	999	43	768	25,032
2021	14,384	6,263	2,391	238	140	1001	43	770	25,230
2022	14,487	6,314	2,398	239	141	1000	43	772	25,394



Source: Mesa Water District Billing System.

**Mesa Water District
Revenue Rates
Last Ten Fiscal Years
Schedule 7**

Minimum Bimonthly Service Charge - Potable Water Service

Meter Size	6/30/13	6/30/14	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
5/8"	\$ 19.00	20.00	21.50	22.50	23.00	24.69	25.93	27.23	28.60	30.03
3/4"	28.50	30.00	32.50	33.50	34.50	37.31	39.18	41.14	43.20	45.36
1"	47.50	50.00	54.00	55.50	57.50	62.00	65.10	68.36	71.78	75.37
1 1/2"	95.00	100.00	108.00	111.50	115.00	124.51	130.74	137.28	144.15	151.36
2"	152.00	160.00	172.50	178.50	184.00	199.11	209.07	219.53	230.51	242.04
3"	332.50	350.00	378.00	390.00	402.00	435.51	457.29	480.16	504.17	529.38
4"	598.50	630.00	680.00	702.00	724.00	784.32	823.54	864.72	907.96	953.36
6"	1,330.00	1,400.00	1,510.00	1,560.00	1,610.00	1,744.08	1,831.29	1,922.86	2,019.01	2,119.97
8"	2,280.00	2,400.00	2,590.00	2,670.00	2,670.00	2,983.82	3,133.02	3,289.68	3,454.17	3,626.88
10"	3,610.00	3,800.00	4,100.00	4,230.00	4,370.00	4,727.89	4,964.29	5,212.51	5,473.14	5,746.80

Minimum Bimonthly Service Charge - Fireline Water Service - Class I

Meter Size	6/30/12	6/30/13	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
2"	\$ 18.00	19.00	20.50	21.00	22.00	6.81	7.16	7.52	7.90	8.30
3"	27.00	28.50	31.00	32.00	33.00	19.79	20.79	21.83	22.93	24.08
4"	36.00	38.00	41.00	42.50	43.50	42.18	44.29	46.51	48.84	51.29
6"	54.00	57.00	61.50	63.50	65.50	122.53	128.66	135.10	141.86	148.96
8"	72.00	76.00	82.00	84.50	87.50	261.11	274.17	287.88	302.28	317.40
10"	108.00	114.00	123.00	127.00	131.00	469.56	493.04	517.70	543.59	570.77
12"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Minimum Bimonthly Service Charge - Fireline Water Service - Class II

Meter Size	6/30/12	6/30/13	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
2"	\$ 36.00	38.00	41.00	42.50	43.50	6.81	7.16	7.52	7.90	8.30
3"	54.00	57.00	61.50	63.50	65.50	19.79	20.79	21.83	22.93	24.08
4"	72.00	76.00	82.00	84.50	87.50	42.18	44.29	46.51	48.84	51.29
6"	108.00	114.00	123.00	127.00	131.00	122.53	128.66	135.10	141.86	148.96
8"	144.00	152.00	164.00	169.50	174.50	261.11	274.17	287.88	302.28	317.40
10"	216.00	228.00	246.00	254.00	262.00	469.56	493.04	517.70	543.59	570.77
12"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Water Use Rate (per 100 cubic feet = 748 gallons)

User Type	6/30/12	6/30/13	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
<u>Residential</u>										
Potable Commodity Rate	\$ 3.00	3.15	3.40	3.51	3.62	3.86	4.06	4.27	4.49	4.72
<u>Non-Residential</u>										
Construction Commodity Rate	\$ 4.50	4.73	5.10	5.26	5.43	4.27	4.49	4.72	4.96	5.21
Fireline Commodity Rate	\$ 6.00	6.30	6.80	7.02	7.24	4.27	4.49	4.72	4.96	5.21
Recycled Commodity Rate	\$ 2.70	2.84	2.51	2.32	1.82	2.52	2.65	2.79	2.93	3.08

Source: Mesa Water District Records.

Mesa Water District
Ten Largest Water Users by Revenue
Current Fiscal Year and Five Years Ago
Schedule 8

<u>FY 2022/21</u>		<u>Consumption</u>	<u>Acre Feet</u>	<u>% of Total</u>	<u>FY 2016/17</u>		<u>Consumption</u>	<u>Acre Feet</u>	<u>% of Total</u>
1	Mesa Verde Partners	221,004	507	3.1%	Mesa Verde Partners	232,783	534	3.3%	
2	City Of Costa Mesa	123,754	284	1.7%	City of Costa Mesa	150,496	345	2.1%	
3	Newport-Mesa Unified School District	116,709	268	1.6%	Newport-Mesa Unified School District	114,334	262	1.6%	
4	The Irvine Company, Llc	90,643	208	1.3%	The Irvine Company, Inc.	113,698	261	1.6%	
5	County Of Orange	61,159	140	0.8%	Casden Lakes	73,589	169	1.0%	
6	Casden Lakes, LP	60,593	139	0.8%	CalTrans	69,198	159	1.0%	
7	Arnel Residential Properties	54,261	125	0.8%	County of Orange	67,858	156	1.0%	
8	Camden Property Trust	49,999	115	0.7%	Fairview State Hospital	57,823	133	0.8%	
9	CJ Segerstrom & Sons	44,959	103	0.6%	Arnel Residential Properties	57,734	133	0.8%	
10	United Dominion Realty	41,934	96	0.6%	Camden Property Trust	55,357	127	0.8%	
		1,986	12.0%				2,279	14.0%	

Sales in Acre Feet

Potable	15,549
Recycled	1,017
Total Sales Acre Feet	16,566

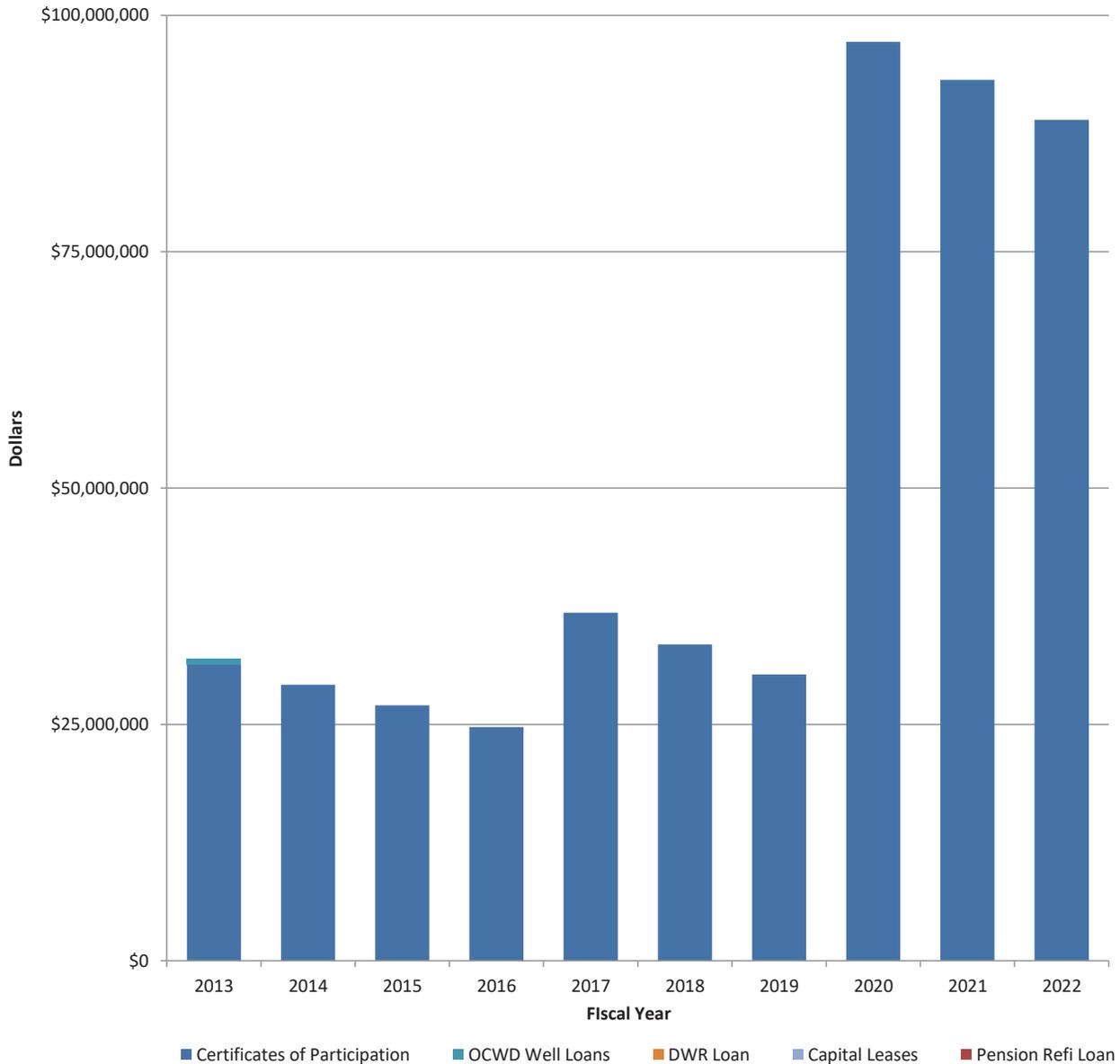
Sales in Acre Feet

Potable	15,057
Recycled	1,217
Total Sales Acre Feet	16,274

Source: Mesa Water District Billing System.

**Mesa Water District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 9**

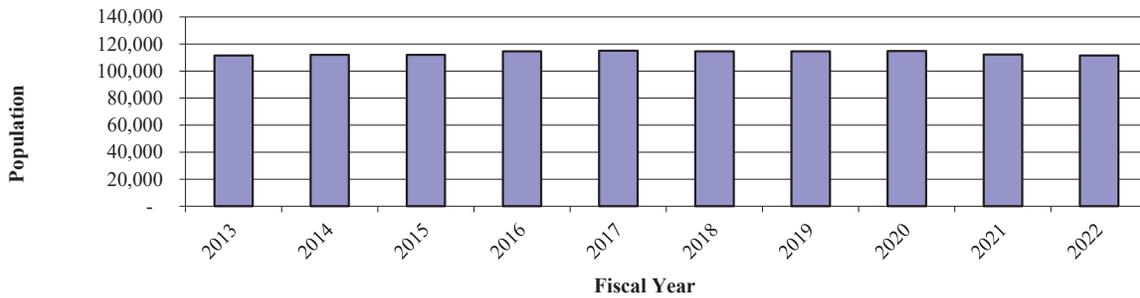
Fiscal Year	Certificates of Participation	OCWD Well Loans	DWR Loan	Capital Leases	Pension Refi Loan	Total		
						Debt	Per Capita	As a Share of Personal Income
2013	\$ 31,319,523	\$ 596,770	\$ -	\$ -	\$ -	\$ 31,916,293	285.39	0.50%
2014	29,204,027	-	-	-	-	29,204,027	254.83	0.43%
2015	27,013,531	-	-	-	-	27,013,531	235.71	0.39%
2016	24,723,036	-	-	-	-	24,723,036	214.98	0.35%
2017	36,805,648	-	-	-	-	36,805,648	320.05	0.52%
2018	33,452,164	-	-	-	-	33,452,164	292.07	0.44%
2019	30,277,774	-	-	-	-	30,277,774	264.13	0.37%
2020	97,215,237	-	-	-	-	97,215,237	846.98	1.19%
2021	93,189,269	-	-	-	-	93,189,269	830.69	1.02%
2022	88,963,302	-	-	-	-	88,963,302	798.64	0.98%



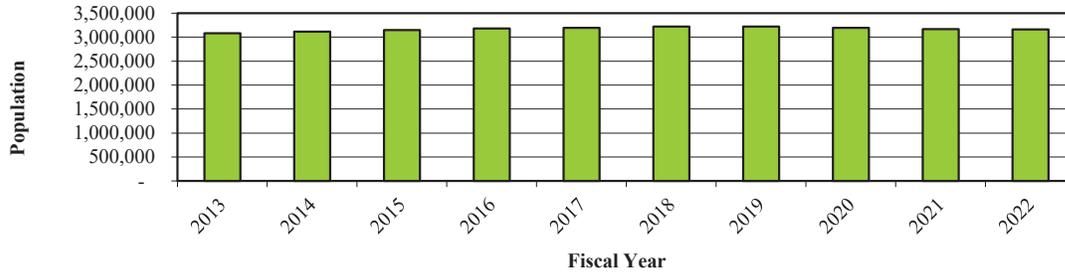
Mesa Water District
Schedule of Demographics and Economic Statistics
Last Ten Calendar Years
Schedule 10

Fiscal Year	Costa Mesa		County of Orange		
	Population	Unemployment Rate	Population	Personal Income (Thousands of Dollars) ¹	Personal Income per Capita
2013	111,358	5.0%	3,081,804	168,966,400	54,827
2014	111,846	4.6%	3,113,991	177,412,900	56,973
2015	111,835	4.1%	3,147,655	185,500,000	58,933
2016	114,603	3.6%	3,183,011	190,978,000	59,999
2017	115,012	3.3%	3,194,024	199,492,000	62,458
2018	114,536	2.9%	3,221,103	215,479,000	66,896
2019	114,634	2.6%	3,222,498	230,180,000	71,429
2020	114,778	12.4%	3,194,332	226,531,000	70,917
2021	112,183	5.7%	3,169,542	258,933,000	81,694
2022	111,394	6.5%	3,162,245	258,933,000	81,883

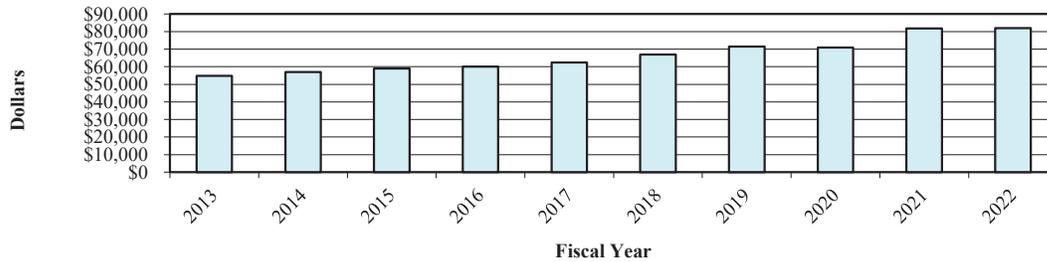
Population - Costa Mesa



Population - Orange County



Personal Income per Capita - Orange County



Note:

⁽¹⁾Data is not yet available for fiscal year 2021-2022

Source:

California Department of Finance, Demographic Research Unit, <http://www.dof.ca.gov>
 State of California, Employment Development Department, <http://www.edd.ca.gov>
 County of Orange, Comprehensive Annual Financial Reports, <http://egov.ocgov.com/ocgov/Auditor-Controller>

**Mesa Water District
City of Costa Mesa Principal Employers
Current Year and Nine Years Ago
Schedule 11**

2020-2021 ¹			2012-2013		
Name of Company	Number of Employees	% of Total	Name of Company	Number of Employees	% of Total
Experian Information Solutions, Inc.	3,700	5.74%	Experian Information Solution	3,700	5.73%
Coast Community College District	2,900	4.50%	Coast Community College District Foundation	2,900	4.49%
Orange Coast College	1,900	2.95%	Orange Coast Community College	1,900	2.94%
Auto Club Enterprises	1,376	2.14%	Fairview Developmental Center	1,500	2.32%
Contech Engineered Solutions LLC	1,288	2.00%	A Clark/McCarthy Joint Venture	1,250	1.94%
Western Capital Assoc II LLC	1,184	1.84%	Interinsurance Exchange	1,200	1.86%
Western Medical Center	1,052	1.63%	Pacific Building Care, Inc.	850	1.32%
Gary D. Nelson Assoc., Inc	935	1.45%	Filenet Corporation	600	0.93%
Deloitte Consulting LLC	800	1.24%	TTM Technologies, Inc	500	0.77%
Dynamic Cooking	700	1.09%	Nordstrom, Inc.	500	0.77%

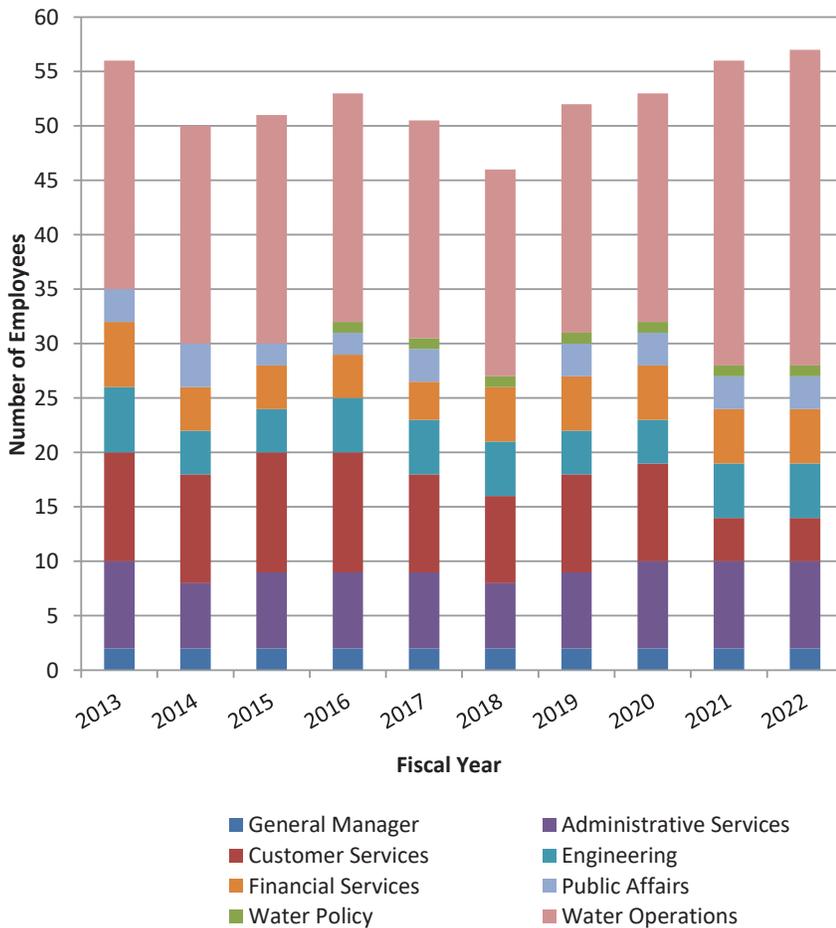
Note:

⁽¹⁾Data is not yet available for fiscal year 2021-2022

Source: City of Costa Mesa CAFR.

**Mesa Water District
District Employees by Department
Last Ten Fiscal Years
Schedule 12**

Department	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Manager	2	2	2	2	2	2	2	2	2	2
Administrative Services	8	6	7	7	7	6	7	8	8	8
Customer Services	10	10	11	11	9	8	9	9	4	4
Engineering	6	4	4	5	5	5	4	4	5	5
Financial Services	6	4	4	4	3.5	5	5	5	5	5
Public Affairs	3	4	2	2	3	0	3	3	3	3
Water Policy	0	0	0	1	1	1	1	1	1	1
Water Operations	21	20	21	21	20	19	21	21	28	29
	56	50	51	53	51	46	52	53	56	57



Source: Mesa Water District Records.

**Mesa Water District
Historic Water Supply
In Acre Feet Per Year
Last Five Fiscal Years
Schedule 13**

Fiscal Year	Supplemental Water				Total
	Groundwater	CPTP	Recycled Water	In-Lieu Water	
2018	9,284	1,987	853	5,931	18,055
2019	13,573	2,492	916	-	16,981
2020	15,249	329	959	540	17,077
2021	16,550	-	1,049	-	17,599
2022	16,326	-	1,017	-	17,343

Source: Mesa Water District Records.

**Mesa Water Deliveries
Historic Water Deliveries
In Acre Feet Per Year
Last Five Fiscal Years
Schedule 14**

Fiscal Year	Potable Water Deliveries	Recycled Water Deliveries	Total	% Increase (Decrease)
2018	17,059	853	17,912	4.78%
2019	16,110	916	17,026	-4.95%
2020	15,905	959	16,864	-0.95%
2021	16,453	1,049	17,502	3.78%
2022	15,549	1,017	16,566	-5.35%

Source: Mesa Water District Records.



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Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Celeste Carrillo, Senior Public Affairs Specialist
DATE: February 22, 2023
SUBJECT: Public Affairs Upcoming Outreach Campaigns

RECOMMENDATION

Receive the presentation.

STRATEGIC PLAN

Goal #4: Increase favorable opinion of Mesa Water.

PRIOR BOARD ACTION

None.

DISCUSSION

Mesa Water District's (Mesa Water®) outreach program seeks to increase awareness with its customers about who their water provider is and that the District delivers a 100% local water supply, as measured by the annual customer survey.

The following upcoming outreach campaigns and communications tools will continue to expand reach and amplify messaging to customers, residents and businesses in the service area:

Direct Mail

- February - Paperless billing letter to customers who are on AutoPay, but still receive a paper bill
- Late February - Paperless billing and AutoPay letter with insert to all customers who have not registered for either electronic service
- April - Ask Us Anything postcard (including business reply card) to proactively solicit questions and feedback from customers
- June - Water Quality Report postcard
- Early July - Year-in-Review infographic

New Fact Sheet

- Staff has developed a new District fact sheet as part of Mesa Water's Style Guide refresh.

Construction Update Video

- This new video series highlights infrastructure projects and features brief interviews at the construction sites with Mesa Water's District Engineer. The video series will be posted on social media and the website.

Mesa Water Video Contest

- This year's video contest, for local students who live in or attend high schools and colleges in the service area, will be open for entries March 1 – April 30, 2023.



FINANCIAL IMPACT

In Fiscal Year 2023, \$904,450 is budgeted for Public Affairs Support Services; \$330,740 has been spent to date.

ATTACHMENTS

None.



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Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: February 22, 2023
SUBJECT: WaterSMART Grant Opportunity

RECOMMENDATION

Adopt Resolution No. 1574 Authorizing Actions for Grant Application, Acceptance and Execution for the Mesa Water Local Groundwater Supply Improvement Project.

STRATEGIC PLAN

- Goal #1: Provide an abundant, local, reliable and safe water supply.
- Goal #2: Perpetually renew and improve our infrastructure.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase favorable opinion of Mesa Water.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

At its January 25, 2023 meeting, the Board of Directors (Board) authorized staff to commit \$250,000 from Mesa Water District (Mesa Water®) for a U.S. Bureau of Reclamation WaterSMART Water grant for a feasibility study regarding brackish groundwater desalination and to offer to partner with Orange County Water District and neighboring cities.

DISCUSSION

The United States Bureau of Reclamation (USBR) is accepting applications to distribute \$30MM in funding through the [WaterSMART: Water Recycling and Desalination Planning Grant program](#).

WaterSMART (Sustainability, Management, Assessment, Response, and Technology) grants are provided by the USBR, which is part of the U.S. Department of the Interior, and are funded by the federal government. The grants are designed to support projects that help sustainably manage water resources in the western United States, including through the development and implementation of innovative technologies and water management practices. The funds for these grants come from the annual federal budget allocated to the USBR.

Funding is available for States, Indian Tribes, irrigation districts, and water districts; and any state, regional, or local authority located in the Western United States or Territories as identified in the Reclamation Act of June 17, 1902, as amended, or Hawaii. The funding is split into two groups: Funding Group I and Funding Group II. Mesa Water is eligible to apply under Funding Group I to receive up to \$1MM in federal funds -- with the minimum award equaling \$100,000 -- as a 50% cost-share for planning, preliminary design, and environmental compliance activities related to a water recycling or desalination project.

USBR is currently accepting applications until February 28, 2023. USBR will evaluate applications and present awards by October 31, 2023. To be considered for funding under this grant opportunity, Mesa Water will submit its application for the Local Groundwater Supply Improvement



Project (Local SiP) to study the feasibility of new brackish groundwater wells seaward of the Talbert Barrier and a regional brackish groundwater desalter.

For an application to be considered, a resolution must be adopted by the applicant's governing body authorizing the application for a grant under this program, designating a representative to sign the application and, in the event of an award of grant funds, authorizing a representative to execute the funding agreement and all necessary documentation.

Attachment A is a draft resolution for the Board's consideration and potential adoption.

LEGAL REVIEW

Mesa Water's Legal Counsel – Atkinson, Andelson, Loya, Ruud & Romo – has reviewed the draft resolution and recommends Board approval.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Resolution No. 1574, Draft

RESOLUTION NO. 1574

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS AUTHORIZING ACTIONS FOR GRANT APPLICATION, ACCEPTANCE AND EXECUTION FOR THE MESA WATER LOCAL GROUNDWATER SUPPLY IMPROVEMENT PROJECT

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the laws of the State of California (State or California); and

WHEREAS, Mesa Water proposes to implement the Mesa Water Local Groundwater Supply Improvement Project (Local SiP), which Local SiP is described in documents on file with Mesa Water's District Secretary; and

WHEREAS, Mesa Water has the legal authority to enter into a funding agreement with the United States Department of Interior's Bureau of Reclamation; and

WHEREAS, Mesa Water intends to apply for grant funding for the Local SiP from the United States Department of Interior's Bureau of Reclamation; and

WHEREAS, Mesa Water's Board of Directors (Board) has reviewed, and supports, the grant application to be submitted to the United States Department of Interior's Bureau of Reclamation for the Local SiP; and

WHEREAS, Mesa Water will work with the United States Department of Interior's Bureau of Reclamation to meet established deadlines for entering into a grant agreement; and

WHEREAS, the Board desires to authorize all actions necessary or desirable to apply for, and obtain, such grant funding,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That pursuant and subject to all of the terms and provisions of the United States Department of Interior, Mesa Water's General Manager (General Manager) or the General Manager's designee(s), is hereby authorized and directed to prepare and file a WaterSmart: Water Recycling and Desalination Planning grant funding application with the United States Department of Interior's Bureau of Reclamation and take such other and further actions as may be necessary or appropriate to seek and obtain such grant funding for the Local SiP.

Section 2. The General Manager, or the General Manager's designee(s), is hereby authorized and directed to execute the applicable funding agreement, including any amendments and supplements thereto, with the United

States Department of Interior's Bureau of Reclamation in connection with obtaining such grant funding.

Section 3. The General Manager, or the General Manager's designee(s), is hereby authorized to submit any required information, documents, invoices and reports, and to take other related and/or necessary or desirable actions, to seek and obtain such grant funding.

Section 4. This Resolution shall take effect upon adoption by the Board.

ADOPTED, SIGNED, and APPROVED this 22nd day of February, 2023 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Shawn Dewane
President, Board of Directors

Denise Garcia
District Secretary



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MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: February 22, 2023
SUBJECT: Statement of Investment Policy

RECOMMENDATION

Adopt Resolution No. 1575 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1563.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its December 14, 2017 meeting, the Board of Directors (Board) adopted Resolution No.1506 Delegating Authority Relative to Investment or Reinvestment of Funds, and Providing for a Revised Statement of Investment Policy, Rescinding Resolution No. 1431. The resolution sets forth the delegation of such authority to its District Treasurer to invest, reinvest, sell, or exchange securities in accordance with the Statement of Investment Policy. The intention of this resolution is to maintain proper financial controls and reinforce the Board's oversight.

At its October 27, 2020 meeting, the Board reviewed the Statement of Investment Policy and no changes were suggested at the time.

At its April 27, 2021 Committee meeting, the Board adopted Resolution No. 1540 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1506. The resolution updates Mesa Water District's (Mesa Water®) authorized investment limits to match those allowed by State law.

At its February 9, 2022 meeting, the Board approved the administrative changes to Resolution No. 1563 Statement of Investment Policy to reflect the same data on both the resolution and Exhibit B; approved Mesa Water District's authorized limits to match those allowed by statute including investing no more than 10 percent of its total investment assets in the commercial paper of any single issuer; and adopted Resolution No.1563 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1540.

DISCUSSION

Section 53607 of the California Government Code authorizes the Board of Mesa Water to delegate such authority to its District Treasurer to invest, reinvest, sell, or exchange securities in accordance with the Statement of Investment Policy.



Mesa Water has previously adopted Resolution No. 1563, which requires that the Statement of Investment Policy be reviewed on an annual basis. The resolution was last reviewed on February 9, 2022.

LEGAL REVIEW

At the direction of the Board, staff requested that Legal Counsel conduct an annual review of the Statement of Investment Policy and compare the current policy with California Government Code to determine if there are areas where the policy does not correspond with the code.

Mesa Water's General Legal Counsel – Atkinson, Andelson, Loya, Ruud & Romo – has reviewed the resolution and the following is a brief summary of the recommended changes to continue matching current government code:

- Section 8.14 – limit the investment of mortgage-backed securities to securities that have a maximum remaining maturity of five years or less.
- Section 8.17 – change the limit of surplus funds that may be invested in commercial banks, savings banks, savings and loan associations, or credit unions from 30 percent to 50 percent of Mesa Water's funds.
- Section 8.17 (c) – add subsection 3 requiring the selected depository institution to provide Mesa Water with a monthly inventory of all deposits placed on Mesa Water's behalf, that are within the private sector entity's network.
- Section 8.17 (c) – add subsection 4 requiring that the private sector entity shall ensure that it does not place additional deposits with any depository institution that would exceed the Federal Deposit Insurance Corporation or the National Credit Union Administration Insurance limit.
- Section 8.17 (d) – add section requiring a selected depository to ensure that if it uses two or more private sector entities to assist in the placement of deposits that those additional deposits will not cause the total amount on deposit at that institution to exceed the Federal Deposit Insurance Corporation or the National Credit Union Administration Insurance limit.
- Section 17.2 – change the reporting deadline for quarterly investment reports from within 30 days to within 45 days.
- Glossary – remove the definition of Comprehensive Annual Comprehensive Financial Report and add the definition for Annual Comprehensive Financial Report.
- Formatting and grammatical updates

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Resolution No. 1575, Draft
Attachment B: Resolution No. 1563, Redline

RESOLUTION NO. 1575

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED STATEMENT OF INVESTMENT POLICY, SUPERSEDING RESOLUTION NO. 1563

WHEREAS, the Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, Mesa Water from time to time has money held by its District Treasurer/Chief Financial Officer (Treasurer/CFO) not required for the immediate necessities of Mesa Water (Investment Portfolio) and is authorized by law including, but not by way of limitation, Section 53601, *et. seq.*, of the California Government Code (Government Code or CGC), to invest moneys in the Investment Portfolio in a manner consistent with applicable State law; and

WHEREAS, Section 53607 of the Government Code authorizes the Board of Directors of Mesa Water (Board) to delegate such authority to the Treasurer/CFO to invest, reinvest, sell, or exchange securities in and for the Investment Portfolio until such time as such delegation of authority is revoked; and

WHEREAS, Mesa Water has previously adopted Resolution No. 1563, delegating authority relative to such investment and reinvestment of moneys in and for the Investment Portfolio and providing for a Statement of Investment Policy; and

WHEREAS, it is the desire of the Board to renew the delegation of such authority and provide for a revised Statement of Investment Policy of Mesa Water.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That the Board does hereby delegate authority to the Treasurer/CFO to invest and reinvest funds of Mesa Water pursuant to all applicable laws, statutes, and regulations of the State as set forth in this Resolution. The Board reserves the right to provide for delegation of investment authority in the future by way of resolution or by motion.

Section 2. That the revised Statement of Investment Policy of Mesa Water is hereby adopted as set forth in Exhibit "A" attached to this Resolution, which is incorporated by this reference and shall be deemed to be effective as of February 22, 2023 and every fiscal year hereafter unless changed or modified by further action of this Board.

Section 3. That Resolution No. 1563 of Mesa Water is superseded effective February 22, 2023.

ADOPTED, SIGNED, and APPROVED this 22nd day of February 2023 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Shawn Dewane
President, Board of Directors

Denise Garcia
District Secretary

DRAFT

RESOLUTION NO. 1575

EXHIBIT A

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED STATEMENT OF INVESTMENT POLICY, SUPERSEDING RESOLUTION NO. 1563

Statement of Investment Policy
FY 2023

1.0 Policy

It is the policy of Mesa Water District (Mesa Water® or District) to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District. The investment policies and practices of Mesa Water are based upon prudent money management and shall conform to all federal, state and other applicable laws governing the investment of public funds.

Although no longer required by California Government Code (CGC) Section 53646, the District Treasurer/Chief Financial Officer (Treasurer/CFO) will render to the Board of Directors (Board) a Statement of Investment Policy (SIP) for consideration and approval at a public meeting. Any investment currently held at that time that does not meet the guidelines of this SIP, as changed from time to time by the Board, shall be exempt from the requirements of this SIP. However, at the investment's maturity or liquidation, such funds shall be reinvested only as provided by this SIP.

2.0 Scope

This Statement of Investment Policy (SIP) applies to all financial assets of Mesa Water except the California Public Employees Retirement System (CalPERS) (which has its own investment policy), Public Agencies Post-Employment Benefits Trust (which is administered by Mesa Water Resolution No. 1499), deferred compensation plan (governed by a separate Plan Document) and Certificate of Participation (COP) funds (governed by the applicable Trust Indentures, or equivalent document(s)), which are administered separately.

This SIP is set forth by Mesa Water for the following purposes:

- a. To establish a clear understanding for the Board, Finance Committee, Mesa Water management and responsible employees, citizens and third parties, of the objectives, policies and guidelines for the investment of Mesa Water's funds that are not required for immediate use.

- b. To offer guidance to investment staff, brokers and any external investment advisors on the investment of Mesa Water funds.

3.0 Objectives

Subject to the overriding requirement of compliance with all federal, state and other applicable laws governing the investment of moneys under the control of the Treasurer/CFO, and as specified in the CGC Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

3.1 Safety of Principal

Safety of principal is the foremost objective. Investments of Mesa Water shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall Investment Portfolio. To attain this objective, diversification is advisable in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Each investment transaction shall seek to ensure that capital losses are avoided, whether from issuer default, broker/dealer default or erosion of market value. Mesa Water shall seek to preserve capital by mitigating credit risk and market risk, as identified below:

3.1. A Credit Risk

Credit risk is the risk of loss due to failure of the issuer to repay an obligation. It shall be mitigated by investing in only very safe institutions and by diversifying the Investment Portfolio so that the failure of any one issuer would not unduly harm Mesa Water's cash flow.

3.1. B Market Risk

Market risk is the risk of market value fluctuations due to overall changes in the general level of interest rates and shall be mitigated by:

- 1) Structuring the Investment Portfolio so that securities mature at the same time major cash outflows occur, thereby eliminating the need to sell securities prior to their maturity; and
- 2) Prohibiting the selling of securities that Mesa Water does not own (taking short positions); and
- 3) Limiting the maximum maturity of any one security in the Investment Portfolio to five years.

It is explicitly recognized that, in a diversified investment portfolio, occasional market value losses may be inevitable even in investments to be held to maturity. Such losses must be considered within the context of overall investment return.

3.2 Liquidity

Mesa Water's Investment Portfolio will remain sufficiently liquid to enable the District to meet all operating and emergency requirements, which might be reasonably anticipated.

An amount equal to the adopted levels of the Operating Fund and Working Capital Cash will be kept fully liquid at all times.

3.3 Return on Investments

State of California (State) law requires that the objective of return on investments be subordinate to the objectives of safety and liquidity. Mesa Water's Investment Portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, taking into account Mesa Water's investment risk constraints and the cash flow characteristics and requirements of Mesa Water's funds and of the portfolio.

Whenever possible, consistent with risk limitations and prudent investment principles, Mesa Water shall make an effort to achieve returns at the market average rate of return, defined, for the purpose of this SIP, as the average rate of return on three-month United States Treasury Bills or other benchmarks, as appropriate, depending on the make-up of the portfolio.

4.0 Delegation of Authority

Authority to manage Mesa Water's investment program is derived from Section 53607 of the CGC, which authorizes the Board to delegate authority to invest, reinvest, sell or exchange securities for a period of one year. This responsibility may be delegated to the Treasurer/CFO (by Board action), who shall establish written procedures for the administration of this SIP. The Board may renew this delegation pursuant to State law each year.

The Board, General Manager, Treasurer/CFO and District Secretary shall be signatories on all accounts at commercial banks, the Orange County Treasurer's Money Market Investment Pool (OCIP) and at the State managed Local Agency Investment Fund (LAIF), to access accounts for these and other authorized investments consistent with this SIP.

5.0 Prudence

Investments shall be made in the context of the "Prudent Investor" standard pursuant to CGC Section 53600.3, which states in relevant part:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the

agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”

Mesa Water employees, acting in accordance with the provisions of the written policies and procedures of Mesa Water and this SIP, and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided that deviations from expectations are reported to the Finance Committee at the next regularly scheduled Finance Committee meeting, but within 30 days, and that appropriate action is taken to control adverse developments.

6.0 Ethics and Conflicts of Interest

The Treasurer/CFO and other Mesa Water Officers and employees involved in the investment process shall refrain from personal business activity(ies) that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. The Treasurer/CFO and investment employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the Investment Portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Mesa Water.

During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer/CFO or investment employees to make impartial decisions, Mesa Water’s General Manager and Board will be notified as soon as practicable upon discovery of the event.

The Treasurer/CFO is required to file annual disclosure statements as required by the Fair Political Practices Commission (FPPC).

7.0 Authorized Financial Dealers and Institutions

Mesa Water shall transact business only with commercial banks, savings and loans, LAIF, OCIP and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, or a savings association or Federal Association (as defined by Section 5102 of the Financial Code).

The Treasurer/CFO shall investigate all institutions that wish to do business with Mesa Water in order to determine if they are adequately capitalized, make markets in securities appropriate to Mesa Water’s needs and agree to abide by the conditions set forth in this SIP.

The Treasurer/CFO shall maintain a list of broker/dealers and institutions authorized to provide investment services and shall conduct an annual review of the financial condition

of qualified institutions. In addition, a current financial statement is required to be on file for each qualified institution.

8.0 Authorized and Suitable Investments

Authorized investments are stated in the CGC Sections 16429.1, 53601, 53635 and 53649. Mesa Water's authorized investments are more restrictive than the investments authorized by law.

The following investments are authorized under this Statement of Investment Policy:

- 8.1** United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- 8.2** Bonds issued by Mesa Water, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by Mesa Water or by a department, board, agency, or authority of Mesa Water.
- 8.3** Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- 8.4** Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in these bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- 8.5** United States agencies, federal agency or United States Government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 8.6** Registered State warrants or treasury notes or bonds of the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State.
- 8.7** Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the

local agency, or by a department, board, agency, or authority of the local agency.

- 8.8** Purchases of Banker Acceptances, which may not exceed 180 days maturity or 40 percent of the agency's money and no more than 30 percent of the agency's money, may be invested in the banker's acceptances of any one commercial bank.
- 8.9** Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by a Nationally Recognized Statistical Rating Organization (NRSRO). Issuing entities must meet the following criteria in either (1) or (2): (1) entities that are organized and operating within the United States as a general corporation and have total assets in surplus of five hundred million dollars (\$500,000,000) and have an "A" or higher rating (or equivalent) for the issuer's debt, other than commercial paper, if any, as provided for by a NRSRO; or (2) entities that are organized within the United States as a special purpose corporation, trust, or limited liability company and have program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or a surety bond, and have commercial paper that is rated "A-1" or higher, or equivalent, by an NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of Mesa Water's Investment Portfolio at any time. Mesa Water may invest no more than 10 percent of its total investment assets in the commercial paper of any single issuer.
- 8.10** Negotiable certificates of deposits issued by a nationally or state-chartered bank, a savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the Investment Portfolio and the maximum maturity date shall not exceed five years, and are subject to the limitations of CGC Section 53601(i).
- 8.11** Investments in repurchase agreements may be made on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102 percent of the value of the repurchase agreement.

Reverse repurchase agreements or securities lending agreements may be utilized only when all the conditions in CGC Section 53601(j) are met.

- 8.12** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this

subdivision shall be rated “A” or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of Mesa Water’s money that may be invested pursuant to CGC Section 53601 and Mesa Water’s SIP. Mesa Water may invest no more than 10 percent of its total investment assets in the medium-term notes of any single issuer.

8.13 Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by CGC Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by CGC Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

8.14 Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer in a rating category of “AA” or its equivalent or better by a nationally recognized rating service and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of Mesa Water’s available money that may be invested.

8.15 Shares of beneficial interest issued by a joint powers authority organized pursuant to CGC Section 6509.7 and as described in CGC Section 53601(p). Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment advisor that meets all of the following criteria:

8.15. A. The advisor is registered or exempt from registration with the Securities and Exchange Commission.

8.15. B. The advisor has not less than five years of experience investing in the securities and obligations authorized in CGC Section 53601 subdivisions (a) to (q).

8.15. C. The advisor has assets under management in excess of five hundred million dollars (\$500,000,000).

8.16 United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of

five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of Mesa Water's moneys that may be invested pursuant to this section.

8.17 Notwithstanding CGC Section 53601 or any other provision of this code, Mesa Water, at its discretion, may invest a portion of its surplus funds in Certificates of Deposit Account Registry Service (CDARS) at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit, provided that the purchases of certificates of deposit pursuant to this section, CGC Section 53601.8, and subdivision (h) of Section 53601 do not, in total, exceed 50 percent of Mesa Water's funds that may be invested for this purpose. The following conditions shall apply:

(a) Mesa Water shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the "selected" depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks (savings and loan associations), or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring all of the following:

(1) The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration; and

(2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable; and

(3) At the time Mesa Water's investment with a selected depository institution and no less than monthly thereafter, the private sector entity shall ensure that Mesa Water is provided with an inventory of all depository institutions in which deposits have been placed on Mesa Water's behalf, that are within the private sector entity's network.

(4) Within its network, the private sector entity shall ensure that it does not place additional deposits from a particular local agency with any depository institution identified pursuant to CGC Section 53601.8(c) as holding that local agency's deposits if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the

Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

(d) If a selected depository uses two or more private sector entities to assist in the placement of a local agency's deposits, the selected depository shall ensure that it does not place additional deposits from a particular local agency with a depository institution if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit. (e) The selected depository institution shall serve as a custodian for each such deposit.

(f) On the same date that Mesa Water's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that Mesa Water initially deposited through the selected depository institution pursuant to subdivision (b).

(g) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or CGC Section 53601.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally-insured credit unions in one or more certificate of deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(h) The deposits placed pursuant to this section and CGC Section 53635.8 shall not, in total, exceed 50 percent of Mesa Water's funds that may be invested for this purpose.

8.18 The Local Agency Investment Fund, established by the California State Treasurer for the benefit of local agencies and identified under the CGC Section 16429.1. The maximum investment authorized is the maximum amount permitted by the State Treasurer, currently at \$75,000,000 per account.

8.19 Time deposits, non-negotiable and collateralized in accordance with the CGC, may be purchased through banks or savings and loan associations. The maximum maturity date shall not exceed five years.

8.20 The Orange County Treasurer's Money Market Investment Pool, established by the County of Orange. Mesa Water's investments therein will be made in accordance with the CGC Section 53684.

8.21 Shares of beneficial interest issued by diversified management companies (otherwise known as "mutual funds"), as defined in Section 23701 of the Revenue and Taxation Code, investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649. No more than 20

percent of Mesa Water's Investment Portfolio shall be invested in this option at any time. No more than 10 percent of Mesa Water's portfolio may be invested in shares of a beneficial interest of any one mutual fund.

To be eligible for investment by Mesa Water, diversified management companies shall:

- 8.21. A.** Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSRO's; and
- 8.21. B.** Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649, and with assets under management in excess of five hundred million dollars (\$500,000,000); and
- 8.21. C.** Shall not include in the purchase price of shares of beneficial interest purchased any commission that these companies may charge.

9.0 Investment Pools

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. A questionnaire shall be developed by the Treasurer/CFO that will address the following general considerations:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often and what size deposit and withdrawal.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., used by the pool/fund?
- A fee schedule and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

10.0 Prohibited Investment Vehicles and Practices

Investment staff is prohibited from investing Mesa Water's portfolio in the following:

- State laws notwithstanding, any investments not specifically described herein under Sections 8.0 through 9.0 are prohibited.
- Borrowing for investment purposes (Leverage) is prohibited.
- Buying or selling securities "on Margin" is prohibited.

- Investing in any instrument that is commonly known as a “derivative” instrument (options, futures, swaps, caps, floors, collars, U.S. Treasury zero coupon bonds, U.S. Treasury strips, interest-only bonds, interest-only strips derived from mortgage pools), or any investment that may result in a zero interest accrual, even if held to maturity, is prohibited.
- Under the provisions of CGC Section 53601.6, Mesa Water shall not invest any funds covered by this SIP in instruments known as Structured Notes (e.g., inverse floaters, leverage floaters, structured CD’s, range notes, equity-linked securities). Any such investments are prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.

11.0 Collateralization

The CGC Sections 53652 through 53667, inclusive, require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation (FDIC) insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

12.0 Safekeeping and Custody

All investment transactions, including collateral for repurchase agreements, entered into by Mesa Water shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian, acting as an agent for Mesa Water under the terms of the custody agreement, designated by the Treasurer/CFO and evidenced by safekeeping receipts.

13.0 Diversification

Mesa Water will diversify its investments by security type and institution. With the exception of U.S Treasuries, the LAIF, or the OCIP, no more than 50 percent of Mesa Water’s total Investment Portfolio will be invested in a single security type or with a single financial institution.

14.0 Maximum Maturities

To the extent practical, Mesa Water will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, Mesa Water will not directly invest in securities maturing more than five years from the date of purchase.

15.0 Internal Controls and External Review

The Treasurer/CFO shall maintain a system of internal controls in order to assure compliance with Mesa Water’s written policies and procedure, this SIP, and also including but not limited to prior authorization and approvals, properly designed records, security of assets and records, segregation of incompatible duties, periodic reconciliations, periodic verification and timely preparation of reports in conformance with Section 17.0 hereof.

As part of Mesa Water's annual audit, the external auditor retained by the Board shall review the internal controls. The external audit shall provide those reviews and opinions as are required for the independent auditor's reports. The Board reserves the right to request additional reviews or opinions as to this SIP as the Board shall determine and direct.

16.0 Performance Standards

The Investment Portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with Mesa Water's investment risk constraints and cash flow needs.

17.0 Reporting

17.1 Monthly Transaction Report

The Treasurer/CFO shall submit a monthly report of investment transactions through the Finance Committee to Mesa Water's Board of Directors in conformance with the CGC Section 53607.

17.2 Quarterly Investment Report

The Treasurer/CFO shall submit quarterly investment reports, through the Finance Committee, to the Board, General Manager, and Mesa Water's internal auditor (Controller/Auditor) within 45 days following the end of the quarter covered by the report although no longer required by CGC Section 53646(b). For each specific investment, security, and money held by Mesa Water, these reports shall contain the following information:

- The type of investment
- Name of issuer
- Date of maturity
- Market value
- Cost of acquisition

Description of any of Mesa Water's funds, investment, or programs that are under management of contracted parties, including lending programs. With respect to all securities held by Mesa Water, and under management of an outside agency that is not also a local agency or the LAIF, the report shall also include the current market value as of the date of the report and shall include the source of this same valuation.

For local agency investments that have been placed in LAIF, created by CGC Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Financial Code Section 14858, or in Federal Deposit Insured Corporation—insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer/CFO may supply the Board, General Manager and Mesa Water's outside auditor with the most recent statement or statements

received by Mesa Water from these institutions in lieu of the specific investment, security, and money information required under this section.

A description of compliance with this SIP or an explanation of why it is not in compliance.

A statement indicating Mesa Water's ability to meet its cash flow needs for the next six months or an explanation as to why sufficient money may not be available.

18.0 Investment Policy Adoption and Periodic Review

This SIP shall be adopted by resolution of the Board. This policy shall be reviewed on an annual basis by the Treasurer/CFO and Mesa Water's Finance Committee and approved annually by the Board.

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GLOSSARY

AGENCIES: Federal agency securities and/or Government – sponsored enterprises.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report for Mesa Water District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

ASK: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance of risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

COMMERCIAL PAPER: Short-term, negotiable unsecured promissory notes of corporations.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSIP (COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION PROCEDURES): A unique nine-character identification number which serves as a "DNA" for securities and is assigned to all U.S. Government Bonds, Municipal Bonds, Negotiable Certificates of Deposit and other Securities. A CUSIP uniquely identifies the type of security and the issuer.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below the original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value; e.g., U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the federal government set up to supply credit to various classes of institutions and individuals; e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which federal funds are traded. The Federal Reserve through open-market operations currently pegs this rate.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporations' purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, DC, 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. The FHA, VA, or FMHM mortgages back Ginnie Mae securities. The term “pass-throughs” is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

MARKET CYCLE: A market cycle is defined as a period of time which includes a minimum of two consecutive quarters of falling interest rates followed by a minimum of two consecutive quarters of rising interest rates.

MARKET VALUE: The price at which a security is traded and could presumably be purchased or sold.

MATURITY: The date upon which the principal or states value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

NATIONALLY RECOGNIZED STATISTICAL-RATING ORGANIZATION (NRSRO): The credit rating agencies whose ratings are permitted to be used for investment purposes such as Moody’s Investor Service, Standard & Poor’s, and Fitch Rating.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit that can be sold in the open market prior to maturity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See ASK and BID.

ORANGE COUNTY INVESTMENT POOL (OCIP): A pooled investment vehicle for Orange County California agencies administered by the Orange County Treasurer.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: Group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include

Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state – the so-called legal list. In other states, the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital. Governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to CGC Section 53600 et seq. are trustees and therefore fiduciaries subject to the prudent person rule. Within the limitations of the CGC Section 53600 et seq. and considering individual investments as part of an overall strategy, a trustee is allowed to acquire investments as authorized by law.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this State, which has aggregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TIME CERTIFICATE OF DEPOSIT: A non-negotiable certificate of deposit that cannot be sold prior to maturity.

TOTAL RATE OF RETURN: Represents growth (or decline) in the value of a portfolio, including both capital appreciation and income, as a proportion of the starting market value.

TIME-WEIGHTED RATE OF RETURN: A modified measurement of Total Rate of Return that eliminates the effect of the timing of funds flows to and/or from a security or portfolio.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of 2 to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

YIELD TO MATURITY: The calculated rate of return based upon the present value of the cash flow from each interest payment, plus the present value of the cash flow from the investment's redemption value at maturity vs. the purchase price.

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RESOLUTION NO. 1575

EXHIBIT B

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR
REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED
STATEMENT OF INVESTMENT POLICY,
SUPERSEDING RESOLUTION NO. 1563**

Summary of Investments Authorized Under California
Government Code Sections 53601, 53684, 16429.1

Statement of Investment Policy
FY 2023

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**SUMMARY OF INVESTMENTS AUTHORIZED UNDER CALIFORNIA
GOVERNMENT CODE SECTIONS 53601, 53684, 16429.1
MESA WATER DISTRICT FY 2023 STATEMENT OF INVESTMENT POLICY**

CGC Section	Investment Type	ALLOWED BY STATUTE			AUTHORIZED BY MESA WATER DISTRICT		
		Maximum Maturity	Authorized Limit (%)	Required Rating	Maximum Maturity	Authorized Limit	Required Rating
53601(a)	Local Agency Bonds	5 Years	None	None	5 Years	None	None
53601(b)	U.S. Treasury Obligations	5 Years	None	None	5 Years	None	None
53601(c)	State of California Obligations	5 Years	None	None	5 Years	None	None
53601(d)	Other State Obligations	5 Years	None	None	5 Years	None	None
53601(e)	California Local Agency Obligations	5 Years	None	None	5 Years	None	None
53601(f)	Federal Agency or U.S. Government Obligations (GSE's)	5 Years	None	None	5Years	None	None
53601(g)	Bankers' Acceptances	180 Days	40%/30% ⁽¹⁾	None	180 Days	40%/30% ⁽¹⁾	None
53601(h)	Commercial Paper	270 Days	25% or 10% ⁽²⁾	A1/P1/F1	270 Days	25% or 10% ⁽²⁾	A1/P1/F1
53601(i)	Negotiable Certificates of Deposit ⁽⁸⁾	5 Years	30% ⁽⁷⁾	None	5 Years	30% ⁽⁷⁾	None
53601(j)	Repurchase Agreements	1 Year	None	None	1 Year	None	None
53601(j)	Reverse Repurchase Agreements	92 Days	20% of base	Various ⁽³⁾	92 Days	20% of base	Various ⁽³⁾
53601(k)	Medium-Term Notes	5 Years	30%/10% ⁽⁹⁾	A	5 Years	30%/10% ⁽⁹⁾	A
53601(l)	Mutual Funds	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾
53601(l)	Money Market Mutual Funds	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾
53601(m)	Trust Indenture or Other Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract
53601(n)	Collateralized Bank Deposits ⁽⁸⁾	5 Years	None	None	5 Years	None	None
53601 (o)	Mortgage Pass-Through Securities	5 Years	20%	AA	5 Years	20%	AA
53601 (p)	Shares of beneficial interest in JPA's	N/A	None	None	N/A	None	None
53601.8	Certificates of Deposits (CDAR's) ⁽⁸⁾	5 Years	50% ⁽¹⁰⁾	None	5 Years	50% ⁽¹⁰⁾	None
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	None	N/A	None ⁽⁶⁾	None
53684	County Pooled Investment Funds	N/A	None	None	N/A	None	None
	Time Deposits ⁽⁸⁾	5 Years	None	None	5 Years	None	None

- (1) 30% limit for one commercial bank.
- (2) 10% limit for the outstanding commercial paper of any single corporate issue.
- (3) Securities used for the agreement must have been held by the issuer for 30 days, investments can only be made with primary dealers of the Federal Reserve Bank of New York.
- (4) No more than 10% can be invested in any one fund.
- (5) Highest ranking by 2 of 3 of the nationally recognized rating agencies, and retain an investment advisor who is registered with the SEC and has at least 5 years' experience investing in securities authorized in CGC Section 53601 and 53635 with assets in excess of \$500 million.
- (6) LAIF currently allows a maximum of \$75 million per account.
- (7) No more than 30% of total funds may be invested in these CD's.
- (8) Subject to FDIC limitations. Also, subject to other limits with investments in credit unions.
- (9) No more than 10% can be invested in medium-term notes of any single issuer.
- (10) No more than 50% of total funds may be invested in these CD's.

RESOLUTION NO. ~~15631575~~

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR
REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED
STATEMENT OF INVESTMENT POLICY,
SUPERSEDING RESOLUTION NO. ~~15401563~~**

WHEREAS, the Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, Mesa Water from time to time has money held by its District Treasurer/Chief Financial Officer (Treasurer/CFO) not required for the immediate necessities of Mesa Water (Investment Portfolio) and is authorized by law including, but not by way of limitation, Section 53601, *et. seq.*, of the California Government Code (Government Code or CGC), to invest moneys in the Investment Portfolio in a manner consistent with applicable State law; and

WHEREAS, Section 53607 of the Government Code authorizes the Board of Directors of Mesa Water (Board) to delegate such authority to the Treasurer/CFO to invest, reinvest, sell, or exchange securities in and for the Investment Portfolio until such time as such delegation of authority is revoked; and

WHEREAS, Mesa Water has previously adopted Resolution No. ~~15401563~~, delegating authority relative to such investment and reinvestment of moneys in and for the Investment Portfolio and providing for a Statement of Investment Policy; and

WHEREAS, it is the desire of the Board to renew the delegation of such authority and provide for a revised Statement of Investment Policy of Mesa Water.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That the Board does hereby delegate authority to the Treasurer/CFO to invest and reinvest funds of Mesa Water pursuant to all applicable laws, statutes, and regulations of the State as set forth in this Resolution. The Board reserves the right to provide for delegation of investment authority in the future by way of resolution or by motion.

Section 2. That the revised Statement of Investment Policy of Mesa Water is hereby adopted as set forth in Exhibit "A" attached to this Resolution, which is incorporated by this reference and shall be deemed to be effective as of February ~~922, 2022-2023~~ and every fiscal year hereafter unless changed or modified by further action of this Board.

Section 3. That Resolution No. ~~1540-1563~~ of Mesa Water is superseded effective February ~~922, 2022~~2023.

ADOPTED, SIGNED, and APPROVED this ~~9th~~-22nd day of February ~~2022-2023~~ by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

~~Marice H. DePasquale~~ Shawn Dewane
President, Board of Directors

Denise Garcia
District Secretary

DRAFT

RESOLUTION NO. ~~15631575~~

EXHIBIT A

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED STATEMENT OF INVESTMENT POLICY, SUPERSEDING RESOLUTION NO. ~~15401563~~

Statement of Investment Policy
~~FY22FY 2023~~

1.0 Policy

It is the policy of Mesa Water District (Mesa Water® or District) to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District. The investment policies and practices of Mesa Water are based upon prudent money management and shall conform to all federal, state and other applicable laws governing the investment of public funds.

Although no longer required by California Government Code (CGC) Section 53646, the District Treasurer/Chief Financial Officer (Treasurer/CFO) will render to the Board of Directors (Board) a Statement of Investment Policy (SIP) for consideration and approval at a public meeting. Any investment currently held at that time that does not meet the guidelines of this SIP, as changed from time to time by the Board, shall be exempt from the requirements of this SIP. However, at the investment's maturity or liquidation, such funds shall be reinvested only as provided by this SIP.

2.0 Scope

This Statement of Investment Policy (SIP) applies to all financial assets of Mesa Water except the California Public Employees Retirement System (CalPERS) (which has its own investment policy), Public Agencies Post-Employment Benefits Trust (which is administered by Mesa Water Resolution No. 1499), deferred compensation plan (governed by a separate Plan Document) and Certificate of Participation (COP) funds (governed by the applicable Trust Indentures, or equivalent document(s)), which are administered separately.

This SIP is set forth by Mesa Water for the following purposes:

- a. To establish a clear understanding for the Board, Finance Committee, Mesa Water management and responsible employees, citizens and third parties, of the objectives, policies and guidelines for the investment of Mesa Water's funds that are not required for immediate use.

- b. To offer guidance to investment staff, brokers and any external investment advisors on the investment of Mesa Water funds.

3.0 Objectives

Subject to the overriding requirement of compliance with all federal, state and other applicable laws governing the investment of moneys under the control of the Treasurer/CFO, and as specified in the CGC Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

3.1 Safety of Principal

Safety of principal is the foremost objective. Investments of Mesa Water shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall Investment Portfolio. To attain this objective, diversification is advisable in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Each investment transaction shall seek to ensure that capital losses are avoided, whether from issuer default, broker/dealer default or erosion of market value. Mesa Water shall seek to preserve capital by mitigating credit risk and market risk, as identified below:

3.1. A Credit Risk

Credit risk is the risk of loss due to failure of the issuer to repay an obligation. It shall be mitigated by investing in only very safe institutions and by diversifying the Investment Portfolio so that the failure of any one issuer would not unduly harm Mesa Water's cash flow.

3.1. B Market Risk

Market risk is the risk of market value fluctuations due to overall changes in the general level of interest rates and shall be mitigated by:

- 1) Structuring the Investment Portfolio so that securities mature at the same time major cash outflows occur, thereby eliminating the need to sell securities prior to their maturity; and
- 2) Prohibiting the selling of securities that Mesa Water does not own (taking short positions); and
- 3) Limiting the maximum maturity of any one security in the Investment Portfolio to five years.

It is explicitly recognized that, in a diversified investment portfolio, occasional market value losses may be inevitable even in investments to be held to maturity. Such losses must be considered within the context of overall investment return.

3.2 Liquidity

Mesa Water's Investment Portfolio will remain sufficiently liquid to enable the District to meet all operating and emergency requirements, which might be reasonably anticipated.

An amount equal to the adopted levels of the Operating Fund and Working Capital Cash will be kept fully liquid at all times.

3.3 Return on Investments

State of California (State) law requires that the objective of return on investments be subordinate to the objectives of safety and liquidity. Mesa Water's Investment Portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, taking into account Mesa Water's investment risk constraints and the cash flow characteristics and requirements of Mesa Water's funds and of the portfolio.

Whenever possible, consistent with risk limitations and prudent investment principles, Mesa Water shall make an effort to achieve returns at the market average rate of return, defined, for the purpose of this SIP, as the average rate of return on three-month United States Treasury Bills or other benchmarks, as appropriate, depending on the make-up of the portfolio.

4.0 Delegation of Authority

Authority to manage Mesa Water's investment program is derived from Section 53607 of the CGC, which authorizes the Board to delegate authority to invest, reinvest, sell or exchange securities for a period of one year. This responsibility may be delegated to the Treasurer/CFO (by Board action), who shall establish written procedures for the administration of this SIP. The Board may renew this delegation pursuant to State law each year.

The Board, General Manager, Treasurer/CFO and District Secretary shall be signatories on all accounts at commercial banks, the Orange County Treasurer's Money Market Investment Pool (OCIP) and at the State managed Local Agency Investment Fund (LAIF), to access accounts for these and other authorized investments consistent with this SIP.

5.0 Prudence

Investments shall be made in the context of the "Prudent Investor" standard pursuant to CGC Section 53600.3, which states in relevant part:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the

agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”

Mesa Water employees, acting in accordance with the provisions of the written policies and procedures of Mesa Water and this SIP, and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided that deviations from expectations are reported to the Finance Committee at the next regularly scheduled Finance Committee meeting, but within 30 days, and that appropriate action is taken to control adverse developments.

6.0 Ethics and Conflicts of Interest

The Treasurer/CFO and other Mesa Water Officers and employees involved in the investment process shall refrain from personal business activity(ies) that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. The Treasurer/CFO and investment employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the Investment Portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Mesa Water.

During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer/CFO or investment employees to make impartial decisions, Mesa Water’s General Manager and Board will be notified as soon as practicable upon discovery of the event.

The Treasurer/CFO is required to file annual disclosure statements as required by the Fair Political Practices Commission (FPPC).

7.0 Authorized Financial Dealers and Institutions

Mesa Water shall transact business only with commercial banks, savings and loans, LAIF, OCIP and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, or a savings association or Federal Association (as defined by Section 5102 of the Financial Code).

The Treasurer/CFO shall investigate all institutions that wish to do business with Mesa Water in order to determine if they are adequately capitalized, make markets in securities appropriate to Mesa Water’s needs and agree to abide by the conditions set forth in this SIP.

The Treasurer/CFO shall maintain a list of broker/dealers and institutions authorized to provide investment services and shall conduct an annual review of the financial condition

of qualified institutions. In addition, a current financial statement is required to be on file for each qualified institution.

8.0 Authorized and Suitable Investments

Authorized investments are stated in the CGC Sections 16429.1, 53601, 53635 and 53649. Mesa Water's authorized investments are more restrictive than the investments authorized by law.

The following investments are authorized under this Statement of Investment Policy:

- 8.1** United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- 8.2** Bonds issued by Mesa Water, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by Mesa Water or by a department, board, agency, or authority of Mesa Water.
- 8.3** Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- 8.4** Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in these bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- 8.5** United States agencies, federal agency or United States Government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 8.6** Registered State warrants or treasury notes or bonds of the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State.
- 8.7** Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the

local agency, or by a department, board, agency, or authority of the local agency.

- 8.8** Purchases of Banker Acceptances, which may not exceed 180 days maturity or 40 percent of the agency's money and no more than 30 percent of the agency's money, may be invested in the banker's acceptances of any one commercial bank.
- 8.9** Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by a Nationally Recognized Statistical Rating Organization (NRSRO). Issuing entities must meet the following criteria in either (1) or (2): (1) entities that are organized and operating within the United States as a general corporation and have total assets in surplus of five hundred million dollars (\$500,000,000) and have an "A" or higher rating (or equivalent) for the issuer's debt, other than commercial paper, if any, as provided for by a NRSRO; or (2) entities that are organized within the United States as a special purpose corporation, trust, or limited liability company and have program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or a surety bond, and have commercial paper that is rated "A-1" or higher, or equivalent, by an NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of Mesa Water's Investment Portfolio at any time. Mesa Water may invest no more than 10 percent of its total investment assets in the commercial paper of any single issuer.
- 8.10** Negotiable certificates of deposits issued by a nationally or state-chartered bank, a savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the Investment Portfolio and the maximum maturity date shall not exceed five years, and are subject to the limitations of CGC Section 53601(i).
- 8.11** Investments in repurchase agreements may be ~~made~~ made on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102 percent of the value of the repurchase agreement.

Reverse repurchase agreements or securities lending agreements may be utilized only when all the conditions in CGC Section 53601(j) are met.

- 8.12** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this

subdivision shall be rated "A" or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of Mesa Water's money that may be invested pursuant to CGC Section 53601 and Mesa Water's SIP. Mesa Water may invest no more than 10 percent of its total investment assets in the medium-term notes of any single issuer.

8.13 Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by CGC Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by CGC Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

8.14 Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer in a rating category of "AA" or its equivalent or better by a nationally recognized rating service **and have a maximum remaining maturity of five years or less**. Purchase of securities authorized by this subdivision may not exceed 20 percent of Mesa Water's available money that may be invested.

8.15 Shares of beneficial interest issued by a joint powers authority organized pursuant to CGC Section 6509.7 and as described in CGC Section 53601(p). Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment advisor that meets all of the following criteria:

8.15. A. The advisor is registered or exempt from registration with the Securities and Exchange Commission.

8.15. B. The advisor has not less than five years of experience investing in the securities and obligations authorized in CGC Section **6509.753601 subdivisions (a) to (q)**.

8.15. C. The advisor has assets under management in excess of five hundred million dollars (\$500,000,000).

8.16 United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of

five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and shall not exceed 30 percent of Mesa Water’s moneys that may be invested pursuant to this section.

8.17 Notwithstanding CGC Section 53601 or any other provision of this code, Mesa Water, at its discretion, may invest a portion of its surplus funds in Certificates of Deposit Account Registry Service (CDARS) at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit, provided that the purchases of certificates of deposit pursuant to this section, CGC Section 53601.8, and subdivision (h) of Section 53601 do not, in total, exceed ~~30-50~~ percent of Mesa Water’s funds that may be invested for this purpose. The following conditions shall apply:

(a) Mesa Water shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the “selected” depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks (savings and loan associations), or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) ~~Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring ~~both~~-all of the following:~~

(1) ~~–The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration; and~~

(2) ~~–Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable; and~~

(3) ~~–At the time Mesa Water’s investment with a selected depository institution and no less than monthly thereafter, the private sector entity shall ensure that Mesa Water is provided with an inventory of all depository institutions in which deposits have been placed on Mesa Water’s behalf, that are within the private sector entity’s network.~~

(4) ~~–Within its network, the private sector entity shall ensure that it does not place additional deposits from a particular local agency with any depository institution identified pursuant to CGC Section 53601.8(c) as holding that local agency’s deposits if those additional deposits would result in that local agency’s total amount on deposit at that depository institution exceeding the~~

Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

(d) If a selected depository uses two or more private sector entities to assist in the placement of a local agency's deposits, the selected depository shall ensure that it does not place additional deposits from a particular local agency with a depository institution if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

(ed) The selected depository institution shall serve as a custodian for each such deposit.

(fe) On the same date that Mesa Water's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that Mesa Water initially deposited through the selected depository institution pursuant to subdivision (b).

(gf) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or CGC Section 53601.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally-insured credit unions in one or more certificate of deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(hg) –The deposits placed pursuant to this section and CGC Section 53635.8 shall not, in total, exceed 50 percent of Mesa Water's funds that may be invested for this purpose.

8.18 The Local Agency Investment Fund, established by the California State Treasurer for the benefit of local agencies and identified under the CGC Section 16429.1. The maximum investment authorized is the maximum amount permitted by the State Treasurer, currently at \$75,000,000 per account.

8.19 Time deposits, non-negotiable and collateralized in accordance with the CGC, may be purchased through banks or savings and loan associations. The maximum maturity date shall not exceed five years.

8.20 The Orange County Treasurer's Money Market Investment Pool, established by the County of Orange. Mesa Water's investments therein will be made in accordance with the CGC Section 53684.

8.21 Shares of beneficial interest issued by diversified management companies (otherwise known as "mutual funds"), as defined in Section 23701 of the Revenue and Taxation Code, investing in the securities and obligations

stated in the CGC Sections 16429.1, 53601 and 53649. No more than 20 percent of Mesa Water's Investment Portfolio shall be invested in this option at any time. No more than 10 percent of Mesa Water's portfolio may be invested in shares of a beneficial interest of any one mutual fund.

To be eligible for investment by Mesa Water, diversified management companies shall:

- 8.21. A.** Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSRO's; and
- 8.21. B.** Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649, and with assets under management in excess of five hundred million dollars (\$500,000,000); and
- 8.21. C.** Shall not include in the purchase price of shares of beneficial interest purchased any commission that these companies may charge.

9.0 Investment Pools

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. A questionnaire shall be developed by the Treasurer/CFO that will address the following general considerations:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often and what size deposit and withdrawal.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., used by the pool/fund?
- A fee schedule and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

10.0 Prohibited Investment Vehicles and Practices

Investment staff is prohibited from investing Mesa Water's portfolio in the following:

- State laws notwithstanding, any investments not specifically described herein under Sections 8.0 through 9.0 are prohibited.
- Borrowing for investment purposes (Leverage) is prohibited.

- Buying or selling securities “on Margin” is prohibited.
- Investing in any instrument that is commonly known as a “derivative” instrument (options, futures, swaps, caps, floors, collars, U.S. Treasury zero coupon bonds, U.S. Treasury strips, interest-only bonds, interest-only strips derived from mortgage pools), or any investment that may result in a zero interest accrual, even if held to maturity, is prohibited.
- Under the provisions of CGC Section 53601.6, Mesa Water shall not invest any funds covered by this SIP in instruments known as Structured Notes (e.g., inverse floaters, leverage floaters, structured CD’s, range notes, equity-linked securities). Any such investments are prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.

11.0 Collateralization

The CGC Sections 53652 through 53667, inclusive, require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation (FDIC) insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

12.0 Safekeeping and Custody

All investment transactions, including collateral for repurchase agreements, entered into by Mesa Water shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian, acting as an agent for Mesa Water under the terms of the custody agreement, designated by the Treasurer/CFO and evidenced by safekeeping receipts.

13.0 Diversification

Mesa Water will diversify its investments by security type and institution. With the exception of U.S Treasuries, the LAIF, or the OCIP, no more than 50 percent of Mesa Water’s total Investment Portfolio will be invested in a single security type or with a single financial institution.

14.0 Maximum Maturities

To the extent practical, Mesa Water will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, Mesa Water will not directly invest in securities maturing more than five years from the date of purchase.

15.0 Internal Controls and External Review

The Treasurer/CFO shall maintain a system of internal controls in order to assure compliance with Mesa Water’s written policies and procedure, this SIP, and also including but not limited to prior authorization and approvals, properly designed records, security of assets and records, segregation of incompatible duties, periodic reconciliations, periodic verification and timely preparation of reports in conformance with Section 17.0 hereof.

As part of Mesa Water's annual audit, the external auditor retained by the Board shall review the internal controls. The external audit shall provide those reviews and opinions as are required for the independent auditor's reports. The Board reserves the right to request additional reviews or opinions as to this SIP as the Board shall determine and direct.

16.0 Performance Standards

The Investment Portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with Mesa Water's investment risk constraints and cash flow needs.

17.0 Reporting

17.1 Monthly Transaction Report

The Treasurer/CFO shall submit a monthly report of investment transactions through the Finance Committee to Mesa Water's Board of Directors in conformance with the CGC Section 53607.

17.2 Quarterly Investment Report

The Treasurer/CFO shall submit quarterly investment reports, through the Finance Committee, to the Board, General Manager, and Mesa Water's internal auditor (Controller/Auditor) within ~~30-45~~ days following the end of the quarter covered by the report although no longer required by CGC Section 53646(b). For each specific investment, security, and money held by Mesa Water, these reports shall contain the following information:

- The type of investment
- Name of issuer
- Date of maturity
- Market value
- Cost of acquisition

Description of any of Mesa Water's funds, investment, or programs that are under management of contracted parties, including lending programs. With respect to all securities held by Mesa Water, and under management of an outside agency that is not also a local agency or the LAIF, the report shall also include the current market value as of the date of the ~~report, and report and~~ shall include the source of this same valuation.

For local agency investments that have been placed in LAIF, created by CGC Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Financial Code Section 14858, or in Federal Deposit Insured Corporation—insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer/CFO may supply the Board, General Manager and Mesa Water's outside auditor with the most recent statement or statements

received by Mesa Water from these institutions in lieu of the specific investment, security, and money information required under this section.

A description of compliance with this SIP or an explanation of why it is not in compliance.

A statement indicating Mesa Water's ability to meet its cash flow needs for the next six months or an explanation as to why sufficient money may not be available.

18.0 Investment Policy Adoption and Periodic Review

This SIP shall be adopted by resolution of the Board. This policy shall be reviewed on an annual basis by the Treasurer/CFO and Mesa Water's Finance Committee and approved annually by the Board.

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GLOSSARY

AGENCIES: Federal agency securities and/or Government – sponsored enterprises.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report for Mesa Water District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

ASK: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance of risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

COMMERCIAL PAPER: Short-term, negotiable unsecured promissory notes of corporations.

~~**COMPREHENSIVE ANNUAL COMPREHENSIVE FINANCIAL REPORT (CACFR):** The official annual report for Mesa Water District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.~~

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSIP (COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION PROCEDURES): A unique nine-character identification number which serves as a "DNA" for securities and is assigned to all U.S. Government Bonds, Municipal Bonds, Negotiable Certificates of Deposit and other Securities. A CUSIP uniquely identifies the type of security and the issuer.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below ~~original~~the original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value; e.g., U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the federal government set up to supply credit to various classes of institutions and individuals; e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which federal funds are traded. The Federal Reserve through open-market operations currently pegs this rate.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporations' purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other

Presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a ~~seven-member~~seven-member Board of Governors in Washington, DC, 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. The FHA, VA, or FMHM mortgages back Ginnie Mae securities. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

MARKET CYCLE: A market cycle is defined as a period of ~~time, which~~time which includes a minimum of two consecutive quarters of falling interest rates followed by a minimum of two consecutive quarters of rising interest rates.

MARKET VALUE: The price at which a security is traded and could presumably be purchased or sold.

MATURITY: The date upon which the principal or states value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NATIONALLY RECOGNIZED STATISTICAL-RATING ORGANIZATION (NRSRO): The credit rating agencies whose ratings are permitted to be used for investment purposes such as Moody's Investor Service, Standard & Poor's, and Fitch Rating.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit that can be sold in the open market prior to maturity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See ASK and BID.

ORANGE COUNTY INVESTMENT POOL (OCIP): A pooled investment vehicle for Orange County California agencies administered by the Orange County Treasurer.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: Group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. - In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state – the so-called legal list. In other states, the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital. -Governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to CGC Section 53600 et seq. are trustees and therefore fiduciaries subject to the prudent person rule. Within the limitations of the CGC Section 53600 et seq. and considering individual investments as part of an overall strategy, a trustee is allowed to acquire investments as authorized by law.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this State, which has aggregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TIME CERTIFICATE OF DEPOSIT: A non-negotiable certificate of deposit that cannot be sold prior to maturity.

TOTAL RATE OF RETURN: Represents growth (or decline) in the value of a portfolio, including both capital appreciation and income, as a proportion of the starting market value.

TIME-WEIGHTED RATE OF RETURN: A modified measurement of Total Rate of Return that eliminates the effect of the timing of funds flows to and/or from a security or portfolio.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of 2 to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

YIELD TO MATURITY: The calculated rate of return based upon the present value of the cash flow from each interest payment, plus the present value of the cash flow from the investment's redemption value at maturity vs. the purchase price.

DRAFT

RESOLUTION NO. 15631575

EXHIBIT B

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR
REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED
STATEMENT OF INVESTMENT POLICY,
SUPERSEDING RESOLUTION NO. 15401563**

Summary of Investments Authorized Under California
Government Code Sections 53601, 53684, 16429.1

Statement of Investment Policy
FY22FY 2023

DRAFT

**SUMMARY OF INVESTMENTS AUTHORIZED UNDER CALIFORNIA
GOVERNMENT CODE SECTIONS 53601, 53684, 16429.1
MESA WATER DISTRICT ~~FY22-FY 2023~~ STATEMENT OF INVESTMENT POLICY**

CGC Section	Investment Type	ALLOWED BY STATUTE			AUTHORIZED BY MESA WATER DISTRICT		
		Maximum Maturity	Authorized Limit (%)	Required Rating	Maximum Maturity	Authorized Limit	Required Rating
53601(a)	Local Agency Bonds	5 Years	None	None	5 Years	None	None
53601(b)	U.S. Treasury Obligations	5 Years	None	None	5 Years	None	None
53601(c)	State of California Obligations	5 Years	None	None	5 Years	None	None
53601(d)	Other State Obligations	5 Years	None	None	5 Years	None	None
53601(e)	California Local Agency Obligations	5 Years	None	None	5 Years	None	None
53601(f)	Federal Agency or U.S. Government Obligations (GSE's)	5 Years	None	None	5Years	None	None
53601(g)	Bankers' Acceptances	180 Days	40%/30% ⁽¹⁾	None	180 Days	40%/30% ⁽¹⁾	None
53601(h)	Commercial Paper	270 Days	25% or 10% ⁽²⁾	A1/P1/F1	270 Days	25% or 10% ⁽²⁾	A1/P1/F1
53601(i)	Negotiable Certificates of Deposit ⁽⁸⁾	5 Years	30% ⁽⁷⁾	None	5 Years	30% ⁽⁷⁾	None
53601(j)	Repurchase Agreements	1 Year	None	None	1 Year	None	None
53601(j)	Reverse Repurchase Agreements	92 Days	20% of base	Various ⁽³⁾	92 Days	20% of base	Various ⁽³⁾
53601(k)	Medium-Term Notes	5 Years	30%/10% ⁽⁹⁾	A	5 Years	30%/10% ⁽⁹⁾	A
53601(l)	Mutual Funds	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾
53601(l)	Money Market Mutual Funds	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾	N/A	20%/10% ⁽⁴⁾	Various ⁽⁵⁾
53601(m)	Trust Indenture or Other Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract
53601(n)	Collateralized Bank Deposits ⁽⁸⁾	5 Years	None	None	5 Years	None	None
53601 (o)	Mortgage Pass-Through Securities	5 Years	20%	AA	5 Years	20%	AA
53601 (p)	Shares of beneficial interest in JPA's	N/A	None	None	N/A	None	None
53601.8	Certificates of Deposits (CDAR's) ⁽⁸⁾	5 Years	30 50% ^(7,10)	None	5 Years	30 50% ^(7,10)	None
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	None	N/A	None ⁽⁶⁾	None
53684	County Pooled Investment Funds	N/A	None	None	N/A	None	None
	Time Deposits ⁽⁸⁾	5 Years	None	None	5 Years	None	None

(1) 30% limit for one commercial bank.

(2) 10% limit for the outstanding commercial paper of any single corporate issue.

(3) Securities used for the agreement must have been held by the issuer for 30 days, investments can only be made with primary dealers of the Federal Reserve Bank of New York.

(4) No more than 10% can be invested in any one fund.

(5) Highest ranking by 2 of 3 of the nationally recognized rating agencies, and retain an investment advisor who is registered with the SEC and has at least 5 years' experience investing in securities authorized in CGC Section 53601 and 53635 with assets in excess of \$500 million.

(6) LAIF currently allows a maximum of \$75 million per account.

(7) No more than 30% of total funds may be invested in these CD's.

(8) Subject to FDIC limitations. Also, subject to other limits with investments in credit unions.

(9) No more than 10% can be invested in medium-term notes of any single issuer.

~~(9)~~(10) No more than 50% of total funds may be invested in these CD's.



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Denise Garcia, Chief Administrative Officer
DATE: February 22, 2023
SUBJECT: Ordinance No. 34 - Directors Compensation and Expense Reimbursement

RECOMMENDATION

Affirm and direct staff to schedule a public hearing for the March 22, 2023 Board of Directors meeting.

STRATEGIC PLAN

- Goal #1: Provide an abundant, local, reliable and safe water supply.
- Goal #2: Perpetually renew and improve our infrastructure.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase favorable opinion of Mesa Water.
- Goal #5: Attract, develop and retain skilled employees.
- Goal #6: Provide excellent customer service.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

At its February 23, 2021 meeting, the Board of Directors (Board) directed staff to move forward with adjusting the Deferred Compensation Plan with an effective date of July 1, 2021.

At its April 27, 2021 meeting, the Board adopted Ordinance No. 31 Directors Compensation and Expense Reimbursement Superseding Ordinance No. 30 amending the deferred compensation/matching contributions (Section 4) of the ordinance and did not change the Directors compensation amounts that had been changed in Ordinance No. 30.

At its January 11, 2023 meeting, the Board adopted Ordinance No. 34 Directors' Compensation and Expense Reimbursement, setting the rate in Section 1 to \$336 effective March 12, 2023 and \$352 effective July 1, 2023.

BACKGROUND

The Board directed staff on January 11, 2023 to agendize this topic to move forward with updating the Deferred Compensation Plan.

DISCUSSION

A public hearing must be held prior to the Board taking action to increase or modify Directors' compensation. Prior to the date of the public hearing, Mesa Water is required to place an advertisement once a week for two weeks, each published with at least five days intervening between publication dates, in a local newspaper announcing the public hearing. If the Board approves the ordinance, a minimum of sixty days must elapse prior to the increase becoming effective.



FINANCIAL IMPACT

In Fiscal Year 2023, \$3000 is budgeted for Regulatory Compliance/Permits; \$355 has been spent to date.

Should the Board approve the adjustments to the Deferred Compensation Plan, the additional cost in Fiscal Year 2023 will come from Cash on Hand; staff will include the additional cost in the Fiscal Year 2024 budget.

ATTACHMENTS

Attachment A: Ordinance No. 34

ORDINANCE NO. 34

ORDINANCE OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REGARDING DIRECTORS COMPENSATION AND EXPENSE REIMBURSEMENT SUPERSEDING ORDINANCE NO. 31

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, the California Water Code (Water Code) governs compensation of the Mesa Water District Board of Directors (collectively, the “Board” and individually, a “Director”) for each day of service rendered as a Director by request of the Board, together with any expenses incurred in the performance of his or her duties required or authorized by the Board; and

WHEREAS, the Board of Directors has previously adopted Ordinance No. 31 regarding compensation for Directors attendance at Board meetings, days of service at committee meetings, attendance at conferences, seminars, and other water related agencies’ meetings and other activities, as specified by action of the Board, and the Board desires to supersede Ordinance No. 31 by adoption of this Ordinance, including the provisions hereof; and

WHEREAS, notice of the consideration of this Ordinance, and the proposed Director compensation changes set forth herein, has been provided consistent with the applicable requirements of California law; and

WHEREAS, it is the further desire of the Board to provide for reimbursement to Directors for expenses incurred in the performance of his or her duties as required or authorized by the Board.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF MESA WATER DISTRICT AS FOLLOWS:

Section 1: Board of Directors Meetings; Days of Service:

- (a) Effective March 12, 2023, sixty (60) days after the adoption of Ordinance No. 34 the compensation paid to Directors shall be Three Hundred and Thirty Six Dollars (\$336.00) per day for each day’s attendance at Board meetings, or for each day’s service rendered as a Director by request of, or with the authorization of, the Board as further set forth herein.

- (b) Effective as of July 1, 2023, the compensation paid to Directors shall be Three Hundred and Fifty Two Dollars (\$352.00) per day for each day's attendance at Board meetings, or for each day's service rendered as a Director by request of, or with the authorization of, the Board as further set forth herein.

Section 2: Meetings/Activities that Constitute Days of Service for the Purpose of Section 1: The following meetings and activities shall constitute a day of service for purposes of Section 1 of this Ordinance:

- (a) Committee and Other Agency Meetings: Committee meetings for those Directors assigned, or attending, as applicable, shall include the following:
 - (i). Engineering & Operations Committee;
 - (ii). Executive Committee;
 - (iii). Finance Committee;
 - (iv). Legislative and Public Affairs Committee;
 - (v). Other public agency meetings (including regular, adjourned regular and special meetings of the governing bodies of such public agencies as shall be designated and/or authorized by the Board from time to time); and
 - (vi). Other Mesa Water committees, including, but not limited to, *ad hoc* committees, as the Board shall designate by Board action from time to time.
- (b) Teleconferencing: Participation at any public agency meeting that is covered under Section 2(a) by teleconference, or equivalent means, shall be considered as a day of service for the purpose of this Ordinance.
- (c) Conferences and Seminars: Attendance at authorized conferences or seminars as assigned, designated and/or authorized by action of the Board.
- (d) Meetings with Agencies, Organizations, and/or Representatives Concerning or Relating to Water, Governmental or Environmental Matters or Issues: Meetings by Director(s) of or with agencies or organizations, and/or representatives of such, in or related to the public water industry or governmental or environmental matters or issues to discuss, review, and/or receive information relating to Mesa Water, Mesa Water's business or operations, governmental or environmental matters or issues and/or water industry standards, operations, policy matters and/or fiscal issues.

- (e) Other Activities Approved by Action(s) of the Board: Activities by Director(s) other than as described in Sections 2 (a), (b), (c), or (d) above, as authorized by action(s) of the Board in advance of such activity(ies).

Section 3: **Limitations:**

- (a) Maximum Number of Meetings/Days: The fee paid to the Directors shall be made for no more than one meeting per each day of service, and the maximum number of days for which any Director may receive compensation under Sections 1 or 2 hereof, in any calendar month shall be ten (10).
- (b) No Duplicate Compensation: Notwithstanding the foregoing provisions of Sections 1 or 2, any Director that receives compensation from any other entity for attendance and/or participation of any meeting(s), conference(s), seminar(s) or other activity(ies) set out in Sections 1 or 2 shall not be compensated by Mesa Water.

Section 4: **Matching Contributions:** Effective as of July 1, 2021, the District shall make a matching contribution to the Mesa Water District 401(a) Plan (401(a) Plan) on behalf of a Director equal to the amount of such Director's salary deferrals to the District's Section 401(a) deferred compensation plan but not to exceed One Thousand Five Hundred (\$1,500) per month. The General Manager, or his or her designee, is hereby directed to determine the appropriate amendments to the 401(a) Plan, if any, in order to implement the terms of this section, and shall be authorized to execute said amendments on behalf of the District.

Section 5: **Director Reimbursement(s):** In addition to the compensation described in Section 1, and subject to applicable California law, Director's expenses shall be reimbursed if they are reasonable and necessary to conduct Mesa Water's business pursuant to provisions of the Mesa Water Director reimbursement policy(ies) as adopted by the Board, as are in effect on the date the expense is incurred.

Section 6: **Authorization (Statutory Requirements):** This Ordinance is adopted pursuant to Water Code Sections 20203 and 30523. To the extent required by law, this Ordinance shall satisfy the requirements of Water Code Sections 20201 and 20202 and California Government Code Section 53232.1.

Section 7: **Effective Date:** This Ordinance No. 34 shall take effect upon adoption hereof, subject to the provisions of Section 1 and Section 4 hereof (Effective Date).

Section 8: **Superseding Prior Ordinance:** This Ordinance No. 34 shall supersede Ordinance No. 31 upon the Effective Date hereof, subject to the provisions of Section 1 and Section 2 hereof.

PASSED AND APPROVED at the regular meeting of the Board of Directors held on the 11th day of January 2023 and adopted by the following roll call vote:

AYES:	DIRECTORS:	Atkinson, Bockmiller, DePasquale, Dewane
NOES:	DIRECTORS:	
ABSTAIN:	DIRECTORS:	
ABSENT:	DIRECTORS:	Fisler

ATTEST:

DocuSigned by:
Denise Garcia
F64DD6206C8E4B5...

 Denise Garcia
 District Secretary

DocuSigned by:
Shawn Dewane
27DA17D0F23344E...

 Shawn Dewane
 President, Board of Directors

REPORTS:

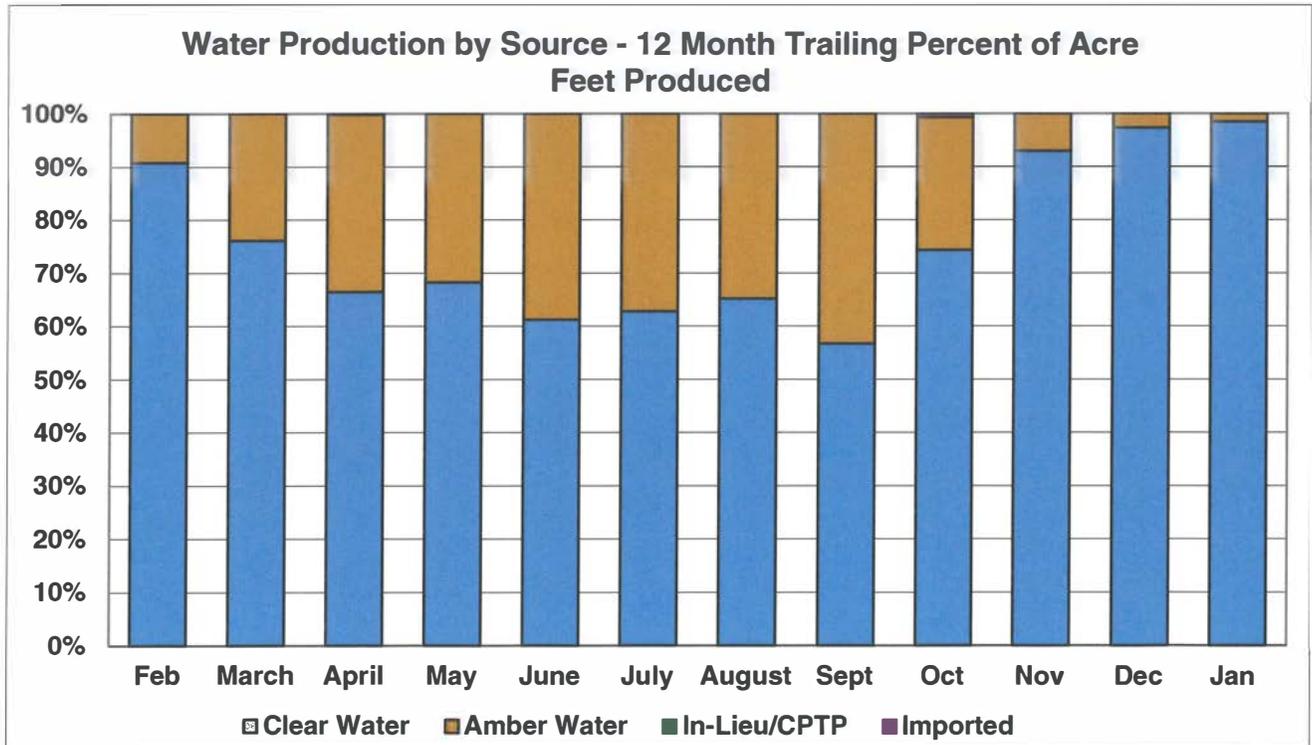
14. REPORT OF THE GENERAL MANAGER:
 - January Key Indicators Report

**Monthly Key Indicators Report
For the Month of January 2023**

**Goal #1: Provide an abundant, local, reliable and safe water supply
FY 2023 Potable Production (Acre Feet)**

Water Supply Source	FY 2023 YTD Actual (AF)	FY 2023 YTD Budget (AF)	FY 2023 Annual Budget (AF)
Clear Water	6,893	7,332	12,569
Amber Water (MWRP)	2,205	2,400	3,754
Imported	10	0	0
Basin Management Water	0	0	0
Total Production	9,108	9,732	16,323

YTD actual water production (AF) through January 31, 2023



**Monthly Key Indicators Report
For the Month of January 2023**

Goal #1: Provide an abundant, local, reliable and safe water supply

FY2023 System Water Quality – This data reflects samples taken in January.

Distribution System:	Average	Range	MCL
Chlorine Residual (mg/L) <i>Compliance</i>	1.76	0.14 – 3.14 Current RAA = 1.74	4 RAA
Coliform Positive % <i>Compliance</i>	0.781	0 - 1	5
Temperature (° F)	69.9	66 - 73	None

Reservoirs I & II:	Average	Range	MCL
Chlorine Residual (mg/L)	0.68	0.24 – 0.96	None
Monochloramine (mg/L)	0.69	0.25 – 0.95	None
Ammonia (mg/L)	0.17	0.05 – 0.26	None
Temperature (° F)	71	68 - 72	None

Wells (Treated):	Average	Range	MCL
Chlorine Residual (mg/L)	2.92	2.55 – 3.40	None
Monochloramine (mg/L)	2.91	2.67 – 3.23	None
Ammonia (mg/L)	0.63	0.53 – 0.70	None
Temperature (° F)	68.5	64 - 72	None

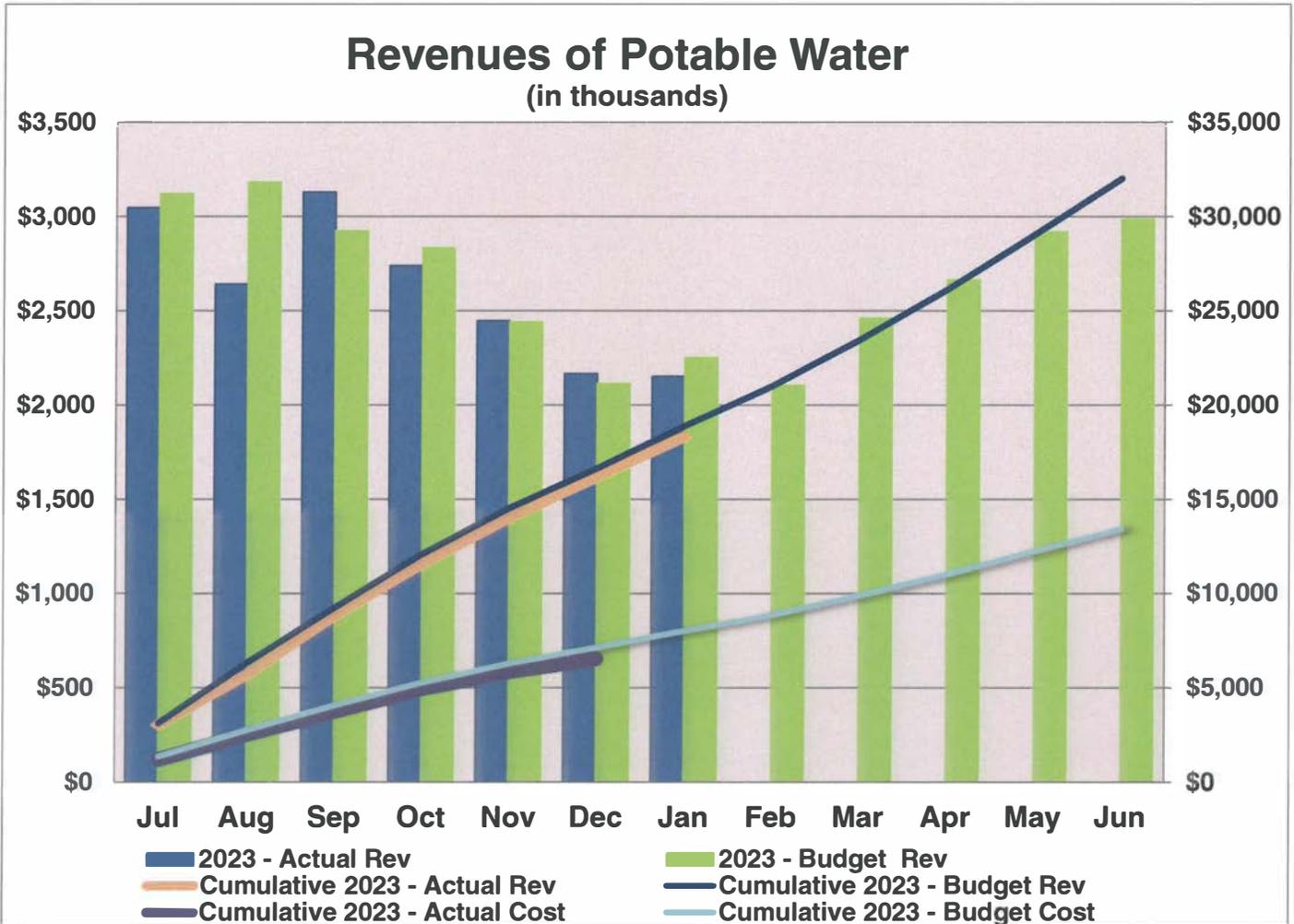
MWRF:	Average	Range	MCL
Chlorine Residual (mg/L)	2.12	1.82 – 2.41	None
Monochloramine (mg/L)	2.06	1.75 – 2.36	None
Ammonia (mg/L)	0.48	0.41 – 0.55	None
Temperature (° F)	76	73 – 78	None
Color (CU) <i>Compliance</i>	ND	ND	15
Odor (TON) <i>Compliance</i>	ND	ND	3

Water Quality Calls/Investigations:

Total Calls	3
Total Investigations (from calls)	2

**Monthly Key Indicators Report
For the Month of January 2023**

Goal #2: Perpetually renew and improve our infrastructure



	Actual	Budget	Favorable (Unfavorable)	
			Difference	%
Total YTD Revenue \$	18,318,494	18,878,150	(559,656)	(2.96%)

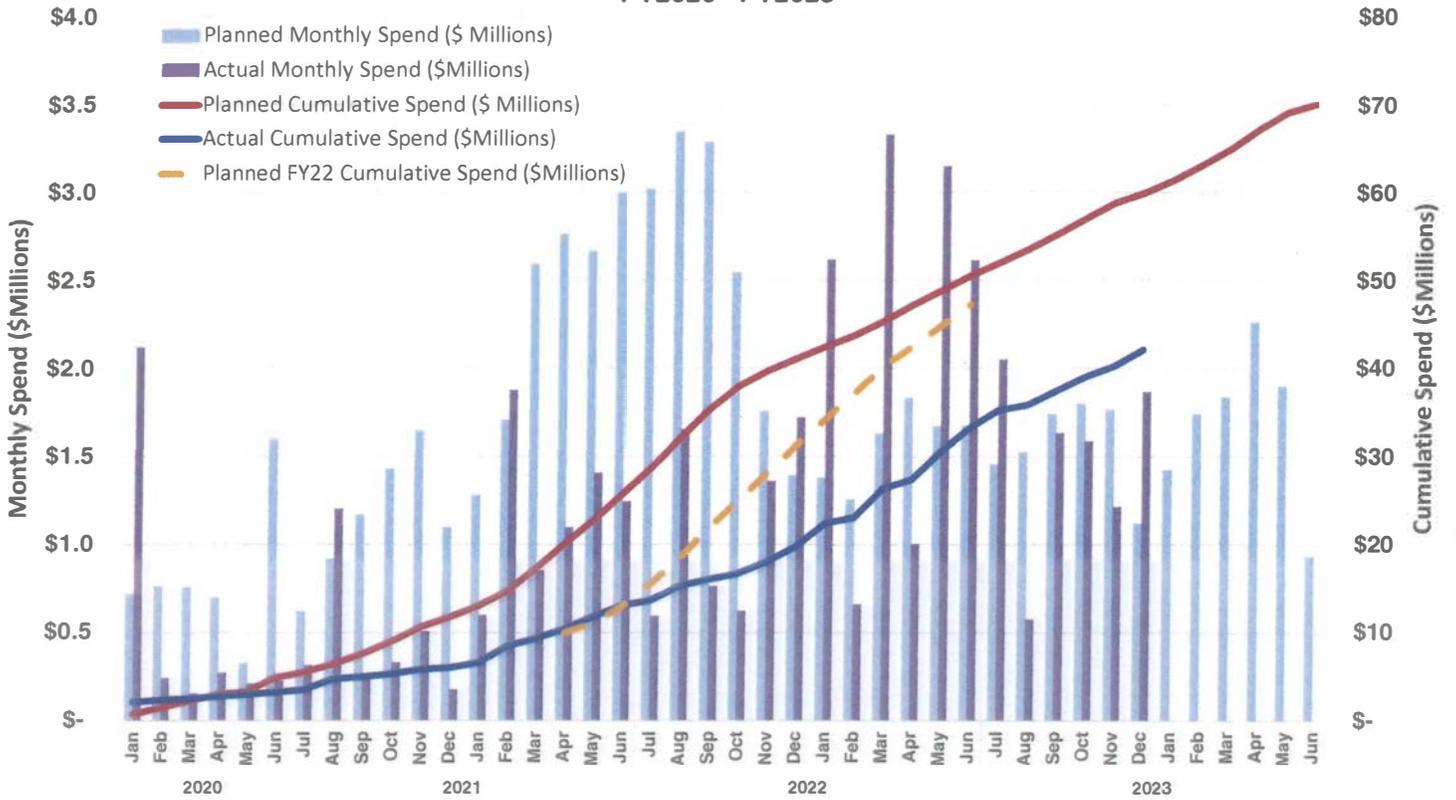
	Actual	Budget	UnFavorable (Favorable)	
			Difference	%
Total YTD Cost \$ *	6,535,201	7,127,381	(592,180)	(8.31%)

* YTD Cost is trailing YTD Revenue by one month due to the timing of when costs are available.

Monthly Key Indicators Report For the Month of January 2023

Goal #3: Be financially responsible and transparent

Mesa Water CIP Renewal FY2020 - FY2023



**Monthly Key Indicators Report
For the Month of January 2023**

Goal #4: Increase favorable opinion of Mesa Water

Web Site Information

Web Site Information	December 2022	January 2023
Visits to the web site	8,150	10,636
New visitors (First time to the site)	5,890	8,095
Average per day	262	343
Average visit length	122 seconds	88 seconds
Page visited most	Online Bill Pay	Online Bill Pay
Second most visited page	Press Releases	Press Releases
Third most visited page	Board and Committee Meetings	Human Resources
Fourth most visited page	Rates and Fees	Rates and Fees
Fifth most visited page	Contact Us	Contact Us
Most downloaded file	2022 Water Quality Report	2022 Water Quality Report
Second most downloaded file	Salary Table	Salary Table
Most active day of the week	Thursday	Tuesday
Least active day of the week	Sunday	Saturday

Total visits since July 1, 2002	<u>1,768,508</u>
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Water Vending Machine Information

Vending Machine Location	Vend Measurement	January 2023 Vends	Totals Vends
Mesa Water Office	1 gal	4,878	617,706

**Monthly Key Indicators Report
For the Month of January 2023**

Goal #5: Attract, develop and retain skilled employees

DEPARTMENT:	FY 2023			COMMENTS:
	BUDGET	FILLED	VACANT	
OFFICE OF THE GENERAL MANAGER:				
General Manager	1.00	1.00	0.00	
Business Administrator	1.00	1.00	0.00	
Subtotal	2.00	2.00	0.00	
ADMINISTRATIVE SERVICES:				
Administrative Services	5.00	5.00	0.00	
Subtotal	5.00	5.00	0.00	
CUSTOMER SERVICES:				
Conservation	1.00	0.00	1.00	Water Use Efficiency Analyst - <i>vacant; on hold.</i>
Customer Service	4.00	4.00	0.00	
Subtotal	5.00	4.00	1.00	
ENGINEERING:				
Engineering	4.00	4.00	0.00	
Subtotal	4.00	4.00	0.00	
FINANCIAL SERVICES:				
Financial Reporting/ Purchasing	4.00	3.00	1.00	Buyer / Sr. Buyer - <i>vacant; recruitment in process.</i>
Accounting	1.00	1.00	0.00	
Subtotal	5.00	4.00	1.00	
HUMAN RESOURCES:				
Human Resources	2.00	2.00	0.00	
Subtotal	2.00	2.00	0.00	
PUBLIC AFFAIRS:				
Outreach, Education & Communications	1.50	1.50	0.00	
Subtotal	1.50	1.50	0.00	
WATER OPERATIONS:				
Supervision/Support	8.00	8.00	0.00	Senior Operator - <i>vacant; recruitment in process.</i>
Distribution	10.00	8.00	2.00	
Field Services	5.00	5.00	0.00	Senior Operator - <i>vacant; recruitment in process.</i>
Production	4.00	3.00	1.00	
Water Quality	2.00	2.00	0.00	
Subtotal	29.00	26.00	3.00	
WATER POLICY:				
Legislative & Governmental Affairs	1.50	1.50	0.00	
Subtotal	1.50	1.50	0.00	
* TOTAL BUDGETED POSITIONS:	55.00	50.00	5.00	

**Monthly Key Indicators Report
For the Month of January 2023**

Goal #6: Provide excellent customer service

Customer Calls

Call Type	FY23 YTD	January 2022	YTD Weekly Average
General Billing Question	1167	145	39
Service Requests	972	128	32
High Bill	1118	152	37
Payments	1490	196	50
Late Fee	708	167	24
Account Maintenance	407	39	14
On-Line Bill Pay	1118	185	37
Water Pressure	20	2	1
No Water	142	10	5
Conservation	207	8	7
Water Waste	166	15	6
Other (District info. other utility info. etc.)	1045	154	35
Rate Increase	32	15	1
Fluoridation	0	0	0
TOTAL CUSTOMER CALLS	8592	1216	286
AVERAGE ANSWER TIME (Seconds)	19	19	19

Online Bill Pay Customers

Customers Enrolled	FY23 YTD	January 2022	YTD Weekly Average
19654	1445	246	48

REPORTS:

15. DIRECTORS' REPORTS AND COMMENTS



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: February 22, 2023
SUBJECT: Federal Advocacy Update

RECOMMENDATION

Receive and file the Federal Advocacy Update.

STRATEGIC PLAN

Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided monthly at a Mesa Water District (Mesa Water®) Board of Directors meeting.

DISCUSSION

Attached are the Federal Advocacy Report and the list of Federal legislation and funding opportunities that Mesa Water is tracking.

FINANCIAL IMPACT

In Fiscal Year 2023, \$260,000 is budgeted for Water Policy Support Services; \$150,370 has been spent to date.

ATTACHMENTS

Attachment A: Federal Advocacy Report
Attachment B: Federal Legislation Tracker



To: Mesa Water District
From: Van Scoyoc Associates (VSA); Geoff Bowman, Pete Evich, and Ashley Strobel
Date: February 14, 2023
Subject: February 2023 Report

Mesa Water Delegation Members Assume Key Water-related Committee Roles

The House and Senate formalized several Committee positions in the 118th Congress. Mesa Water's Congressional delegation members assumed key roles on Committees which oversee federal water policy issues and spending. Those include:

- Senator Dianne Feinstein: Continues her role as Chair of the Senate Appropriations Subcommittee on Energy and Water which funds Bureau of Reclamation and Army Corps of Engineers (Corps) programs and projects.
- Senator Alex Padilla: Obtains a new role as the Chair of the Senate Environment and Public Works Subcommittee on Fisheries, Water, and Wildlife. This Subcommittee has oversight over the U.S. Environmental Protection Agency (EPA) water programs.
- Representative Katie Porter: Continues to serve on the House Natural Resources Committee, which has jurisdiction over issues and legislation related the Department of the Interior and the Bureau of Reclamation.

And, while Representative Grace Napolitano of Southern California does not represent Mesa Water's service area, it is worth noting that she will continue to serve as the Ranking Member of the House Transportation & Infrastructure's Water Resources and Environment Subcommittee, which has jurisdiction over the United States Army Corps of Engineers and EPA wastewater programs.

Colorado River Water Curtailment Proposals Released

On January 30th, Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming sent a Colorado River water use curtailment [proposal](#) to the Bureau of Reclamation. On January 31st, California sent the Bureau a [counter-proposal](#) to the other basin States' plan. The California Colorado River Board argued the proposal from the other six States, which calls for less water to flow from Lake Powell to Nevada, Arizona, and California, and for additional Lake Mead cuts, violates the Law of the Colorado River. California Natural Resources Secretary Wade Crowfoot and Senators Feinstein and Padilla argued the six States' plan would disproportionately impact California. California's proposal builds on the State's commitment to cut water use by 400,000

acre-feet through 2026. The Bureau of Reclamation plans to review the proposals and release a draft review of curtailment plans at the end of March and issue a final decision this summer.

WaterSMART Grant Opportunity Announced

On January 24th, the Bureau of Reclamation issued a WaterSMART grant [notice of funding opportunity](#) (NOFO) for the Environmental Water Resources Program. The Bureau announced \$80 million in funding through the Bipartisan Infrastructure Law will be available for projects intended to conserve and improve watershed health and increase supply. These projects include repairs of aging water infrastructure, securing dams, completing rural water projects, and restoring and protecting aquatic ecosystems. Interested applicants can apply for up to \$3 million in federal funding per project. The deadline to submit responses to the NOFO is March 28th. VSA will work with Mesa Water to identify potential projects that may be eligible for funding.

California Members Advocate for Desalination Cost Share

On February 7th, California Senators Feinstein and Padilla and Representative Mike Levin sent a [letter](#) to Bureau of Reclamation Commissioner Camille Touton asking the Agency to waive the \$30 million per-project cap for desalination projects and allowing these projects to receive the full federal cost share of 25 percent of the total project cost. The letter states that doing so would best use the \$250 million Congress appropriated for desalination projects through the Bipartisan Infrastructure Law. The letter focuses on the Doheny Desalination Project in Dana Point and ways projects as such can provide drought solutions.

EPA Announces Funding for Emerging Contaminants

On February 13th, EPA announced \$2 billion in funding through the Bipartisan Infrastructure Law (BIL) for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) Grant Program. States and territories can use the funding to address emerging contaminants in drinking water. California's statewide allocation for this round of funding – which is an allocation that includes both the FY22 and FY23 amount – is \$169,115,000. EPA additionally released the [Emerging Contaminants in Small or Disadvantaged Communities Grant Implementation](#) document to provide implementation guidance for the use of funding to address water quality challenges. States are allowed to define what constitutes “disadvantaged communities” based on affordability criteria they develop, and EPA subsequently approves.

With this announcement, which includes the formalization of the implementation guidance, States can now review and begin developing “work plans” to submit to EPA. In California, these EPA funding dollars are being routed through to the California State Water Resources Control Board.

EPA Announces Effluent Guidelines and PFAS Influent Study

On January 20th, the EPA released the pre-publication version of the [Effluent Guidelines Program Plan 15](#). The agency expressed the intent to conduct a Publicly Owned Treatment Works (POTW) Influent Study of PFAS substances. The study will collect nationwide data on industrial discharges of PFAS to POTWs by partnering with wastewater treatment facilities to

conduct national sampling. More details of the sampling strategy and an Information Collection Request will be released. Additionally, the plan laid out EPA's intention to develop effluent guidelines and pretreatment standards for landfills that discharge leachate based on the results of the Landfill Leachate Detailed Study. The schedule for the rulemaking is pending and will be published in the EPA's Regulatory Agenda.

Former Speaker Endorses Schiff for Feinstein's Senate Seat

On February 14th, Senator Dianne Feinstein announced she will not seek re-election in 2024. Feinstein, 89, is the longest serving woman in the U.S. Senate. Senator Feinstein has stated she will continue serving through the end of her term. As California elected officials begin to announce bids for Senator Feinstein's seat, former House Speaker Nancy Pelosi announced she would support Representative Adam Schiff if Senator Feinstein decides not to seek re-election. Pelosi stated that Representative Schiff "has focused on strengthening our Democracy with justice and on building an economy that works for all." She additionally supported Schiff in his first Congressional race in 2000. Along with Representative Schiff, Representative Katie Porter has also formally announced her bid. Representative Barbara Lee has expressed interest in running for the seat privately, and Representative Ro Khanna has stated he will consider running "over the next few months."

WATCH

A bill to prohibit the Corps of Engineers from issuing a permit for the Delta Conveyance Project ([H.R.924](#)) Rep. Josh Harder (D-CA)

Status: 02/10/2023 – Referred to the Subcommittee on Water Resources and Environment.

Summary: This bill would prohibit the Army Corps of Engineers from issuing a federal permit necessary for the State of California to build the Delta Conveyance Project, commonly known as the Delta Tunnel.

Working to Advance Tangible and Effective Reforms (WATER) for California Act ([H.R.215](#)) Rep. David Valadao (R-CA)

Status: 01/09/2023 – Referred to the House Committee on Natural Resources.

Summary: This bill would require the Central Valley Project and State Water Project promote more water deliveries to farmers under a 2019 Trump-era biological opinion. This legislation would also reauthorize the surface water storage project program and operations of the Central Valley and State Water Projects created in the WIIN Act.

Water Supply Permitting Coordination Act ([H.R.186](#)) Rep. Tom McClintock (R-CA)

Status: 01/09/2023 – Referred to the House Committee on Natural Resources.

Summary: This legislation would establish a framework for federal agencies that hold permitting authority to coordinate reservoir construction work and make public the construction schedules, data, and technical materials to prevent delays and create more water supply.

Protecting Our Water Rights (POWR) Act ([H.R.289](#)) Rep. Doug LaMalfa (R-CA)

Status: 01/11/2023 – Referred to the House Committee on Natural Resources.

Summary: This bill would mandate a series of requirements for the Bureau of Reclamation to follow aimed at protecting farmers and irrigators.

PFAS Accountability Act of 2021 ([H.R. 2751](#)/[S.1334](#)) Rep. Madeleine Dean D-PA/Sen. Kirsten Gillibrand D-NY

Status: 07/22/2021 – Received in the Senate and Read twice and referred to the Committee on Environment and Public Works.

Summary: This bill establishes requirements and incentives to limit the use of perfluoroalkyl and polyfluoroalkyl substances, commonly referred to as PFAS, and remediate PFAS in the environment. The bill directs the EPA to designate the PFAS perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) as a hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, thereby requiring remediation of releases of those PFAS into the environment.

Wildfire Response and Drought Resiliency Act ([H.R. 5118](#)) Rep. Joe Neguse D-CO

Status: Passed house 07/29/2022.

Summary: A legislative package that includes over 40 bills that would authorize billions of dollars in federal funding for the Departments of Interior and Agriculture for implementation of forest management, water, and climate programs. It would also expand federal disaster relief assistance and research efforts on effects of wildfire on public health, and programs to improve water efficiency and conservation in tribal and low-income communities.

Veterans Exposed to Toxic PFAS Act ([H.R. 7089/S.3851](#)) Rep. Dan Kildee D-MI/Sen. Debbie Stabenow D-MI

Status: 03/2022 – Referred to the House Veterans Affairs Subcommittee on Health.

Summary: This bill provides eligibility for Department of Veterans Affairs hospital care and medical services to veterans and their family members (including those in utero) who have specified conditions and resided at a military installation where individuals were exposed to perfluoroalkyl and polyfluoroalkyl substances, commonly known as PFAS. PFAS are man-made and may have adverse human health effects.

Support to Rehydrate the Environment, Agriculture, and Municipalities Act (STREAM) Act ([S. 4231](#)) Sen. Dianne Feinstein D-CA

Status: 05/25/2022 – Referred to the Senate Energy and Natural Resources Subcommittee on Water and Power.

Summary: This bill would expedite non-federal storage projects with less than \$250 million in federal funding, water recycling, and desalination projects by allowing the Department of the Interior to approve the projects. This provision is needed following the Water Infrastructure Improvements for the Nation Act's expiration in December 2021. Absent this provision, Congress must individually authorize all water recycling, desalination and storage projects, with the exception of projects that receive construction funding under the bipartisan infrastructure legislation.

Controlling America's Perilous Spending (CAPS) Act ([H.R. 9032](#)) Rep. Jodey Arrington R-TX

Status: 09/29/2022 – Referred to the Budget and Rules Committees.

Summary: This bill would amend the Balanced Budget and Emergency Deficit Control Act of 1985 to extend the discretionary spending limits through fiscal year 2032.



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MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: February 22, 2023
SUBJECT: State Advocacy Update

RECOMMENDATION

Receive and file the State Advocacy Update.

STRATEGIC PLAN

Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided monthly at a Mesa Water District (Mesa Water®) Board of Directors meeting.

DISCUSSION

Attached are the State Advocacy Report and the list of State legislation that Mesa Water is tracking.

FINANCIAL IMPACT

In Fiscal Year 2023, \$260,000 is budgeted for Water Policy Support Services; \$150,370 has been spent to date.

ATTACHMENTS

Attachment A: State Advocacy Report
Attachment B: State Legislative Status Report



February 14, 2023

To: Stacy Taylor, Mesa Water District

From: Dennis Albiani, Anthony Molina, Annalee Akin, California Advocates

Subject: February 2023 Report

As February dawns, lawmakers have settled into Sacramento with staffs established, hearings calendared, and policy-work beginning for the 2023-24 legislative session. At the time of this written report, there have been 832 bills introduced in the Assembly and 474 bills introduced in the Senate. Hundreds more are expected prior to the February 17th bill introduction deadline. We will continue to read, speak with authors on newly introduced bills of interest, and track legislation for Mesa Water District.

January's severe weather events, preceded by a multi-year drought, highlighted the need to prioritize water-related infrastructure projects. Three committees met during a Joint Hearing regarding "California's Preparedness for and Response to Extreme Atmospheric River Incidents." and legislation has already been introduced regarding a Water Bond voters would see on the ballot in 2024. Water rights is also an expected priority for lawmakers, as an additional hearing by the Assembly Water, Parks, and Wildlife committee has been set for February 28th titled "Adapting Water Rights to our 21st Century Climate." We will monitor this hearing and send an update when an agenda and materials are available. Please see the attached legislative status report for information regarding bills with a "watch" position we are tracking and gathering information on for Mesa Water District.

Although Democratic caucus members came to an agreement in November 2022 that Assemblymember Robert Rivas would become Speaker after June 30 of this year, Assemblymember Joaquin Arambula has made his potential bid for speakership public via various interviews and statements that he is "considering" an attempt to become Speaker. Assemblymember Arambula, a former emergency room doctor representing the Fresno area, has spoken about his budget experience being helpful given the state's financial situation and how there are caucus members who have not yet had their voices heard. There has not been a public statement made to confirm which caucus members might be supportive of this different leadership change or when another vote could take place. This is a situation we will continue to monitor and update Mesa Water District.

Budget

The Assembly Budget Subcommittee #3 will be having its first hearing on March 1 and second on March 22. The Department of Water Resources is on the agenda for the hearing on March 22. We met with Assemblymember Bennett (Ventura), the subcommittee's new chair to discuss how he plans on leading
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the committee and how he would like to utilize both his personal and budget staff for this role. We discussed his interest in water infrastructure and water quality. Assemblymember Bennett was open to finding creative ways to find funding and asked for us to bring him ideas and information.

2023 Introduced Bill Tracking

See Attachment B for the State Legislation Status Report for Mesa Water.

Legislative Hearings

On February 1, the Assembly Committee on Emergency Management, Committee on Water, Parks and Wildlife, and Committee on Utilities and Energy held a joint hearing with three panels regarding “California’s Preparedness for and Response to Extreme Atmospheric River Incidents.”

Panel 1 focused on the science and forecasting of atmospheric rivers. Dr. Daniel Swain, UCLA Institute of the Environment and Sustainability, noted that swings from very dry to very wet conditions should be expected, even though little mean precipitation change is expected. He spoke about predictions from the new tool called ARkFuture, such as how future storms might last 3-4 weeks with over 70 inches of water in the Sierra Nevada, which would be overwhelming for the state’s reservoirs.

Panel 2 focused on preparing, alerting, and protecting vulnerable populations during extreme weather incidents. Entities are working to identify uncertainties in forecasting models, as the precipitation was often higher than predicted. It was suggested that the state needs to address the complexities of private property ownership and invest in private lands by working with businesses and individuals. Issues were caused because of an inability to access waterways on private property that do not require extensive permitting. Assemblywoman Pilar Schiavo spoke about the historic investments being made in infrastructure and asked the second panel how we can make sure those investments are setting that state up for more effectively managing floods and capturing water in the future. She also asked if there was strategic planning happening now in these investments. Responses included comments about how there is no single solution, so integrated and comanaged strategic planning is happening across agencies.

The third panel focused on how infrastructure was protected and repaired during floods and high winds, as utility companies deployed emergency teams to restore power after many outages and hazard incidents.

ACWA SLC Update

The ACWA State Legislative Committee (SLC) met on January 20 and February 10, 2023.

On January 20, there was a discussion of the ACWA bills for proposed sponsorship and decisions to support various pieces of legislation already introduced. The SLC originally discussed 5 different bill proposals at their November and December 2022 meetings, however, only two of those proposals were on the agenda and fully discussed during January 20th’s meeting: (1) Service Charges on the Property Tax Bill: and (2) Water Law Judges and Adjudications. One of the five original proposals, Water Supply and flood risk reduction projects: expedited permitting, has already been introduced as SB 23 (Caballero). The proposal regarding Proposition 218 legislation was discussed although not on the agenda.

Bill Proposals Discussed

Legislative Proposal: Service Charges on the Property Tax Bill would allow water agencies to add certain fixed costs to the property tax bills instead of a monthly bill. There is currently a lack of clarity regarding which entities have this option currently, as some water districts that also provide sanitary and sewer services or have the latent authority to do so already add fixed costs on their property bill. Concerns include opening broader policy discussions that could result in negative outcomes for ACWA members, optics for ACWA as this could be seen as less transparent than a monthly bill, and whether enough ACWA members need this change. ACWA staff met with policy staff in the Senate and Assembly who expressed concerns regarding the intent of the statutes and what current statutory authority in statute.

The SLC voted to postpone further discussion and possible efforts to move this bill forward until October 2023.

Legislative Proposal: Water Law: Judges and Adjudications would require superior courts to designate judges with expertise in water law to participate in the water law judicial training program and in a water case, the superior court would be able to request specific assignments of judges with demonstrated expertise or participation in the training program to handle water cases. ACWA staff has discussed this with Judicial Council to avoid opposition to a bill that would dictate case assignments.

The SLC voted to support ACWA staff coordinating the introduction of a spot bill & concurrently submitting a letter to Judicial Council requesting it undertake a rulemaking process to adopt Rules of Court specific to water law cases. Legislation may be advanced should the rulemaking process not be successful.

Legislative Proposal: Proposition 218 Implementation would have included two options for creating issue exhaustion procedures for litigation related to compliance with Proposition 218. The SLC Committee decided to hold off due to feedback from legislative staff and timing issues in proximity to recent Proposition 218 reform via SB 323 in 2021. A workgroup will continue to fine-tune language and may hold off on efforts to find an author until 2024.

On February 10th the SLC voted to adopt a “favor” position on AB 279 (Rubio) San Gabriel Basin Water Quality Authority: annual pumping right assessment and AB 297 (Fong) Wildfires: local assistance grant program: advance payments. The SLC also discussed AB 249 (Holden) Water: schoolsites: lead testing: conservation which had a recommended position of “not-favor-unless-amended” and AB 460 (Bauer-Kahan) regarding the State Water Resources Control Board and interim relief. There was extensive discussion of AB 460 and ACWA’s approach to water rights legislation in general, as there will likely be more bills on the topic of surface water rights. The staff recommendation to differ a vote until March was agreed upon, so ACWA’s work group will continue to meet and then will bring refined ideas to the SLC at their March 3 meeting.

Regulatory

Governor Newsom Executive Order on Water Supply and Drought Responses

Governor Gavin Newsom signed an executive order on February 13 to safeguard water supplies from the effects of extreme weather. The order directs the Department of Water Resources, the State Water

Resources Control Board, and the Department of Fish and Wildlife to continue collaboration on expedited recharge project permitting and to work with local water districts to facilitate those projects. Additionally, the order directs agencies to provide recommendations on the state's drought response actions by the end of April and allows the State Water Board to reevaluate requirements for reservoir releases and diversion limitations. Please find the full text of the Executive Order [HERE](#) and a press release [HERE](#).

State Water Contractor Meeting, January 26, 2023

The State Water Contractors (SWC) Advocates group met on Wednesday, January 25 to discuss legislative priorities and events for 2023. SWC priority interests for 2023 include support for the \$140 million in the Governor's budget to complete work related to the Oroville pumped storage project, modification of budget control language to reinvest Oroville pump storage revenues in the SWP, investments in State Water Project (SWP) infrastructures, improvement of grid reliability, offsetting water rate impacts, and to provide for a stand-alone SWP public benefit investment chapter in any infrastructure/ resources/ climate resilience bond measure for the 2024 ballot.

\$2 Billion in Bipartisan Infrastructure Law Funding to States and Territories to Address Emerging Contaminants like PFAS in Drinking Water

On February 13, the US EPA announced \$2 billion for states and territories to use to prioritize infrastructure and source water treatment of pollutants such as PFAS and other emerging contaminants and to conduct water quality testing. The funding will be distributed through the EPA's Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) Grant Program with disadvantaged and small communities as the target beneficiaries. Please find more information from the EPA's press release [HERE](#) and website [HERE](#).

Colorado River Basin – Proposed Plans

Arizona, Nevada, New Mexico, Colorado, Utah and Wyoming sent a letter Monday, January 30, to the Bureau of Reclamation, which operates the major dams in the river system, to outline an alternative that builds on existing guidelines, deepens water cuts and factors in water that's lost through evaporation and transportation. This plan would require California to shoulder a substantial part of the burden, despite its relatively higher-priority water rights. Southern California water agencies would be required to cut as much as 32% of their full water allocation if Lake Mead continues dropping toward dangerously low levels. On January 31, JB Hamby, the Chairman of the Colorado River Board of California and Colorado River Commissioner sent a letter proposing cuts in a series of tiers based on Lake Mead's levels and prioritization of water supplies for human health and safety. Please find the letter from the six states [HERE](#) and the letter from California's Colorado River Commissioner [HERE](#).

State Water Project Increased Water Deliveries

The Department of Water Resources has announced the SWP will be able to increase deliveries to 29 public water agencies serving 27 million Californians due to water captures from late December 2022 and January 2023. DWR now expects to deliver 30% of requested water supplies, or 1.27 million acre-feet in 2023. This is higher than the 5% announced on December 1, 2022. Please find more information [HERE](#).

The Governor has made the following appointments:

Eric Guerra, 44, of Sacramento, has been appointed to the California Air Resources Board. Guerra has been Vice Mayor for the City of Sacramento since 2023 and a Sacramento City Councilmember since 2015. He was a Consultant for the California State Senate from 2016 to 2022.

V. Manuel Perez, 50, of Coachella, has been appointed to the California Air Resources Board. Perez has been Supervisor for the 4th District of Riverside County since 2017. He was Chief Government and Public Affairs Officer at Borrego Community Health Foundation from 2014 to 2017, a Coachella City Councilmember from 2014 to 2017 and an Assemblymember in the California State Assembly from 2008 to 2013, where he served as Majority Leader from 2012 to 2013. Perez served on the Coachella Valley Unified School District Board of Trustees from 2004 to 2008. Perez earned a Master of Education degree from the Harvard Graduate School of Education.

Bill Quirk, 77, of Union City, has been appointed to the California Air Resources Board. Quirk served as an Assemblymember for the 20th District of the California State Assembly from 2012 to 2022. He was a Hayward City Councilmember from 2004 to 2012 and a Physicist at the Lawrence Livermore National Laboratory from 1979 to 2005. Quirk was a Corporate Planner for Amdahl Corporation in 1978, a Management Consultant for McKinsey & Company from 1977 to 1978, a Climate Modeler for the NASA Goddard Institute for Space Studies from 1972 to 1977 and a Postdoctoral Fellow at the California Institute of Technology from 1970 to 1972. Quirk earned a Doctor of Philosophy degree in Astrophysics from Columbia University.

Susan A. Shaheen, 56, of Orinda, has been appointed to the California Air Resources Board. Shaheen is a Professor In-Residence in the Department of Civil and Environmental Engineering at the University of California, Berkeley and Co-Director of the Transportation Sustainability Research Center of the Institute of Transportation Studies. She held several positions at the University of California, Berkeley, including Adjunct Professor, Program Leader, Research Director, Assistant and Associate Research Engineer and Post-Doctoral Scholar. Shaheen is a member of the Executive Committee of the Transportation Research Board and the Women's Transportation Seminar.

Diane Takvorian, 71, of San Diego, has been reappointed to the California Air Resources Board, where she has served since 2016. Takvorian has been Executive Director at the Environmental Health Coalition since 1982. She was Associate Director at the Community Congress of San Diego from 1978 to 1981. Takvorian was a Lecturer at the San Diego State University School of Social Work from 1984 to 2001. Takvorian was appointed by President Obama to the Joint Public Advisory Committee, Commission on Environmental Cooperation and served from 2010 to 2014. Takvorian served as Co-Chair of the California Environmental Protection Agency Environmental Justice Advisory Committee from 2002 to 2007.

John Eisenhut, 77, of Colfax, has been reappointed to the California Air Resources Board, where he has served since 2013. Eisenhut has been Manager of Grower Relations at Hilltop Ranch Inc. since 1994 and Owner of Eisenhut Farms, almond orchards in Turlock, since 1975. He was Field Representative for the Dole Dried Fruit & Nut Co. and a Technical Staff Member at both Tecolote Research Inc. and the General Research Corporation. Eisenhut served as an Infantry Platoon Sergeant in the U.S. Army, 1st Division and is a member of the Stanislaus County Farm Bureau.

Gideon Kracov, 51, of Los Angeles, has been reappointed to the South Coast Air Quality Management District Board, where he has served since 2020. Kracov has been Owner of the Law Office of Gideon Kracov since 2004. He was a member of the State Mining and Geology Board at the Department on Conservation from 2014 to 2018. Kracov served as a Deputy City Attorney at the Los Angeles City Attorney's Office from 2002 to 2004 and was an Associate at Rose, Klein & Marias LLP from 1997 to 2002 and at Weston Benshoof LLP from 1995 to 1997.

California Advocates, Inc. Activity Report

- Followed up with stakeholders and legislative staff regarding legislation, budget, and regulatory inquiries.
- Participated in ACWA MMLG, Storage Policy Working Group, and Infrastructure Working Group meetings
- Attended budget briefings from the Department of Water Resources and Joe Stephenshaw, the Director of CA's Department of Finance
- Attended in ACWA State Legislative Committee meetings.
- Monitored joint hearing held by the Assembly Committee on Emergency Management, Committee on Water, Parks and Wildlife, and Committee on Utilities and Energy last week regarding "California's Preparedness for and Response to Extreme Atmospheric River Incidents."
- Met with Assemblymember Steve Bennett, Chair of Assembly Budget Subcommittee #3 on Climate Crisis, Resources, Energy, and Transportation to discuss his plans for the committee.

Important Dates and Deadlines for 2023

February

Feb. 17 – Last day for bills to be introduced

Feb. 20 – Presidents' Day Observed

March

March 30 – Spring Recess begins upon adjournment of this day's session

March 31 – Cesar Chavez Day Observed

April

Apr. 10 – Legislature reconvenes from Spring recess

Apr. 28 – Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house

Mesa Water District
Legislative Status Report

Watch

[AB 13](#) (Essayli R) Elections: Election Day holiday: voting by mail. (Amended: 1/26/2023 [html](#) [pdf](#))

Status: 1/30/2023-Re-referred to Com. on ELECTIONS.

Location: 1/26/2023-A. ELECTIONS

Summary: Existing law requires the statewide general election to be held on the first Tuesday after the first Monday in November of each even-numbered year. Existing law designates specific days as holidays in this state. This bill would add the first Tuesday after the first Monday in November of any even-numbered year to the list of state holidays. By increasing the duties of local officials in connection with the creation of a new state holiday, this bill would create a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 30](#) (Ward D) Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program. (

Introduced: 12/5/2022 [html](#) [pdf](#))

Status: 1/26/2023-Referred to Com. on W., P., & W.

Location: 1/26/2023-A. W.,P. & W.

Summary: Existing law establishes the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program in the Department of Water Resources. Existing law requires the department, upon an appropriation for purposes of the program, to research climate forecasting and the causes and impacts that climate change has on atmospheric rivers, to operate reservoirs in a manner that improves flood protection, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would rename that program the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO) Program. The bill would require the department to research, develop, and implement new observations, prediction models, novel forecasting methods, and tailored decision support systems to improve predictions of atmospheric rivers and their impacts on water supply, flooding, post-wildfire debris flows, and environmental conditions. The bill would also require the department to take all actions within its existing authority to operate reservoirs in a manner that improves flood protection in the state and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 62](#) (**[Mathis R](#)**) **Statewide water storage: expansion.** (Introduced: 12/6/2022 [html](#) [pdf](#))

Status: 1/26/2023-Referred to Com. on W., P., & W.

Location: 1/26/2023-A. W.,P. & W.

Summary: Existing law declares that the protection of the public interest in the development of the water resources of the state is of vital concern to the people of the state and that the state shall determine in what way the water of the state, both surface and underground, should be developed for the greatest public benefit. Existing law establishes within the Natural Resources Agency the State Water Resources Control Board and the California regional water quality control boards. Existing law requires the work of the state board to be divided into at least 2 divisions, known as the Division of Water Rights and the Division of Water Quality. This bill would establish a statewide goal to increase above- and below-ground water storage capacity by a total of 3,700,000 acre-feet by the year 2030 and a total of 4,000,000 acre-feet by the year 2040. The bill would require the state board, in consultation with the Department of Water Resources, to design and implement measures to increase statewide water storage to achieve the statewide goal. The bill would require the state board, beginning July 1, 2027, and on or before July 1 every 2 years thereafter until January 1, 2043, in consultation with the department, to prepare and submit a report to the Legislature on the progress made in designing and implementing measures to achieve the statewide goal. This bill contains other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 66](#) (**[Mathis R](#)**) **Natural Resources Agency: water storage projects: permit approval.** (Introduced: 12/6/2022 [html](#) [pdf](#))

Introduced: 12/6/2022 [html](#) [pdf](#))

Status: 2/2/2023-Referred to Com. on W., P., & W.

Location: 2/2/2023-A. W.,P. & W.

Summary: Existing law establishes the Natural Resources Agency, composed of departments, boards, conservancies, and commissions responsible for the restoration, protection, and management of the state's natural and cultural resources. Existing law establishes in the agency the Department of Water Resources, which manages and undertakes planning with regard to water resources in the state. This bill would require the agency, and each department, board, conservancy, and commission within the agency, to approve the necessary permits for specified projects within 180 days from receiving a permit application, and would deem those permits approved if approval does not occur within this time period.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

AB 249 (Holden D) **Water: schoolsites: lead testing: conservation.** (Introduced: 1/18/2023 [html](#) [pdf](#))

Status: 2/2/2023-Referred to Coms. on E.S. & T.M. and ED.

Location: 2/2/2023-A. E.S. & T.M.

Summary: Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The act requires the state board to establish a grant program, in consultation with the State Department of Education, to award grants to local educational agencies for the purposes of improving access to, and the quality of, drinking water in public schools serving kindergarten or any of grades 1 to 12, inclusive, and preschools and child daycare facilities located on public school property. This bill would require a community water system that serves a schoolsite with a building constructed before January 1, 2010, to test for lead in the potable water system of the schoolsite before January 1, 2027. The bill would require the community water system to report its findings to the applicable school or local educational agency, as specified. The bill would require the local educational agency or school, if the lead level exceeds a specified level at a schoolsite, to notify the parents and guardians of the pupils who attend the schoolsite or preschool. The bill would require the local educational agency or school to take immediate steps to make inoperable and shut down from use all fountains and faucets where the excess lead levels may exist. The bill would also require that the local educational agency or school work with the schoolsites under its jurisdiction to ensure that a potable source of drinking water is provided for pupils, as specified. The bill would require a community water system to prepare a sampling plan for each schoolsite where lead sampling is required under these provisions. By imposing additional duties on local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

AB 277 (Rodriguez D) **Extreme Weather Forecast and Threat Intelligence Integration Center.** (Introduced: 1/23/2023 [html](#) [pdf](#))

Status: 2/9/2023-Referred to Coms. on E.M. and W., P., & W.

Location: 2/9/2023-A. EMERGENCY MANAGEMENT

Summary: Existing law, the California Emergency Services Act, creates, within the office of the Governor, the Office of Emergency Services, which is responsible for addressing natural, technological, or human-caused disasters and emergencies, including responsibility for activities necessary to prevent, respond to, recover from, and mitigate the effects of emergencies and disasters to people and property. Existing law establishes the Department of Water Resources within the Natural Resources Agency and sets forth its powers and duties relating to water resources. This bill would require the office and the department to jointly establish and lead the Extreme Weather Forecast and Threat Intelligence Integration Center for the purpose of collecting, assessing, and analyzing extreme weather data and atmospheric conditions, as specified. The bill would require that the center be composed of representatives from specified organizations and would authorize the office and the department to invite other organizations to designate additional representatives, as specified. This bill contains other related provisions.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 305](#) ([Villapudua D](#)) **California Flood Protection Bond Act of 2024.** (Introduced: 1/26/2023 [html](#) [pdf](#).)

Status: 1/27/2023-From printer. May be heard in committee February 26.

Location: 1/26/2023-A. PRINT

Summary: Under existing law, various general obligation bond acts have been approved by the voters to provide funds for water projects, facilities, and programs. This bill would express the intent of the Legislature to enact subsequent legislation for a flood protection general obligation bond act, in an unspecified amount, that would be known as the California Flood Protection Bond Act of 2024, and would be submitted to the voters at the next general election.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 334](#) ([Rubio, Blanca D](#)) **Public contracts: conflicts of interest.** (Introduced: 1/30/2023 [html](#) [pdf](#).)

Status: 2/9/2023-Referred to Com. on ELECTIONS.

Location: 2/9/2023-A. ELECTIONS

Summary: Existing law prohibits members of the Legislature and state, county, district, judicial district, and city officers or employees from being financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Existing law authorizes the Fair Political Practices Commission to commence an administrative or civil action against persons who violate this prohibition, as prescribed, and includes provisions for the collection of penalties after the time for judicial review of a commission order or decision has lapsed, or if all means of judicial review of the order or decision have been exhausted. Existing law identifies certain remote interests in contracts that are not subject to this prohibition and other situations in which an official is not deemed to be financially interested in a contract. This bill would establish that an independent contractor, who meets specified requirements, is not an officer for purposes of being subject to the prohibition on being financially interested in a contract.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 397](#) ([Essayli R](#)) **California Global Warming Solutions Act of 2006: scoping plan.** (Introduced: 2/2/2023 [html](#) [pdf](#).)

Status: 2/9/2023-Referred to Com. on NAT. RES.

Location: 2/9/2023-A. NAT. RES.

Summary: The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. This bill would require the state board to include greenhouse gas emissions from wildlands and forest fires in the scoping plan.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 422](#) (Alanis R) Natural Resources Agency: statewide water storage: tracking. (

Introduced: 2/2/2023 [html](#) [pdf](#))

Status: 2/9/2023-Referred to Com. on W., P., & W.

Location: 2/9/2023-A. W.,P. & W.

Summary: Existing law establishes the Natural Resources Agency, composed of departments, boards, conservancies, and commissions responsible for the restoration, protection, and management of the state's natural and cultural resources. Existing law establishes in the agency the Department of Water Resources, which manages and undertakes planning with regard to water resources in the state. This bill would require the agency, on or before June 1, 2024, to post on its publicly available internet website information tracking the progress to increase statewide water storage, and to keep that information updated.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 453](#) (Cervantes D) District-based elections. (Introduced: 2/6/2023 [html](#) [pdf](#))

Status: 2/7/2023-From printer. May be heard in committee March 9.

Location: 2/6/2023-A. PRINT

Summary: Existing law provides for political subdivisions that encompass areas of representation within the state. With respect to these areas, public officials are generally elected by all of the voters of the political subdivision (at-large) or by districts formed within the political subdivision (district-based). Existing law requires a political subdivision that changes from an at-large method of election to a district-based election, or that establishes district-based elections, to perform various actions before a public hearing at which it votes upon an ordinance establishing district-based elections. Among these actions, the political subdivision must hold at least 2 public hearings before drawing a draft map of the proposed boundaries and at least 2 public hearings after all maps are drawn, and invite the public's input at these hearings. This bill would require a public hearing concerning district-based elections, as described above, that is consolidated with a meeting of the governing body of

the political subdivision that includes other substantive agenda items, to begin at a fixed time regardless of its order on the agenda. The bill would require the governing body to provide notice of the hearing to the public. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 480](#) ([Ting D](#)) **Surplus land.** (Introduced: 2/7/2023 [html](#) [pdf](#))

Status: 2/8/2023-From printer. May be heard in committee March 10.

Location: 2/7/2023-A. PRINT

Summary: Existing law prescribes requirements for the disposal of surplus land by a local agency, as defined, and requires, except as provided, a local agency disposing of surplus land to comply with certain notice requirements before disposing of the land or participating in negotiations to dispose of the land with a prospective transferee, particularly that the local agency send a notice of availability to specified entities that have notified the Department of Housing and Community Development of their interest in surplus land, as specified. Under existing law, if the local agency receives a notice of interest, the local agency is required to engage in good faith negotiations with the entity desiring to purchase or lease the surplus land. Existing law defines terms for purposes of these provisions, including the term “exempt surplus land,” which includes, among other things, surplus land that is put out to open, competitive bid by a local agency, as specified, for purposes of a mixed-use development that is more than one acre in area, that includes not less than 300 housing units, and that restricts at least 25% of the residential units to lower income households with an affordable sales price or an affordable rent for a minimum of 55 years for rental housing and 45 years for ownership housing. This bill would modify these provisions to require that the mixed-use development include not less than 300 residential units.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[AB 557](#) ([Hart D](#)) **Open meetings: local agencies: teleconferences.** (Introduced: 2/8/2023 [html](#) [pdf](#))

Status: 2/9/2023-From printer. May be heard in committee March 11.

Location: 2/8/2023-A. PRINT

Summary: Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency’s jurisdiction. The act

provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health, as specified. If there is a continuing state of emergency, or if state or local officials have imposed or recommended measures to promote social distancing, existing law requires a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting, and to make those findings every 30 days thereafter, in order to continue to meet under these abbreviated teleconferencing procedures. Existing law requires a legislative body that holds a teleconferenced meeting under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option. Existing law prohibits a legislative body that holds a teleconferenced meeting under these abbreviated teleconferencing procedures from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. This bill would extend the above-described abbreviated teleconferencing provisions when a declared state of emergency is in effect, or in other situations related to public health, as specified, indefinitely. The bill would also extend the period for a legislative body to make the above-described findings related to a continuing state of emergency and social distancing to not later than 45 days after the first teleconferenced meeting, and every 45 days thereafter, in order to continue to meet under the abbreviated teleconferencing procedures. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

ACA 1

(Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval. (Introduced: 12/5/2022 [html](#) [pdf](#))

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

ACA 2 (Alanis R) **Public resources: Water and Wildfire Resiliency Act of 2023.** (

Introduced: 12/5/2022 [html](#) [pdf](#))

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Existing provisions of the California Constitution require the specified use of General Fund revenues, as described. This measure would establish the Water and Wildfire Resiliency Fund within the State Treasury, and would require the Treasurer to annually transfer an amount equal to 3% of all state revenues that may be appropriated as described from the General Fund to the Water and Wildfire Resiliency Fund. The measure would require the moneys in the fund to be appropriated by the Legislature and would require that 50% of the moneys in the fund be used for water projects, as specified, and that the other 50% of the moneys in the fund be used for forest maintenance and health projects, as specified.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

SB 3 (Dodd D) **Discontinuation of residential water service: community water system.** (

Introduced: 12/5/2022 [html](#) [pdf](#))

Status: 1/18/2023-Referred to Com. on E., U. & C.

Location: 1/18/2023-S. E. U., & C.

Summary: Existing law, the Water Shutoff Protection Act, prohibits an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, from discontinuing residential service for nonpayment, as specified, and requires specified procedures before it can discontinue residential service for nonpayment. Existing law defines a community water system as a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system. This bill would expand the scope of the Water Shutoff Protection Act by requiring that it instead apply to a community water system, defined to have the same meaning as existing law. The bill would require a community water system that supplies water to 200 service connections or fewer to comply with the act's provisions on and after August 1, 2024.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

SB 23 (Caballero D) **Water supply and flood risk reduction projects: expedited permitting.** (

Amended: 2/9/2023 [html](#) [pdf](#))

Status: 2/9/2023-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 12/5/2022-S. RLS.

Summary: Existing law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or deposit or dispose of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, except under specified conditions, including requiring the entity to send written notification to the Department of Fish and Wildlife regarding the activity in the manner prescribed by the department. This bill would require a project proponent, if already required to submit a notification to the department, to complete and submit environmental documentation to the department for the activity in the notification. The bill would require the department, under prescribed circumstances, to take specified actions within 180 days, or a mutually agreed-to extension of time, of receiving notification from a project proponent. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 57](#) (**[Gonzalez D](#)**) **Utilities: extreme weather events.** (Introduced: 12/16/2022 [html](#) [pdf](#))

Status: 1/18/2023-Referred to Com. on RLS.

Location: 12/16/2022-S. RLS.

Summary: Existing law vests the Public Utilities Commission with regulatory authority over public utilities, while local publicly owned electric utilities, as defined, are under the direction of their governing boards. This bill would state the intent of the Legislature to enact future legislation to prohibit shutting off utility service during extreme weather events.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 66](#) (**[Hurtado D](#)**) **Water: predictive models and data collection.** (Introduced: 1/5/2023 [html](#) [pdf](#))

Status: 1/18/2023-Referred to Com. on RLS.

Location: 1/5/2023-S. RLS.

Summary: Existing law establishes the Department of Water Resources in the Natural Resources Agency and the State Water Resources Control Board in the California Environmental Protection Agency. Existing law requires the department, as part of updating The California Water Plan every five years, to conduct a study to determine the amount of water needed to meet the state's future needs and to recommend programs, policies, and facilities to meet those needs. This bill would state the intent of the Legislature to ensure that reliable predictive models and data collection systems are used to properly forecast and allocate surface water.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 69](#) (Cortese D) **California Environmental Quality Act: judicial and administrative proceedings: limitations.** (Introduced: 1/5/2023 [html](#) [pdf](#).)

Status: 2/10/2023-Set for hearing March 15.

Location: 1/18/2023-S. E.Q.

Calendar: 3/15/2023 9 a.m. - 1021 O Street, Room 1200 SENATE ENVIRONMENTAL QUALITY, ALLEN, BENJAMIN, Chair

Summary: The California Environmental Quality Act (CEQA) requires, among other things, a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA requires a state agency or a local agency that approves or determines to carry out a project subject to CEQA to file a notice of determination with the Office of Planning and Research or the county clerk of each county in which the project will be located, as provided. CEQA authorizes a state agency or a local agency that determines that a project is not subject to CEQA to file a notice of exemption with the office or the county clerk of each county in which the project will be located, as provided. If a person has made a written request to a public agency for a copy of a notice of determination or notice of exemption for a project before the date on which the public agency approves or determines to carry out the project, CEQA requires the public agency, no later than 5 days from the date of the public agency's action, to deposit a copy of the written notice addressed to that person in the United States mail, first-class postage prepaid. CEQA provides that the date upon which the notice is mailed does not affect the limitations periods applicable to specified actions or proceedings to attack, review, set aside, void, or annul specified acts or decisions of a public agency on the grounds of noncompliance with CEQA. The bill would require a public agency to provide both the notice and any subsequent amended, corrected, or revised notice, as specified, in response to a written request for the notice, regardless of the delivery method. By requiring a local agency to provide a copy of any subsequent amended, corrected, or revised notice, along with the notice, the bill would impose a state-mandated local program. The bill would toll, except as provided, the limitations periods applicable to specified actions or proceedings to attack, review, set aside, void, or annul specified acts or decisions of a public agency until the date on which the public agency deposits in the mail or sends by email to the requestor a copy of the notice, including any subsequent amended, corrected, or revised notice, or the date on which the public agency submits the notice to a specified state entity, as described. The bill would also require the public agency to submit the notice of determination or notice of exemption for all projects to a specified state entity within 5 days of its action on the project. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 79](#) (Nguyen R) **Coastal resources: preservation.** (Introduced: 1/12/2023 [html](#) [pdf](#).)

Status: 1/25/2023-Referred to Com. on RLS.

Location: 1/12/2023-S. RLS.

Summary: The California Coastal Act of 1976 finds and declares that the basic goals of the state for the coastal zone are to, among other things, protect, maintain, and, where feasible, enhance and

restore the overall quality of the coastal zone environment and its natural and artificial resources. This bill would provide that it is the intent of the Legislature to enact subsequent legislation that would establish policy addressing coastal preservation.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 231](#) (**[Hurtado D](#)**) **Drought modeling.** (Introduced: 1/23/2023 [html](#) [pdf](#))

Status: 2/1/2023-Referred to Com. on RLS.

Location: 1/23/2023-S. RLS.

Summary: Existing law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as The California Water Plan. Existing law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. This bill would state the intent of the Legislature to enact subsequent legislation to require the Department of Water Resources to modify its predictive models as necessary to account for California’s persistent drought.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 233](#) (**[Skinner D](#)**) **Energy: new zero-emission vehicles and electric vehicle supply equipment: bidirectional capability.** (Introduced: 1/24/2023 [html](#) [pdf](#))

Status: 2/1/2023-Referred to Com. on RLS.

Location: 1/24/2023-S. RLS.

Summary: Existing law requires the State Energy Resources Conservation and Development Commission to undertake various actions in furtherance of meeting the state’s clean energy and pollution reduction objectives, including actions related to electric vehicles. This bill would state the Legislature’s intent to enact future legislation to mandate that all new zero-emission vehicles and electric vehicle supply equipment sold in California have bidirectional capability by January 1, 2027, to the extent practical as determined by the commission.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 240](#) (**[Ochoa Bogh R](#)**) **Surplus state real property.** (Introduced: 1/25/2023 [html](#) [pdf](#))

Status: 1/26/2023-From printer. May be acted upon on or after February 25.

Location: 1/25/2023-S. RLS.

Summary: Existing law authorizes the Department of General Services to dispose of surplus state real property, as defined, as authorized by the Legislature, upon any terms and conditions and subject to any reservations and exceptions the department deems to be in the best interests of the state. Existing law requires the department to first offer surplus state real property to a local agency, as defined, and then to nonprofit affordable housing sponsors, as defined, prior to being offered for sale to private entities or individuals. Existing law requires a local agency or nonprofit affordable housing sponsor to satisfy certain requirements to be considered as a potential priority buyer of the surplus state real property, including that the local agency or nonprofit affordable housing sponsor demonstrate, to the satisfaction of the department, that the surplus state real property, or portion of that surplus state real property, is to be used by the local agency or nonprofit affordable housing sponsor for open space, public parks, affordable housing projects, or development of local government-owned facilities. Existing law authorizes the department to sell surplus state real property, or a portion of surplus state real property, to a local agency, or to a nonprofit affordable housing sponsor if no local agency is interested in the surplus state real property, for affordable housing projects at a sales price less than fair market value if the department determines that such a discount will enable the provision of housing for persons and families of low or moderate income. Existing law also authorizes the Director of General Services to transfer surplus state real property to a local agency for less than fair market value if the agency uses the surplus state real property for parks or open-space purposes. This bill would remove authorization for a local agency or nonprofit affordable housing sponsor to be considered as a potential priority buyer of surplus state real property upon demonstration that the property is to be used by the agency or sponsor for open space or a public park. The bill would, where surplus state real property that is to be used by the local agency or nonprofit affordable housing sponsor for affordable housing projects and the affordable housing project is not completed within 5 years of the date the property was acquired by the local agency or nonprofit affordable housing sponsor, require the local agency or nonprofit affordable housing sponsor to pay a penalty in the amount of 1% of the purchase price. The bill would remove authorization to transfer surplus state real property to a local agency for less than fair market value if the agency proposes to use the surplus state real property for parks or open-space purposes. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 248](#) (**[Newman D](#)**) **Political Reform Act of 1974: disclosures: candidate experience.** (

Introduced: 1/26/2023 ([html](#) [pdf](#))

Status: 1/27/2023-From printer. May be acted upon on or after February 26.

Location: 1/26/2023-S. RLS.

Summary: Existing law requires candidates to submit specified filings to declare their intent to run for elective office. Existing law, the Political Reform Act of 1974, additionally requires candidates for elective office to make various disclosures relating to a campaign for elective office. This bill would require, on or after April 1, 2024, a candidate for elective office to file with the Secretary of State, no later than the final filing date of a declaration of candidacy, a form to disclose the candidate's prior education and work history, and history of military service, if any. The filing would contain a statement, signed under penalty of perjury, that the information contained in the form is accurate to the best of the candidate's knowledge. This bill contains other related provisions and other existing

laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 251](#) ([Newman D](#)) **Political Reform Act of 1974: elected officers: conflicts of interest. (**

Introduced: 1/30/2023 [html](#) [pdf](#))

Status: 2/9/2023-Referred to Com. on E. & C.A.

Location: 2/9/2023-S. E. & C.A.

Summary: The Political Reform Act of 1974 provides for the comprehensive regulation of conflicts of interest of public officials. The act makes a knowing or willful violation of its provisions a misdemeanor. This bill would prohibit an elected officer from employment by any other elected officer with the same constituency, as provided. The bill would not apply to statewide elected officers. By expanding the scope of an existing crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 265](#) ([Hurtado D](#)) **Cybersecurity preparedness: critical infrastructure sectors. (**

Introduced: 1/31/2023 [html](#) [pdf](#))

Status: 2/9/2023-Referred to Com. on G.O.

Location: 2/9/2023-S. G.O.

Summary: Existing law, the California Emergency Services Act, among other things, creates the Office of Emergency Services (Cal OES), which is responsible for the state's emergency and disaster response services, as specified. Existing law requires Cal OES to establish the California Cybersecurity Integration Center (Cal-CSIC) with the primary mission of reducing the likelihood and severity of cyber incidents that could damage California's economy, its critical infrastructure, or public and private sector computer networks in the state. Existing law requires Cal-CSIC to provide warnings of cyberattacks to government agencies and nongovernmental partners, coordinate information sharing among these entities, assess risks to critical infrastructure information networks, enable cross-sector coordination and sharing of best practices and security measures, and support certain cybersecurity assessments, audits, and accountability programs. Existing law also requires Cal-CSIC to develop a statewide cybersecurity strategy to improve how cyber threats are identified, understood, and shared in order to reduce threats to California government, businesses, and consumers, and to strengthen cyber emergency preparedness and response and expand cybersecurity awareness and public education. This bill would require Cal OES to direct Cal-CSIC to prepare, and Cal OES to submit to the Legislature on or before January 1, 2025, a strategic, multiyear outreach plan to assist critical infrastructure sectors, as defined, in their efforts to improve cybersecurity and an evaluation of options for providing grants or alternative forms of funding to, and potential voluntary actions that do not require funding and that assist, that sector in their efforts to improve cybersecurity preparedness. The bill would make related findings and declarations.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 328](#) ([Dodd D](#)) **Political Reform Act of 1974: contribution limits.** (Introduced: 2/7/2023 [html](#) [pdf](#))

Status: 2/8/2023-From printer. May be acted upon on or after March 10.

Location: 2/7/2023-S. RLS.

Summary: The Political Reform Act of 1974 prohibits a person, other than a small contributor committee or political party committee, from making to a candidate for elective state, county, or city office, and prohibits those candidates from accepting from a person, a contribution totaling more than \$3,000 per election, as that amount is adjusted by the Fair Political Practices Commission in January of every odd-numbered year to reflect changes in the Consumer Price Index. This bill would apply those contribution limits to candidates for school district, community college district, and other special district elections. The bill would make certain other provisions of the act relating to contribution limits applicable to candidates for district office. However, the bill would authorize school districts, community college districts, and other special districts to impose contribution limits on candidates for district office that differ from the limits imposed by the act, as provided. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 336](#) ([Umberg D](#)) **State grant programs: negotiated cost rate agreements.** (Introduced: 2/7/2023 [html](#) [pdf](#))

Status: 2/8/2023-From printer. May be acted upon on or after March 10.

Location: 2/7/2023-S. RLS.

Summary: Existing law establishes the Department of General Services in the Government Operations Agency for purposes of providing centralized services of state government. Existing law establishes various state grant programs. Existing federal law provides uniform administrative requirements, cost principles, and audit requirements for federal grant awards to nonfederal entities and provides guidelines for determining direct and indirect costs, as defined, charged to federal awards. This bill would require, to the extent authorized by state and federal law, the Department of General Services to establish, by July 1, 2024, a process by which nonprofits may negotiate a state standard negotiated cost agreement, as defined, for state grants that are awarded on or after October 1, 2024. The bill would require, to the extent authorized by state and federal law, a state agency or other state entity administering a state grant program to use the same terms as contained in the grantee's existing negotiated indirect cost rate agreements, as defined, and cost allocation policies approved by the federal government, the same terms as contained in the grantee's state standard negotiated cost agreement, or a 10% de minimis indirect cost rate on direct costs, for reimbursement of direct and indirect costs, as provided.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water	DKA	Watch			

District AA

Notes 1:

[SB 337](#) (Min D) Environmental protection: biodiversity and conservation report. (

Introduced: 2/7/2023 [html](#) [pdf](#))

Status: 2/8/2023-From printer. May be acted upon on or after March 10.

Location: 2/7/2023-S. RLS.

Summary: By Executive Order No. N-82-20, Governor Gavin Newsom directed the Natural Resources Agency to combat the biodiversity and climate crises by, among other things, establishing the California Biodiversity Collaborative and conserving at least 30% of the state's lands and coastal waters by 2030. Existing law requires the Secretary of the Natural Resources Agency to prepare and submit, on or before March 31, 2024, and annually thereafter, a report to the Legislature on the progress made in the prior calendar year toward achieving the goal to conserve 30% of state lands and coastal waters by 2030. This bill would require the secretary to post the report on the agency's internet website, as provided.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 366](#) (Caballero D) The California Water Plan: long-term supply targets. (Introduced: 2/8/2023

[html](#) [pdf](#))

Status: 2/9/2023-From printer. May be acted upon on or after March 11.

Location: 2/8/2023-S. RLS.

Summary: Existing law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as the California Water Plan. Existing law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. This bill would make legislative findings and declarations and state the intent of the Legislature to enact future legislation that modernizes the California Water Plan, including the establishment of long-term water supply targets.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

[SB 414](#) (Allen D) Drought-tolerant landscaping: local incentive programs: synthetic grass: artificial turf. (Introduced: 2/9/2023

[html](#) [pdf](#))

Status: 2/10/2023-From printer. May be acted upon on or after March 12.

Location: 2/9/2023-S. RLS.

Summary: Existing law prohibits a city, including a charter city, county, and city and county, from enacting or enforcing any ordinance or regulation that prohibits the installation of drought-tolerant landscaping, synthetic grass, or artificial turf on residential property, as specified. Existing law, the Personal Income Tax Law and the Corporation Tax Law, in conformity with federal income tax law, generally defines “gross income” as income from whatever source derived, except as specifically excluded. Existing law provides, among other exclusions, an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a public water system, as defined, local government, or state agency for participation in a turf replacement water conservation program. This bill would prohibit a city, including a charter city, county, city and county, or special district, from issuing a rebate, voucher, or other financial incentive for the use of synthetic grass or artificial turf that contains contaminants, including zinc, plastic, or perfluoroalkyl and polyfluoroalkyl substances (PFAS). By establishing new requirements for local agencies, this bill would impose a state-mandated program. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Group
Mesa Water District	DKA AA	Watch			

Notes 1:

Total Measures: 32

Total Tracking Forms: 32



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: February 22, 2023
SUBJECT: Orange County Update

RECOMMENDATION

Receive and file the Orange County Update.

STRATEGIC PLAN

Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided monthly at a Mesa Water District (Mesa Water®) Board of Directors meeting.

DISCUSSION

Mesa Water's governmental relations program includes monitoring local and regional political issues and policy-setting authorities (i.e., County of Orange, Orange County Local Agency Formation Commission, etc.). Attached is the monthly Orange County report.

FINANCIAL IMPACT

In Fiscal Year 2023, \$260,000 is budgeted for Water Policy Support Services; \$150,370 has been spent to date.

ATTACHMENTS

Attachment A: The County of Orange Report

The County of Orange Report

Prepared for the Mesa Water District

February 14, 2023
by Lewis Consulting Group



Although the February meeting of LAFCO was cancelled, we can be confident there will be a busy workload through the rest of the year.

In response to the OCWD application to conduct a MSR and Sphere of Influence update on itself and an assessment of potential consolidation with MWDOC. LAFCO on January 9th released an RFP for firms to conduct such study. Submittals are due February 14, 2023 and its anticipated it will take between six months to one year to complete work.

Also, in addition to the OCWD review, there are currently three other project applications currently under review. On tap this year are reviews in 13 cities and 13 special districts.

On February 9th, the City Selection Committee deadlocked 15-15 between Fullerton City Councilmember Bruce Whitaker and Irvine Vice Mayor Tammy Kim for the vacant City MWDOC member. Another election will be held in May. However, the vacancy for the Alternate position was filled by the election of Laguna Woods Councilmember Carol Moore.



COUNTY TIDBITS

- ◆ Longtime MWDOC staff member and now board member Karl Seckel was recently appointed and sworn in as Orange County's newest Representative at MET. Seckel replaces Sat Tamaribuchi who surprisingly lost his MWDOC re-election bid.

- ◆ The blueing of Orange County continues. Republican voter registration in the County slipped another 1% in the last year compared to Democrat registration gaining a point. The new countywide figures are:

Democrat	37.5%
Republican	33.1%
Independent	23.5%
Other	5.9%

- ◆ Chairman of the County Board of Supervisors Don Wagner announced his two appointments to OC-LAFCO, himself and Supervisor Andrew Do. Also appointed as the alternate was Supervisor Katrina Foley.
- ◆ The County Board of Supervisors approved an inflation adjustment to the maximum campaign contribution a Supervisor may receive. The new limit has been increased from \$2,200 to \$2,500.



O.C. Board of Supervisors

Neither the January 24th or February 7th meetings contained substantial issues worth reporting on. The highlights of both meetings were the extensive public comments ranging from demanding an end to the relaxed voting procedure now in effect, complaints regarding animal treatment at the County shelter and raising compensation for those working in the IHSS home care system.

MET Discusses Colorado River Impasse

On February 13th Metropolitan Water discussed the current dispute over Colorado River entitlements. Population growth coupled with Western drought have led to extremely low water in Lake Powell, Lake Mead and the river itself. Unless action is taken, both reservoirs could be facing a worst case “dead pool status”. Against this backdrop, the Biden Administration asked the seven Western River states to come up with a consensus plan that would cut about one-third of the river’s total usage.

After failing to reach agreement between the seven states, two competing plans were submitted, one by the State of California and one by the six other states — Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. The six states proposed cuts are largely justified by their theory that 1.5 million acre feet is lost to evaporation. Then calculations on who should shoulder cutbacks comes largely from proposing those with the “most straws” and largest canals, i.e. California.

California has submitted a proposal which forfeits 400,000 acre feet a year going forward. This is on top of the 350,000 acre feet a year cutback when needed which started in 2019. Against this backdrop, the Federal Government will ultimately decide how water usage cuts are apportioned. In its submission letter, California reiterated its long standing senior water rights status and argued that for the time being, the lack of consensus between the states should result in a default to the Law of the River.

Since nearly 80% of California water usage supports California agriculture. If the Golden State suffers severe cutbacks, agriculture will surely be a loser. Where would agriculture water cuts be?

AGRICULTURAL VALUE

- > Dairy Products, Milk — \$7.57 billion
- > Grapes — \$5.23 billion
- > Almonds — \$5.03 billion
- > Cattle and Calves — \$3.11 billion
- > Strawberries — \$3.02 billion

- > Pistachios — \$2.91 billion
- > Lettuce — \$2.03 billion
- > Tomatoes — \$1.18 billion
- > Walnuts — \$1.02 billion
- > Rice — \$1.00 billion

WATER USAGE

- 
- A bar chart showing water usage for various agricultural products. The y-axis represents water usage in acre feet per acre, ranging from 0 to 5. The x-axis lists the products. The bars are colored in shades of green and yellow. The data points are: 1. Pasture (4.92), 2. Almonds and pistachios (4.49), 3. Alfalfa (4.48), 4. Citrus and subtropical fruits (4.23), 5. Sugar beets (3.89), 6. Other deciduous fruits (3.7), 7. Cotton (3.67), 8. Onions and garlic (2.96), 9. Potatoes (2.9), 10. Vineyards (2.85).
1. Pasture (clover, rye, bermuda and other grasses), 4.92 acre feet per acre
 2. Almonds and pistachios, 4.49 acre feet per acre
 3. Alfalfa, 4.48 acre feet per acre
 4. Citrus and subtropical fruits (grapefruit, lemons, oranges, dates, avocados, olives, jojoba), 4.23 acre feet per acre
 5. Sugar beets, 3.89 acre feet per acre
 6. Other deciduous fruits (apples, apricots, walnuts, cherries, peaches, nectarines, pears, plums, prunes, figs, kiwis), 3.7 acre feet per acre
 7. Cotton, 3.67 acre feet per acre
 8. Onions and garlic, 2.96 acre feet per acre
 9. Potatoes, 2.9 acre feet per acre
 10. Vineyards (table, raisin and wine grapes), 2.85 acre feet per acre

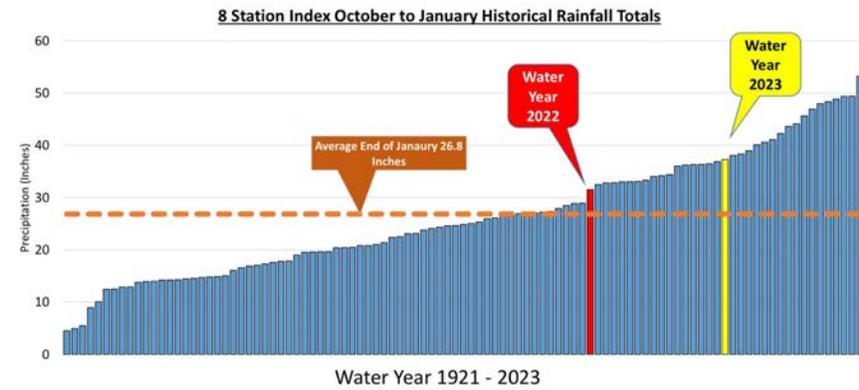
I would personally vote sugar beets off the island.

MWDOC/OCWD January 25 Joint Meeting

A joint meeting between the two agencies was held on January 25th. There was discussion regarding a future retreat to more informally discuss merger options.

However, the preponderance of time was spent on the two different presentations — the first on the Bay Delta and the second a water supply report. Both of these can be accessed on MWDOC's past meetings on their website.

Below are two charts from the water supply presentation.



Provided by the California Cooperative Snow Surveys

Data For: 10-Feb-2023

% Apr 1 Avg. / % Normal for this Date

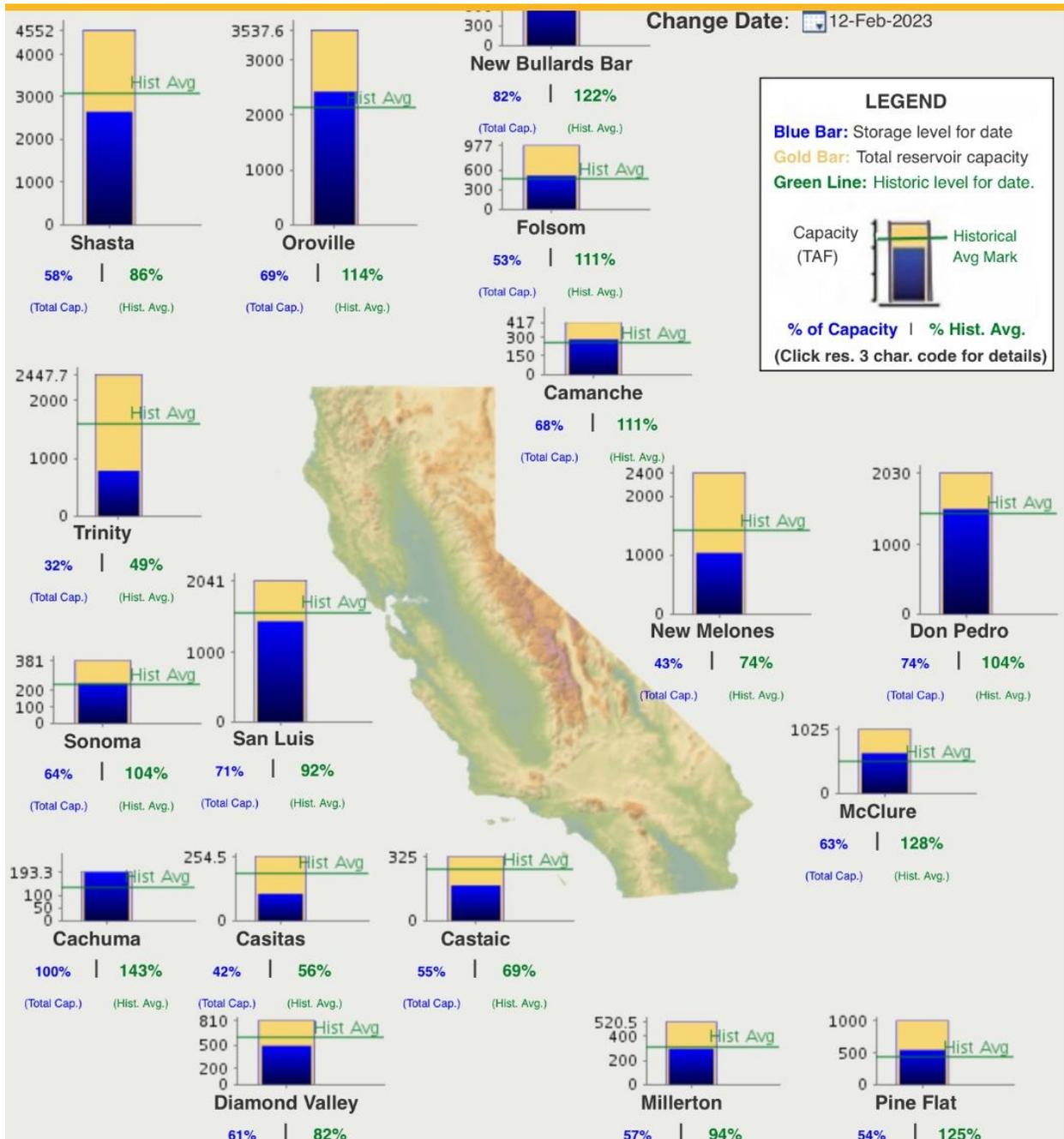


Change Date :



10-Feb-2023

California Reservoirs



In the last month there has been consistent improvement in reservoir storage levels. Oroville, which was 93% of this dates historical average is now at 114%. Shasta has improved from 74% to 86%.

CLOSED SESSION:

19. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:
California Government Code Sections 54956.9(d)(4)
Significant exposure to litigation – 1 case