

**NOTICE OF A REGULAR MEETING
OF THE OLIVENHAIN MUNICIPAL WATER
DISTRICT'S FINANCE COMMITTEE
1966 Olivenhain Road, Encinitas, CA 92024
Tel: (760) 753-6466 • Fax: (760) 753-1578
VIA TELECONFERENCE AND IN PERSON**

**Pursuant to AB 3035, effective January 1, 2003, any person who requires a
disability related modification or accommodation in order to participate in a
public meeting shall make such a request in writing to the District for
immediate consideration.**

DATE: THURSDAY, AUGUST 7, 2025

TIME: 10:00 A.M.

PLACE: HYBRID SPECIAL MEETING VIA ZOOM AND IN PERSON

The meeting is being held virtually as a convenience to the public. The meeting will not stop or suspend its in-person meeting should a technological interruption occur with respect to the Zoom or call-on options listed on the agenda.

For Zoom Participation:

www.zoom.us/join

Meeting ID: 883 7199 1265

Passcode: 495687

For Zoom Call-in Only:

Call: (669) 900-9128

Meeting ID: 883 7199 1265

Passcode: 495687

Public Participation/Comment: Members of the public can participate in the meeting by emailing your comments on an agenda item to Jared Graffam at jgraffam@olivenhain.com or address the finance committee directly in real-time under the public comment section. If you do not receive a confirmation email that your comment has been received, please call (760) 230-2569 or address the committee under the public comment section to ensure that your comments are heard in real-time. The subject line of your email should clearly state the item number you are commenting on and should include your name and phone number. All comments will be emailed to the finance committee members.

*Note: Items On The Agenda May Be Taken Out Of Sequential Order As Their
Priority Is Determined By The Committee*

1. CALL TO ORDER
2. ROLL CALL (BOARD MEMBERS)
3. ADOPTION OF THE AGENDA
4. PUBLIC COMMENTS
5. CONSIDER APPROVAL OF THE MINUTES OF THE JULY 7, 2025, SPECIAL FINANCE COMMITTEE MEETING
6. QUARTERLY REVIEW OF INVESTMENTS AND CASH REPORT (4TH QTR OF FY 2025)
7. REVIEW OF OMWD FINANCIAL REPORTS – BUDGET VS. ACTUAL REPORT (4TH QUARTER OF FY 2025) AND HISTORICAL BUDGETED VS. ACTUAL WATER SALES
8. REVIEW AND DISCUSS RESULTS OF 2025 SDCWA MEMBER AGENCIES' BOARD OF DIRECTORS COMPENSATION SURVEY CONDUCTED BY STAFF
9. FUTURE AGENDA ITEMS
10. ADJOURNMENT

**MINUTES OF A SPECIAL MEETING
OF THE FINANCE COMMITTEE
OF OLIVENHAIN MUNICIPAL WATER DISTRICT**

July 7, 2025

A special meeting of the Finance Committee of Olivenhain Municipal Water District was held on Monday, July 7th, 2025, at the District office, 1966 Olivenhain Road, Encinitas, California via teleconference and in person.

Director Meyers called the meeting to order at 2:31 p.m. In attendance were Scott Maloni, Treasurer; Neal Meyers, Vice President; Kimberly Thorner, General Manager; Rainy Selamat, Finance Manager; Leo Mendez, Accounting Supervisor; Jared Graffam, Financial Analyst II; and Georgeanna Clark, Financial Analyst I.

1. CALL TO ORDER

2. ROLL CALL (BOARD MEMBERS)

3. ADOPTION OF THE AGENDA

Director Meyers moved to adopt the agenda, seconded by Director Maloni, and carried unanimously.

4. PUBLIC COMMENTS

There were no public comments.

5. CONSIDER APPROVAL OF THE MINUTES OF THE MAY 7, 2025, REGULAR FINANCE COMMITTEE MEETING

Director Meyers moved to approve the May 7th, 2025, meeting minutes, seconded by Director Maloni and carried unanimously.

6. CONSIDER AND DISCUSS OMWD'S WATER RATES AND CHARGES FOR CALENDAR YEAR 2026

Finance Manager Selamat presented an overview of the District's current rate ordinance and Proposition 218 notice, which allow the District to pass-through annual increases in purchased water wholesale costs from San Diego County Water Authority (SDCWA) and the District's recycled water suppliers, to pass-through any annual increase in the SDCWA Infrastructure Access Charge, and to pass-through increases to the District's

Costs of Operations and Maintenance and Capital Facilities based on SDCPI-U to the District's water rates and charges in order. Finance Manager Selamat stated that, per the ordinance, all pass-through increases shall not exceed 12% per year, and in no event shall any pass-through increase result in rates exceeding the District's cost of providing water services to its customers. Finance Manager Selamat noted that pass-through increases to the District's water rates and charges are necessary to pay for increased costs of providing water services to OMWD customers and that any adjustment to the District's water rates and charges still require Board approval and customers must be notified at least thirty days in advance prior to implementation.

Finance Manager Selamat next presented an overview of the 2026 purchased water wholesale cost increases from San Diego County Water Authority (SDCWA), increases in recycled water costs from the District's recycled water suppliers, and the inflationary pass-through based on the prior year's consumer price index increase for San Diego (SDCPI).

Director Meyers inquired about the large increases in recycled water purchase costs, and how the District's cost to supply potable water now compares to the District's cost to supply recycled water. General Manager Thorner noted that with the proposed increase by the city, the City of San Diego's recycled water supply rate is now equivalent to the cost to purchase raw water from SDCWA. General Manager Thorner explained that the District has an inactive raw water connection that can be turned back on to supplement recycled water demand in the southeast quadrant of the District's recycled water system if recycled water supply cost from City of San Diego continues rising and exceeds raw water cost. Director Meyers asked if we needed to be concerned about the District's other recycled water suppliers' plans for significant increases in the future. General Manager Thorner explained that City of San Diego is increasing its recycled water costs significantly due to their processed wastewater now being more valuable to them as a result of their pure water project. General Manager Thorner also noted that Rancho Santa Fe Community Services District does not have a wastewater outlet so selling their treated wastewater to the District saves them the cost of disposal. Director Maloni asked for the all-in-cost per acre foot, including fixed costs, for water purchased from SDCWA, to compare to the cost of purchasing recycled water. Accounting Supervisor Mendez noted the all-in-cost is about \$2,200. General Manager Thorner noted that the District's overall cost of recycled water purchases is offset by the recycled water produced by the District's own wastewater treatment plant.

Finance Manager Selamat then presented the committee with three rate increase options for consideration. Option 1 (preferred option) would pass-through 100% of the increase in purchased water wholesale costs and inflationary adjustments to the District's water rates and charges, Option 2 would partially offset the commodity rates increase by using approximately \$500 thousand in operating reserve funds, and Option 3 would partially offset the System Access Charge (SAC) increase by using approximately \$800 thousand in operating reserve funds. Finance Manager Selamat noted that all

three options presented also include a reduction in the Rate Reimbursement Credit (RRC) from \$0.22 to \$0.11 per the District's 2024 cost of service study, and each option would have the same recycled commodity rate and fire meter charge increase. Director Meyers noted that we sold more water last year than budgeted and inquired if excess revenue from FY 2025 can be used to offset the proposed rate increases. General Manager Thorner explained that excess revenue from FY 2025 water sales under option 2 and option 3 will be used to pay for revenue shortfalls in FY 2026. Also discussed during the meeting were the pros and cons of using reserves that would normally fund the District's Capital Improvement Projects, including funds available in the District's Rate Stabilization Fund, to offset cost increases and avoid rate spikes.

Finance Manager Selamat presented information on the impact of the rate increases on low-use customers, average-usage customers, and high-use customers. Director Meyers asked how many of our customers fall into each usage category. Finance Manager Selamat stated that about 20% of the District's customers are lower usage, 50% are average usage, and 30% are high usage. Director Meyers requested more information on customer usage for the presentation to the Board.

Director Meyers and Director Maloni both stated support for Option 1 but moved to have all three options presented to the full Board for discussion.

The Finance Committee directed staff to review OMWD's existing Board Designated Fund Balances (Reserves) Policy prior to setting 2027 rates, to include treatment of any excess funds in the Water Operating Fund to mitigate water rate increases.

7. FUTURE AGENDA ITEMS

Staff will bring the informational item on how other local water Board's handle Per Diems, that was requested at the May Finance Committee meeting, to the August Finance Committee meeting. Review of the District's Board Designated Fund Balance (Reserves) policy will be scheduled for a future finance committee meeting yet to be determined.

12. ADJOURNMENT

The meeting was adjourned at 3:50pm.

Memo

Date: August 7, 2025
To: Finance Committee
From: Rainy Selamat, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **QUARTERLY REVIEW OF INVESTMENTS AND CASH REPORT (4th QTR OF FY 2025)**

Purpose

The purpose of this agenda is to provide a report on the District's investment activities and cash information to the Finance Committee to comply with the annual investment policy approved by the Board.

Recommendation

It is recommended that the committee review and receive the attached report as presented. The report provides documentation that the District has sufficient funds to meet the next 60 days' obligations.

Background

The purpose of the District's Investment Policy is to identify policies and procedures that shall govern the investment of all District funds. The ultimate goal of the policy is to enhance the economic position of the District while protecting its funds. These policies have been followed in making all investment decisions on behalf of the District.

The Annual Investment Policy also states that at least once each quarter, the District's Finance Manager shall provide an oral report on the District's investments for review and discussion.

Discussion

All investments have been made in accordance with the District's Annual Statement of Investment Policy. A copy of District historic water and wastewater reserve fund balances is also provided and attached for review.

Staff will be available for discussion with the Committee during the meeting.

Attachments:

Attachment 1 - DRAFT Monthly Cash and Investment Summary Report as of June 30, 2025

Attachment 2 - Graphs showing 5-year history of OMWD fund balances by quarter

Attachment 3 - Graph showing current yield on investments and SDCPI - quarterly over last 3 years

Olivenhain Municipal Water District
MONTHLY CASH AND INVESTMENT SUMMARY
As of June 30, 2025

Active Deposits

	<u>Book Value</u>
Checking Accounts	\$ 3,184,510
Cash Restricted for Specific Use	158,051
Petty Cash/Disaster Preparedness	1,487
Total Active Deposits	<u>\$ 3,344,048</u>

Deposits Not Covered by Investment Policy

Cash with Fiscal Agents	6,260,485
-------------------------	-----------

<u>Investments</u>	<u>Face Value</u>	<u>Market Value</u>	<u>Current Yield</u>	
LAIF	\$ 16,613,687	16,627,795	4.27%	\$ 16,613,687
CAMP - US Bank	25,978,926	25,978,926	4.40%	25,978,926
Money Market Funds	3,243,716	3,243,716	3.84%	3,243,716
Municipal Bonds	1,000,000	1,001,390	4.99%	1,216,760
U.S. Treasury Securities	2,021,000	1,995,948	2.41%	1,984,542
U.S. Agency Securities	40,525,000	40,078,765	2.87%	40,521,300
Total Investments	<u>\$ 89,382,328</u>	<u>\$ 88,926,539</u>	<u>3.63%</u>	<u>\$ 89,558,931</u>
Total - All Deposits/Investments				<u><u>\$ 99,163,463</u></u>

Maturity Analysis of Investments

	<u>Percent</u>	<u>Balance</u>
Demand Deposits	51.2%	\$ 45,836,328
Maturity within the next two months	1.1%	1,000,000
Maturity within three months and one year	24.2%	21,674,302
Maturity beyond one year	23.5%	21,048,300
Total Investments	<u>100.0%</u>	<u>\$ 89,558,931</u>

Weighted Average Days to Maturity **282**

Other Required Disclosures:

Accrued interest receivable as of 06/30/2025 \$ 517,007

The above investments are in accordance with the portfolio limitations in the Investment Policy approved by the Board in December 2024.

The District has sufficient funds on hand to meet the next 60 days' obligations.

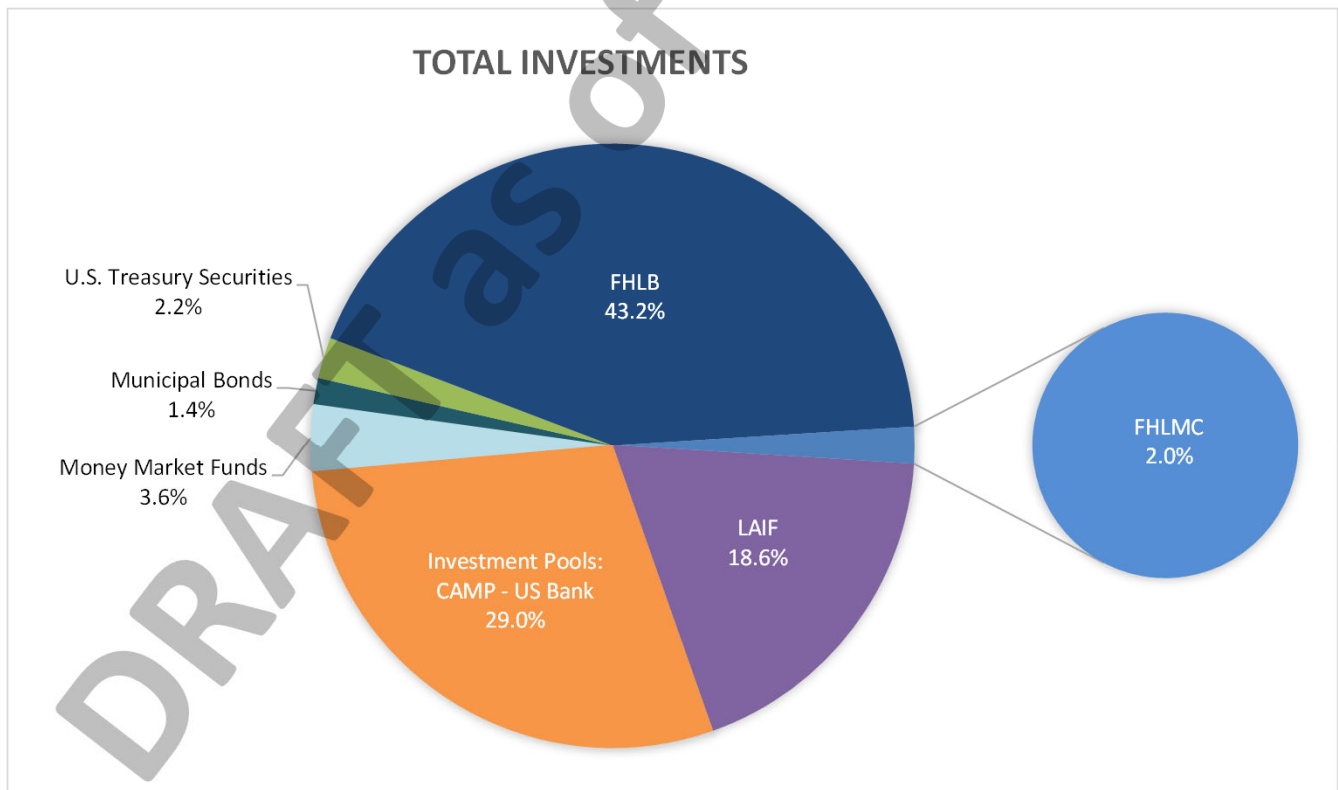
Olivenhain Municipal Water District
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY
June 30, 2025

	Book Value	Percent	Permitted Percent	In Compliance?
LAIF	\$ 16,613,687	18.6%	50.0% ⁽¹⁾	Yes
Investment Pools: CAMP - US Bank	25,978,926	29.0%	30.0%	Yes
Money Market Funds	3,243,716	3.6%	20.0% ⁽²⁾	Yes
Municipal Bonds	1,216,760	1.4%	30.0%	Yes
U.S. Treasury Securities	1,984,542	2.2%	100.0% ⁽³⁾	Yes
U.S. Agency Securities	40,521,300	45.2%	50.0%	Yes
<i>FHLB</i> <i>Federal Home Loan Bank</i>	38,721,300	43.2%		
<i>FHLMC</i> <i>Freddie Mac</i>	1,800,000	2.0%		

Total Investments **\$ 89,558,931** **100%**

Note:

- ⁽¹⁾ No more than 50% of the total value of all District Investments or \$40 million.
⁽²⁾ May not exceed 5% in any money market fund.
⁽³⁾ No limit.



* Total may not add up to 100% due to rounding.

Olivenhain Municipal Water District
MONTHLY INVESTMENTS DETAIL
June 30, 2025

ACTIVE DEPOSIT

	Book Value
Checking A/C: California Bank and Trust for General Purpose	3,184,510
California Bank and Trust for Specific Purpose	158,051
Petty Cash/Disaster Preparedness	1,487
Total - Active Deposits	3,344,048

DEPOSITS NOT COVERED BY INVESTMENT POLICY

Cash with Fiscal Agents:

Union Bank - RAD 96-1 Refunding Bond	1,295,559
Union Bank - 2015A Refunding Bond	2,234,786
SRF Loan	1,071,146
Union Bank - 2016A Refunding Bond	799,451
Union Bank - 2021A WW Revenue Bond	264,034
Union Bank - 2021B Refunding Bond	595,508

Total Deposits Not Covered by Investment Policy

6,260,485

	RATING		DATE				Weighted Average Days to Maturity	Call	Stated Coupon	Current Yield	Market Value	Face Value	Book Value
	Moody's	S&P	Purchase	Maturity	Next Call	Next S-U							

INVESTMENTS

Invest. Pools:	US Bank Calif. Asset Mgmt Prgm (CAMP)			Demand			1			4.40%	\$ 25,978,926	\$ 25,978,926	\$ 25,978,926
	State Local Agency Investment Fund (LAIF)			Demand			1			4.27%	16,627,795	16,613,687	16,613,687
	First American Government 31846V567			Demand			1			4.22%	1,058,629	1,058,629	1,058,629
	CB&T Money Market Account			Demand			1			3.66%	2,185,086	2,185,086	2,185,086

U.S. Treasury Notes/Bills

912797LW5	U.S. Treasury Bill	Aaa	-	01/10/25	07/10/25		11		4.22%	4.23%	1,019,928	1,021,000	1,000,065
91282CBQ3	U.S. Treasury Notes	Aaa	-	03/09/21	02/28/26		244		0.50%	0.51%	976,020	1,000,000	984,478
							6		2.38%	2.41%	\$ 1,995,948	\$ 2,021,000	\$ 1,984,542

U.S. Agency Securities

3134GWAQ9	FHLMC Callable	Aaa	AA+	07/28/20	07/28/25	None	29		0.65%	0.65%	997,200	1,000,000	1,000,000
3130AKGX8	FHLB Step-up Callable	Aaa	AA+	12/15/20	12/15/25	09/15/25	169	78	3.00%	3.02%	1,988,600	2,000,000	2,000,000
3130AKMD5	FHLB Callable	Aaa	AA+	01/26/21	01/26/26	07/26/25	211	27	0.50%	0.51%	978,610	1,000,000	999,500
3130AKU53	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	10/28/25	213	121	0.52%	0.53%	978,540	1,000,000	1,000,000
3130AKN69	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	01/28/26	213	213	0.50%	0.51%	978,290	1,000,000	1,000,000
3130AKVN3	FHLB Callable	Aaa	AA+	01/29/21	01/29/26	07/29/25	214	30	0.52%	0.53%	978,440	1,000,000	1,000,000
3130AKWK8	FHLB Callable	Aaa	AA+	02/12/21	02/12/26	08/12/25	228	44	0.51%	0.52%	977,140	1,000,000	1,000,000
3130AKX43	FHLB Step-up Callable	Aaa	AA+	02/24/21	02/24/26	08/24/25	240	56	0.70%	0.72%	1,954,460	2,000,000	2,000,000
3130AL7M0	FHLB Callable	Aaa	AA+	02/24/21	02/24/26	08/24/25	240	56	0.63%	0.64%	977,280	1,000,000	1,000,000
3130AKYR1	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	None	241		0.55%	0.56%	976,950	1,000,000	1,000,000
3130AL6K5	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	None	241		0.58%	0.59%	977,480	1,000,000	1,000,000
3130ALD76	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	08/25/25	241	57	0.70%	0.72%	978,150	1,000,000	1,000,000
3130ALCW2	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	None	241		0.63%	0.64%	977,770	1,000,000	998,500
3130ALGJ7	FHLB Callable	Aaa	AA+	03/23/21	03/23/26	07/23/25	267	24	1.00%	1.02%	952,721	975,000	975,000
3130B2RS6	FHLB Callable	Aaa	AA+	09/27/24	03/27/26	09/27/25	271	90	4.33%	4.34%	998,000	1,000,000	1,000,000
3130ALPQ1	FHLB Step-up Callable	Aaa	AA+	03/30/21	03/30/26	09/30/25	274	93	2.00%	2.03%	984,210	1,000,000	1,000,000
3130ALVC5	FHLB Step-up Callable	Aaa	AA+	04/14/21	04/14/26	07/14/25	289	15	1.75%	1.78%	983,400	1,000,000	1,000,000
3130B65H5	FHLB Callable	Aaa	AA+	05/01/25	05/01/26	08/01/25	306	33	4.25%	4.25%	499,580	500,000	500,000
3130B5WT1	FHLB Callable	Aaa	AA+	04/16/25	10/16/26	07/16/25	474	17	4.40%	4.40%	1,998,140	2,000,000	2,000,000
3130APAY1	FHLB Callable	Aaa	AA+	10/21/21	10/21/26	07/21/25	479	22	1.10%	1.14%	963,060	1,000,000	1,000,000
3130APL78	FHLB Callable	Aaa	AA+	10/28/21	10/28/26	07/28/25	486	29	1.38%	1.42%	966,130	1,000,000	1,000,000
3130B5ZL5	FHLB Callable	Aaa	AA+	04/30/25	10/30/26	07/30/25	488	31	4.31%	4.32%	997,770	1,000,000	1,000,000
3130B2DX0	FHLB Callable	Aaa	AA+	08/27/24	11/27/26	Anytime	516	1	4.55%	4.55%	999,170	1,000,000	1,000,000
3130B5WS3	FHLB Callable	Aaa	AA+	04/17/25	04/14/27	10/14/25	654	107	4.35%	4.36%	1,247,688	1,250,000	1,250,000
3130B1TA5	FHLB Callable	Aaa	AA+	07/09/24	07/09/27	07/09/25	740	10	5.20%	5.20%	1,000,150	1,000,000	1,000,000
3130B4JD4	FHLB Callable	Aaa	AA+	01/14/25	07/14/27	07/14/25	745	15	4.65%	4.66%	998,510	1,000,000	1,000,000
3130B4TL5	FHLB Callable	Aaa	AA+	01/30/25	07/30/27	07/30/25	761	31	4.50%	4.51%	997,430	1,000,000	1,000,000
3130B4TN1	FHLB Callable	Aaa	AA+	01/30/25	01/28/28	01/28/26	943	213	4.50%	4.51%	998,710	1,000,000	1,000,000
3134HA6J7	FHLMC Callable	Aaa	AA+	05/28/25	02/14/28	08/14/25	960	46	4.75%	4.76%	799,056	800,000	800,000
3130B4YQ8	FHLB Callable	Aaa	AA+	02/25/25	02/25/28	02/25/26	971	241	4.60%	4.60%	999,220	1,000,000	1,000,000
3130B5CN6	FHLB Callable	Aaa	AA+	03/03/25	03/03/28	09/03/25	978	66	4.61%	4.62%	997,730	1,000,000	1,000,000
3130B5X45	FHLB Callable	Aaa	AA+	04/24/25	04/24/29	04/24/26	1,395	299	4.45%	4.45%	1,000,370	1,000,000	1,000,000
3130B6CG9	FHLB Callable	Aaa	AA+	05/22/25	05/22/29	05/22/26	1,423	327	4.38%	4.37%	1,001,400	1,000,000	998,300
3130B2N43	FHLB Callable	Aaa	AA+	09/10/24	09/10/29	09/10/26	1,534	438	4.00%	4.06%	985,770	1,000,000	1,000,000
3130B2NM3	FHLB Callable	Aaa	AA+	09/17/24	09/17/29	Anytime	1,541	1	4.92%	4.93%	997,440	1,000,000	1,000,000
3130B3BF9	FHLB Callable	Aaa	AA+	10/16/24	10/11/29	07/11/25	1,565	12	4.90%	4.90%	1,000,160	1,000,000	1,000,000
3130B52W7	FHLB Callable	Aaa	AA+	02/24/25	02/14/30	11/14/25	1,691	138	5.00%	5.01%	997,350	1,000,000	1,000,000
3130B5ES3	FHLB Callable	Aaa	AA+	03/12/25	03/12/30	07/12/25	1,717	13	5.00%	5.02%	996,690	1,000,000	1,000,000
							614	86	2.84%	2.87%	\$ 40,078,765	\$ 40,525,000	\$ 40,521,300

Municipal Bonds

882724RA7	TEXAS ST PUB FIN AUTH	Aaa	AAA	10/30/20	10/01/25		94		5.00%	4.99%	1,001,390	1,000,000	1,216,760
							3		5.00%	4.99%	\$ 1,001,390	\$ 1,000,000	\$ 1,216,760

Total Investments

282 3.61% 3.63% \$ 88,926,539 \$ 89,382,328 \$ 89,558,931

TOTAL - ALL DEPOSITS AND INVESTMENTS

\$ 99,163,463

Olivenhain Municipal Water District
INVESTMENTS TRANSACTION
June 30, 2025

PURCHASED

DATE				Investment Description	Stated	Current	Face Value	Book Value
Purchase	Maturity	Call	Step-Up		Coupon	Yield		
04/16/25	10/16/26	07/16/25		FHLB Callable	4.400%	4.405%	2,000,000	2,000,000
04/17/25	04/14/27	10/14/25		FHLB Callable	4.350%	4.356%	1,250,000	1,250,000
04/24/25	04/24/29	04/24/26		FHLB Callable	4.450%	4.447%	1,000,000	1,000,000
04/30/25	10/30/26	07/30/25		FHLB Callable	4.310%	4.310%	1,000,000	1,000,000
05/01/25	05/01/26	08/01/25		FHLB Callable	4.250%	4.248%	500,000	500,000
05/22/25	05/22/29	05/22/26		FHLB Callable	4.375%	4.375%	1,000,000	998,300
05/28/25	02/14/28	08/14/25		FHLMC Callable	4.750%	4.750%	800,000	800,000

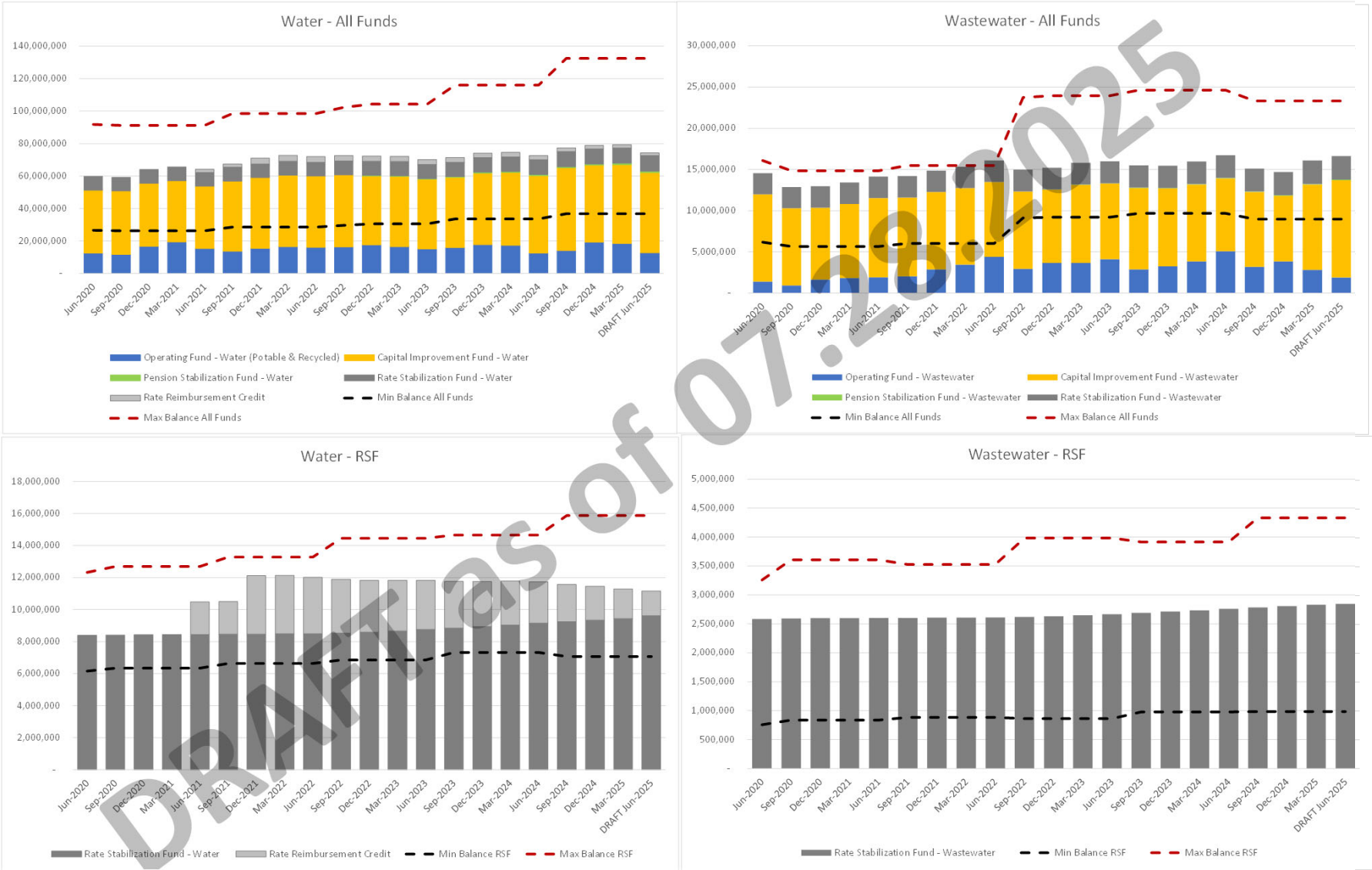
MATURED / REDEEMED / CALLED

DATE				Investment Description	Stated	Current	Face Value	Book Value
Redemption	Maturity	Call	Step-Up		Coupon	Yield		
04/03/25	04/03/25			Kaiser Foundation	4.320%	4.321%	1,010,000	1,000,034
04/05/25	06/05/26	04/05/25		FHLB Callable	4.550%	4.550%	1,000,000	1,000,000
04/10/25	04/10/25			U.S. Treasury Bill	4.250%	4.255%	1,010,000	999,526
04/10/25	01/10/28	04/10/25		FHLMC Callable	4.500%	4.503%	1,000,000	1,000,000
04/12/25	06/12/26	04/12/25		FHLB Callable	4.500%	4.503%	1,500,000	1,500,000
05/05/25	11/05/26	05/05/25		FHLB Callable	4.500%	4.500%	750,000	750,000
05/15/25	11/15/27	05/15/25		FHLB Callable	4.875%	4.872%	1,000,000	1,000,000

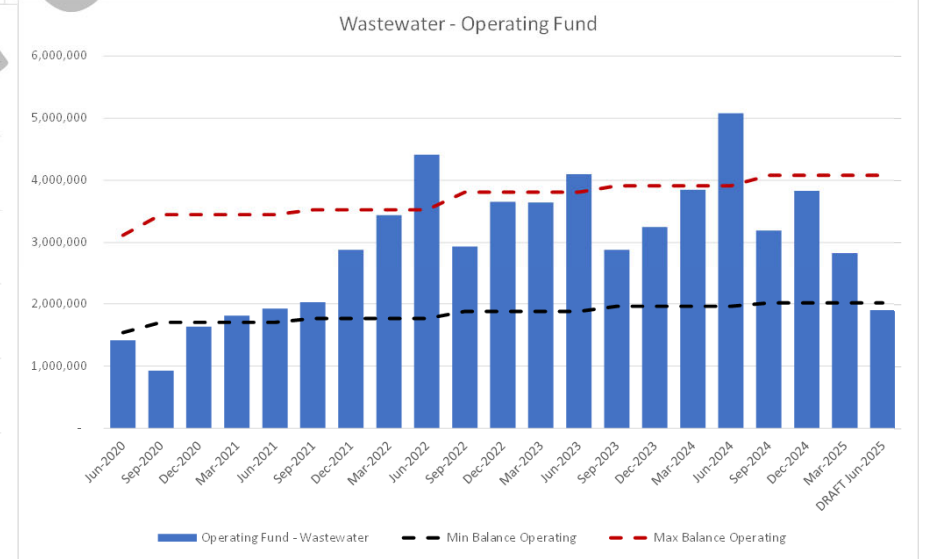
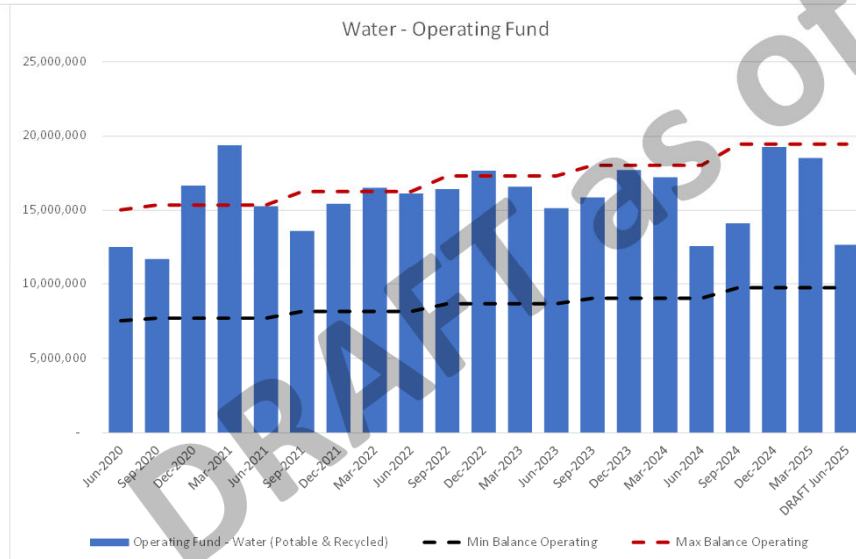
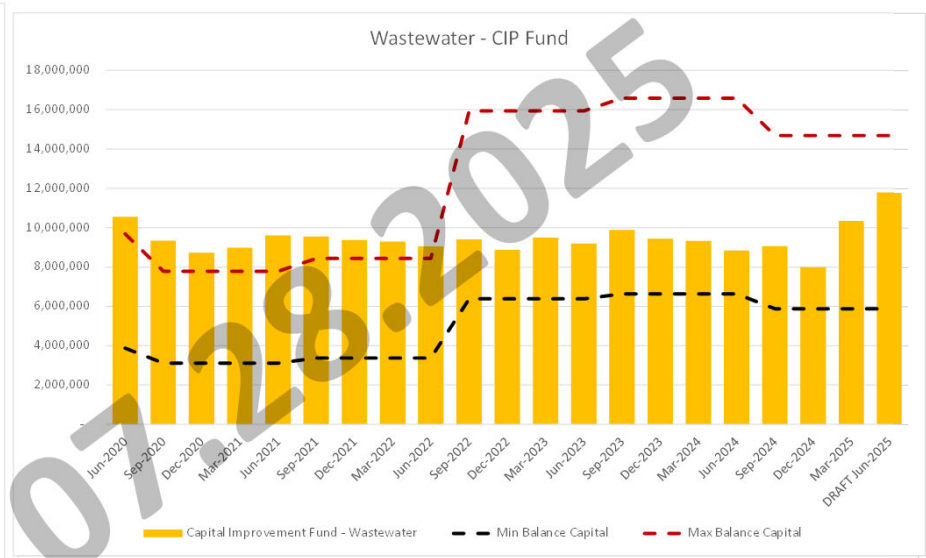
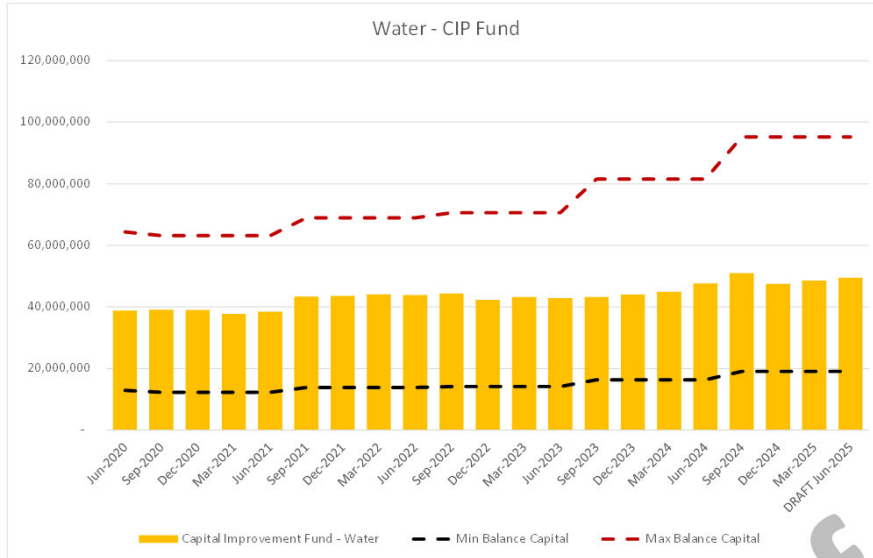
Olivenhain Municipal Water District
UNAUDITED CASH POSITION BY FUNDING SOURCES
As of June 30, 2025

<u>Water Funds (Potable & Recycled)</u>		<u>Balance</u>
10050-100	Cash - Petty Cash Fund	1,487
10010-100	Cash - Operating Fund	14,392,000
10030-100	Cash - Capital and Equipment Fund	40,730,582
10040-100	Cash - Rate Stabilization Fund	11,159,780
10080-100	Cash - Pension Stabilization Fund	921,833
10060-100	Cash - Deposit Work for Other	88,995
14000-500	Restricted Cash - Capacity Fee Fund	8,752,441
Total Water Funds (Potable & Recycled)		76,047,119
<u>Wastewater Funds</u>		
10010-110	Wastewater - Operating Fund	1,975,550
10030-110	Wastewater - Capital Replacement Fund	11,794,885
10040-110	Wastewater - Rate Stabilization Fund	2,845,515
10080-110	Cash - Pension Stabilization Fund	81,860
Total Wastewater Funds		16,697,809
<u>Non Fiscal Agent Debt Service Cash</u>		
14020-570	Cash non-agent - RAD 96-1	146,850
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
Total Non Fiscal Agent Debt Service Cash		158,051
<u>Debt Service Funds</u>		
14030-510	SRF Loan - Fiscal Agent	1,071,146
14105-570	Redemption fund - RAD 96-1	1,244,840
14110-570	Reserve fund - RAD 96-1	50,719
14100-561	Redemption fund - Bond 2015A	2,234,786
14100-581	Redemption fund - Bond 2016A	799,451
14100-521	Redemption fund - Bond 2021A	264,034
14100-522	Redemption fund - Bond 2021B	595,508
Total Debt Service Funds		6,260,485
 TOTAL FUND BALANCES		 99,163,463

5 Year History of OMWD Fund Balances by Quarter



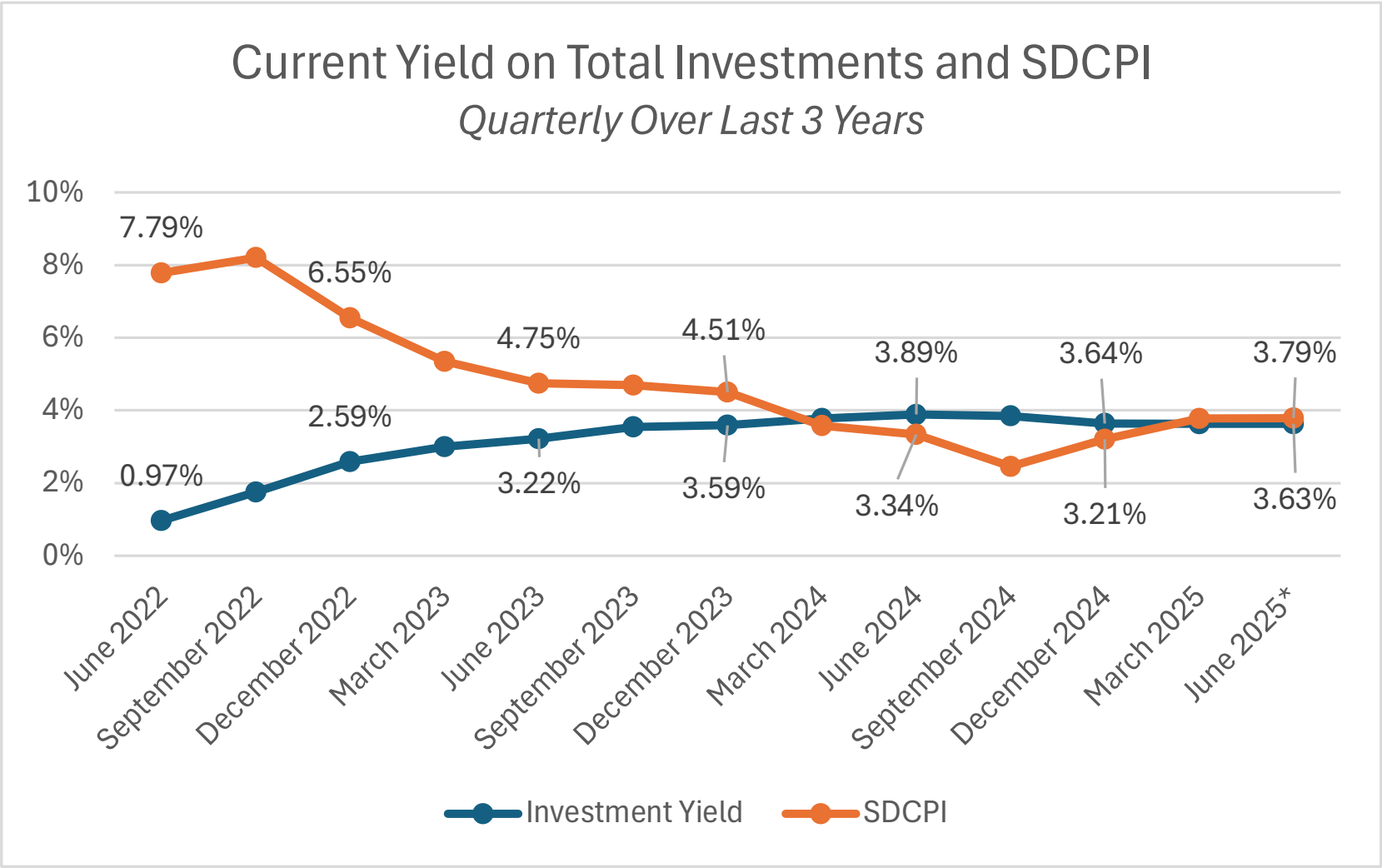
5 Year History of OMWD Fund Balances by Quarter



Notes to fund balance graphs above:

Quarterly fund balances in these graphs may exceed the maximum threshold set in the District's Reserves Policy due to the timing of cash receipts and expenditures.

In November, after the District's financial audit is completed, fund balances will be reviewed with the finance committee and reported to the full Board. Any excess over the maximum set in the District's Reserve Policy, at that time, will be reported and any handling of excess funds will be discussed with the Finance Committee.



June and December SDCPI are the average of the months on either side.

* July 2025 SDCPI is not yet available to calculate June 2025. May SDCPI shown.

Memo

Date: August 7, 2025
To: Finance Committee
From: Rainy Selamat, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **REVIEW OF OMWD FINANCIAL REPORTS – BUDGET VS. ACTUAL REPORT (4th QUARTER OF FY 2025) AND HISTORICAL BUDGETED VS. ACTUAL WATER SALES**

The purpose of this agenda item to review the most recent quarterly Budget vs. Actual financial report with the Finance Committee. Staff will review the attachments with the committee and will be available to answer any questions.

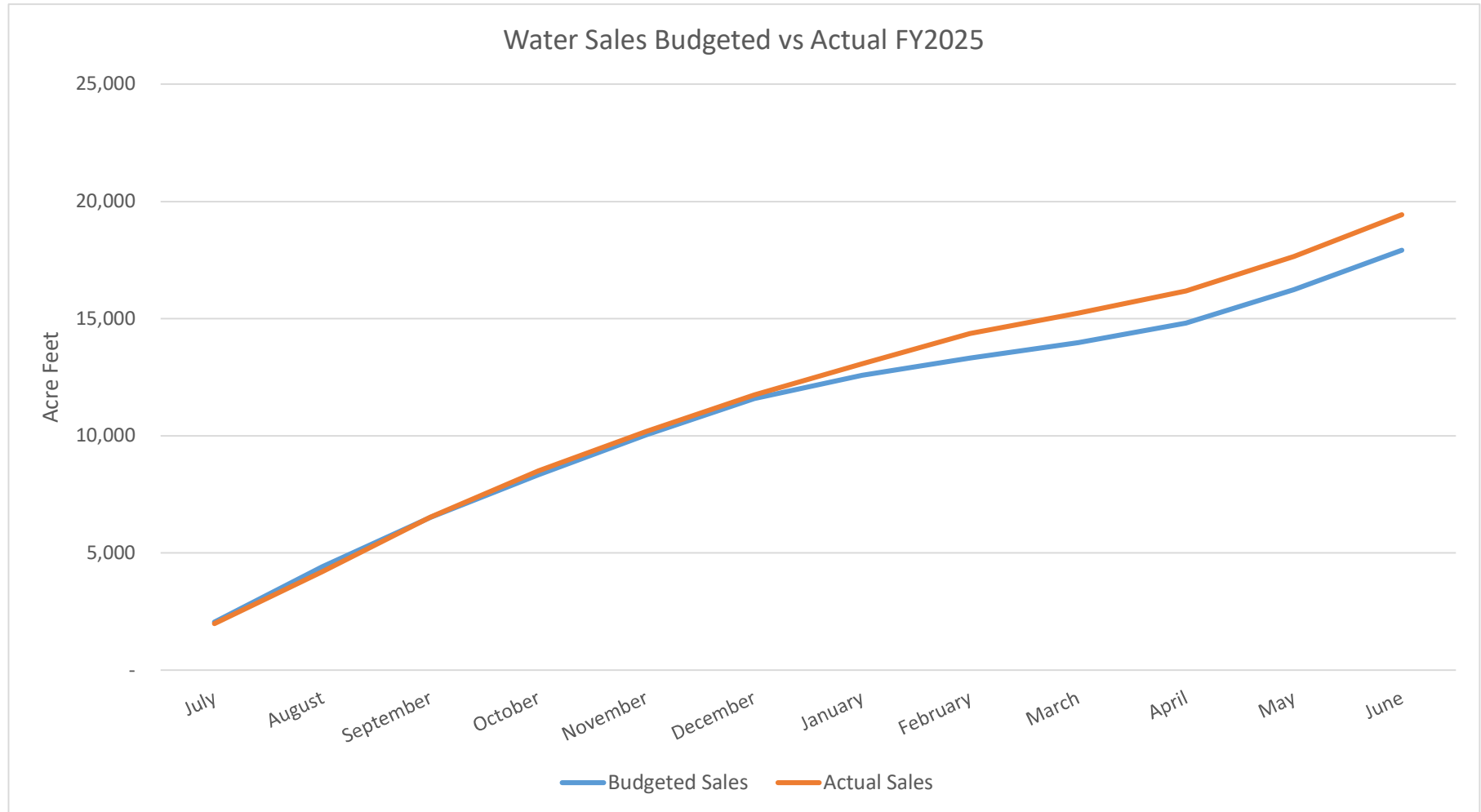
Attachments:

- Attachment 1** – Budget Vs. Actual Report (4th Quarter of FY 2025)
- Attachment 2** – Historical Budgeted vs. Actual Water Sales

	Approved Budget	Actual YTD	Budget YTD	Variance Amt	Variance %	Notes
Operating Revenues						
Commodity Water Sales	\$46,817,000.00	\$49,810,130.39	\$46,817,000.00	\$2,993,130.39	6.4%	1
Water Fees and Services	19,701,000.00	19,818,770.99	19,701,000.00	117,770.99	0.6%	
Wastewater Revenue	5,725,000.00	5,763,915.11	5,725,000.00	38,915.11	0.7%	
Total Operating Revenues	72,243,000.00	75,392,816.49	72,243,000.00	3,149,816.49	4.4%	
Operating Expenses						
Purchased Water - Variable	27,264,000.00	28,845,561.77	27,264,000.00	(1,581,561.77)	(5.8%)	2
Purchased Water - Fixed	9,593,000.00	10,184,364.00	9,593,000.00	(591,364.00)	(6.2%)	2
General Manager Dept	2,232,000.00	2,110,211.00	2,232,000.00	121,789.00	5.5%	3
Engineering Dept	2,577,000.00	2,376,587.10	2,577,000.00	200,412.90	7.8%	3
Finance Dept	1,875,000.00	1,706,662.13	1,875,000.00	168,337.87	9.0%	3
Customer Service Dept	3,116,500.00	2,934,218.21	3,116,500.00	182,281.79	5.8%	3
Human Resources Dept	878,000.00	848,351.17	878,000.00	29,648.83	3.4%	3
Water Operations and Maintenance Dept	12,836,000.00	11,663,402.19	12,836,000.00	1,172,597.81	9.1%	3
Parks Dept	542,800.00	508,878.40	542,800.00	33,921.60	6.2%	3
Other Operating Expenses	50,000.00		50,000.00	50,000.00	100.0%	
Wastewater Operations and Maintenance Dept	3,397,000.00	3,553,394.97	3,397,000.00	(156,394.97)	(4.6%)	3
Recycled Water Operations Dept	1,252,500.00	1,215,982.30	1,252,500.00	36,517.70	2.9%	3
Paygo Transfers						
Water Operations	5,382,000.00	5,388,000.00	5,382,000.00	(6,000.00)	(0.1%)	
Wastewater Operations	3,245,000.00	3,240,000.00	3,245,000.00	5,000.00	0.2%	
Recycled Operations	1,700,000.00	1,704,000.00	1,700,000.00	(4,000.00)	(0.2%)	
Capitalized Operations Expenditures	(1,969,700.00)	(1,625,307.58)	(1,969,700.00)	(344,392.42)	17.5%	4
Total Operating Expenses	73,971,100.00	74,654,305.66	73,971,100.00	(683,205.66)	(0.9%)	
Net Operating Income (Loss)	(1,728,100.00)	738,510.83	(1,728,100.00)	2,466,610.83		
Nonoperating Revenues						
Water Funds	7,289,000.00	9,123,851.12	7,289,000.00	1,834,851.12	25.2%	5
Debt Service Funds	1,057,000.00	1,150,548.33	1,057,000.00	93,548.33	8.9%	5
Wastewater Funds	145,000.00	194,862.93	145,000.00	49,862.93	34.4%	5
Recycled Water Funds	342,000.00	272,879.70	342,000.00	(69,120.30)	(20.2%)	5
Total Nonoperating Revenue	8,833,000.00	10,742,142.08	8,833,000.00	1,909,142.08	21.6%	
Nonoperating Expense						
Capacity Fee Funds	30,000.00	24,839.91	30,000.00	5,160.09	17.2%	
Debt Service Funds	1,242,400.00	1,007,460.70	1,242,400.00	234,939.30	18.9%	6
Potable Water Funds	858,000.00	1,175,960.10	858,000.00	(317,960.10)	(37.1%)	7
Recycled Water Funds		7,377,155.02		(7,377,155.02)	0.0%	8
Total Nonoperating Expense	2,130,400.00	9,585,415.73	2,130,400.00	(7,455,015.73)	(349.9%)	
Inc before Cap Fees and Capital Contributions	4,974,500.00	1,895,237.18	4,974,500.00	(3,079,262.82)		
Capacity Fee Funds	1,457,000.00	2,668,226.61				
Capital contributions	1,772,000.00	7,917,647.40				
Change in Net Position		12,481,111.19				

OLIVENHAIN MUNICIPAL WATER DISTRICT
Actual vs Budget Variance
For the Twelve Months Ending 6/30/2025

1. Water Sales revenue was higher than Budget year to date (YTD) by approximately \$3.0 million resulting in a favorable variance of 6.4% due to higher water consumption in fiscal year 2025 than projected. Customers' total water usage through June was 1,516 acre feet, or 7.8%, more than Budget YTD.
2. Actual YTD purchased water expenses were higher than estimates included in the Budget YTD due to higher purchased water costs from San Diego County Water Authority (SDCWA) from selling more water than projected in fiscal year 2025. Purchased water expenses include savings from 1) pre-buying 3,499 acre feet of potable water from SDCWA saving \$369 thousand and 2) a lower take or pay amount paid to City of San Diego than forecasted in the budget of approximately \$299 thousand per the recycled water purchase agreement.
3. Actual departmental expenses were lower than Budget YTD amounts because accrued expenses for fiscal year 2025 have not been recorded. The Budget YTD amounts assumed all expenditures for fiscal year 2025 are paid by June 30, 2025.
4. Actual Capitalized Operating Expenses were lower than the Budget YTD because OMWD staff spent less time on District projects than projected.
5. Actual Non-operating Revenues – Water Funds, Debt Service Funds, Wastewater Funds, and Recycled Water Funds were higher than Budget YTD which resulted in a positive variance due to higher investment income and property tax revenues received from the County than projected.
6. Actual Non-operating Expenses - Debt Service Funds were lower than the Budget YTD amount for a positive variance because amortization of the issuance premium which reduced the interest expense for the 2015A Bonds is excluded from the Budget YTD amount.
7. Actual Non-operating Expenses – Potable Water Funds were greater than Budget YTD for a negative variance primarily due the increase in the Rate Reimbursement Credit approved by the Board in November 2024 from 11 cents to 22 cents.
8. Actual Non-operating Expenses – Recycled Water Funds were greater than Budget YTD for a negative variance due to pass-through grant expenses on Title XVI grant receipts that are due to other agencies. An equal offsetting revenue amount is included in Capital contributions.



Memo

Date: August 7, 2025
To: Finance Committee
From: Rainy Selamat, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **REVIEW AND DISCUSS RESULTS OF 2025 SDCWA MEMBER AGENCIES'
BOARD OF DIRECTORS COMPENSATION SURVEY CONDUCTED BY STAFF**

This item is included in the packet for review and discussion as directed by the Finance Committee at the May 2025 Finance Committee meeting. Attachments included in this report are as follows:

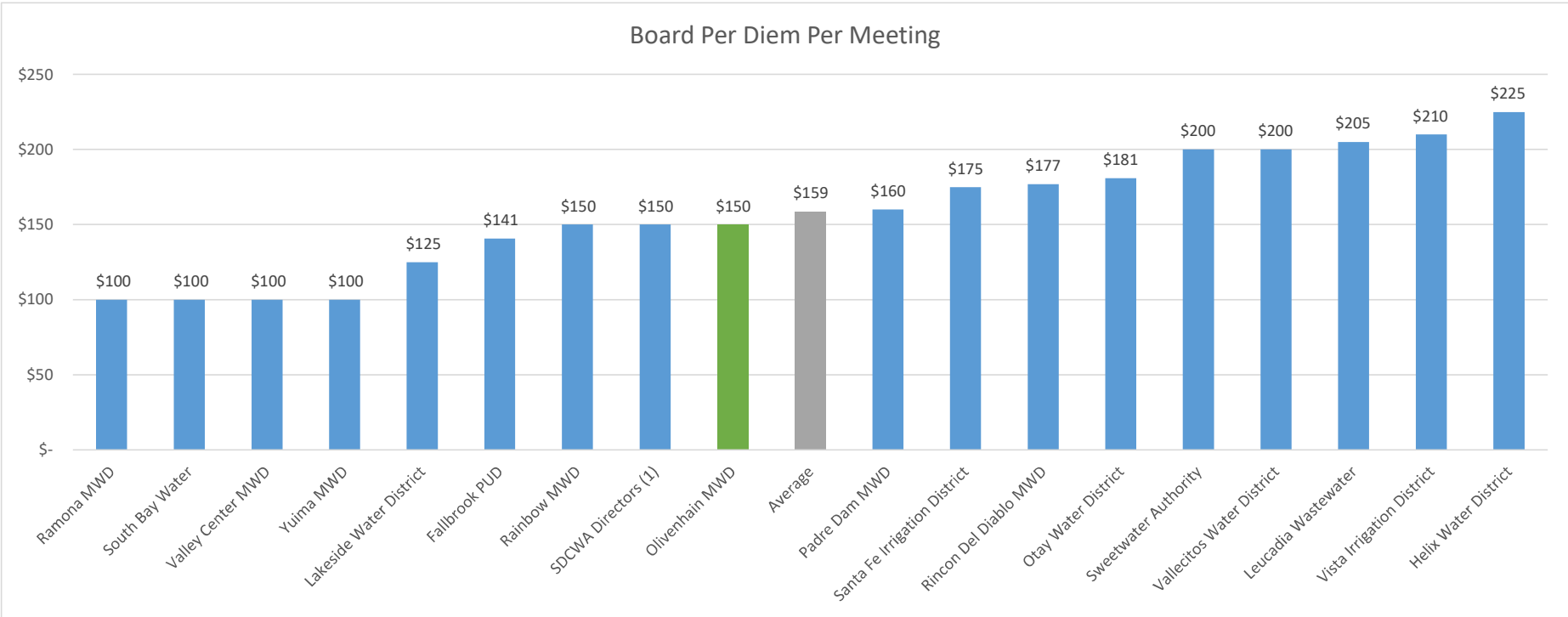
Attachment 1 – SDCWA Member Agencies' Board of Directors Compensation survey conducted by OMWD Staff, which includes Board per diem amount by agency and other benefits offered to Board members.

Attachment 2 – Two comparison graphs showing (1) Board Per Diem Per Meeting and (2) estimated maximum monthly compensation that a board member could receive, including other benefits. Certain assumptions were used in calculating the maximum monthly compensation shown in the graph. These assumptions are footnoted at the bottom of the graph.

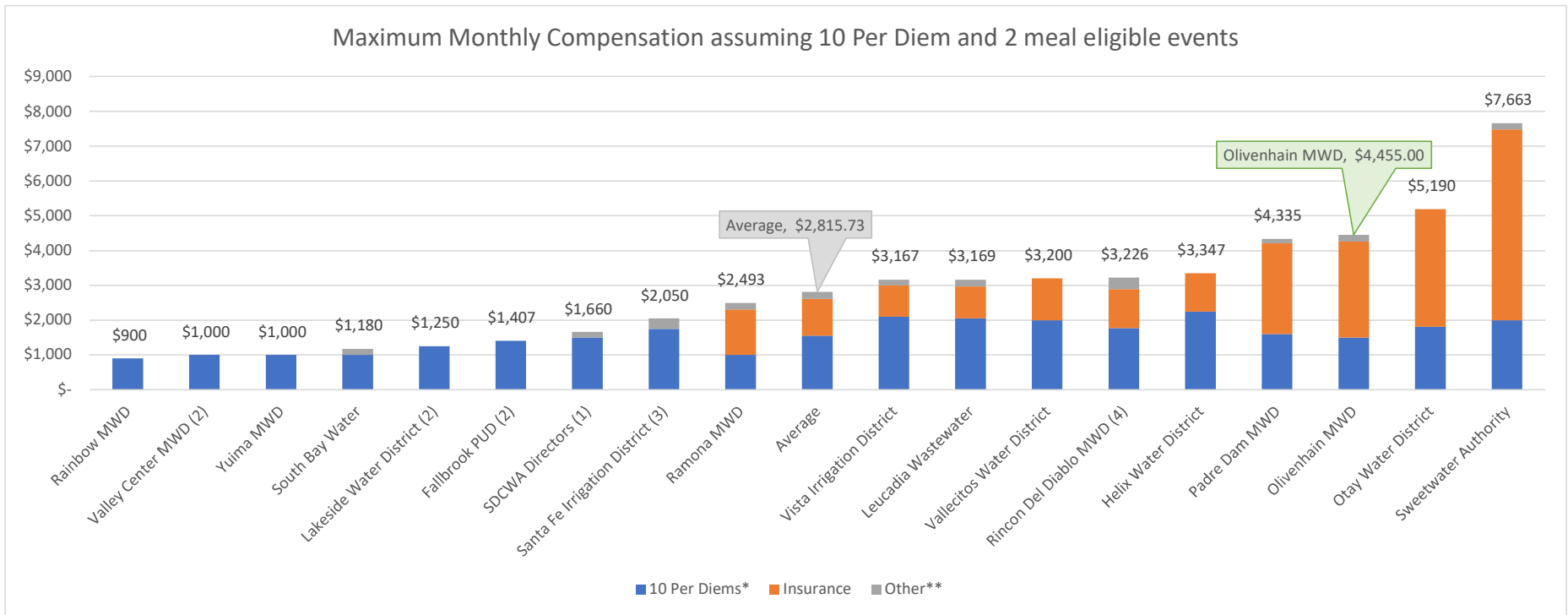
Staff will be available at the meeting for discussion.

BOARD OF DIRECTORS 2025 PER DIEM AND BENEFITS SURVEY BY DISTRICT

DISTRICT	Per Diems policy	How Often Per Diem is Updated	Amount Paid by the District								Comments
			Per Diem (as of May 2025)	Medical	Dental	Vision	Life	Pension	Meal Allowance/Day While Traveling on District Business	Other Benefits or Compensation (Please specify)	
Fallbrook PUD			\$ 140.70								
Helix Water District			\$ 225.00	\$ 1,036.61	\$ 33.72	\$ 18.56	\$ 8.31				
Lakeside Water District			\$ 125.00								
Leucadia Wastewater	1 per diem per day	Board considers in April of each year	\$ 205.00	\$ 819.64	\$ 70.51	\$ 8.83	\$ 19.58		\$ 100.00		Per diem increased at the July 2025 Board Meeting from \$200 to \$205/day.
Olivenhain MWD	1 per diem per day	Not since 2000	\$ 150.00	\$ 925.07	\$ 162.72	\$ 17.21	N/A	N/A	\$ 100.00		Dental premium is for family coverage.
Otay Water District			\$ 181.00	\$1,324.58	\$58.25	\$5.68	\$65,000 group policy	N/A			Per Diem increase effective July 1, 2025. Medical, Dental, Vision costs are the employee only highest employer premium costs but could vary based on dependents and plan choice.
Padre Dam MWD	1/day, up to 10/mo	Considered annually in April as part of budget process; policy states it is intended to only adjust by the same COLA provided to employees, not to exceed 5%	\$ 160.00	\$ 791.91	\$ 44.82	N/A	12.33, includes AD&D	N/A	Actual cost up to established meal limits: Breakfast \$38; Lunch \$44; Dinner \$63		Per Diem increases are effective July 1 (start of fiscal year)
Rainbow MWD	Up to 6 per month		\$ 150.00	N/A	N/A	N/A	N/A				
Ramona MWD			\$ 100.00	\$780.19 to \$1080.50 per month depending on plan selection	\$63.28 to \$200.54 per month depending on plan selection	23.66/ month	\$0.255 per \$1K of annual salary	FY24/25 = Classic 18.68%/Pepra 8.59%			
Rincon Del Diablo MWD	Per meeting/ Max 10 per month	Option annually but normally unchanged	\$ 177.00	\$ 1,060.00	\$ 46.23	\$ 17.21	N/A	N/A	Board members may submit "reasonable" expenses while traveling on District business with no formal cap/allowance at this time.	District contributes 7.5% of their monthly per diem amount to a 457	If a Board Member has their own medical insurance and declines District coverage, they allowed a \$250 in-lieu payment (they recently approved that a few years ago).
SDCWA Directors	max: 1 per day; 10 per month	Amount last updated in 2002; Per diem was discussed by the Board in FY25 and they elected to leave it as is	Directors: \$150 Officers: \$180 Chair emeritus: \$180	N/A	N/A	N/A	N/A	N/A	\$65 per day (\$80 for high cost cities)	N/A	
Santa Fe Irrigation District	1 Per day - max 10/mo.	Reviewed annually	\$ 175.00	N/A	N/A	N/A	N/A	N/A	\$125 per day	Misc. office expenses will be reimbursed (internet, paper, printing, etc.). Travel / lodging / registration fees are reimbursed for conferences & other activities	Effective 3/2025, no more medical ins. For BOD and increased per diem from \$150 to \$175.
South Bay Water	1 per diem per day	Per diem is reviewed annually during the review of Board Policies (Policy 119). Last Increase was March 2012	\$ 100.00	N/A	N/A	N/A	N/A	N/A	\$90 per day		
Sweetwater Authority	1 per diem per day	Per diem is reviewed annually during the review of Board Policies (Policy 510). Last Increase was July 2023.	\$ 200.00	\$1,002 to \$2,871 per month depending on plan selection	\$668 to \$2,368 per month depending on plan selection	\$8 to \$240 per month depending on plan selection	\$4.05 per month	N/A	\$90 per day		increase before July 2023 was May 2001 at \$150
Vallecitos Water District			\$ 200.00	\$ 1,146.00	\$ 35.36	\$ 17.21	\$0.106 per \$1k of annual salary				Medical, dental, and vision costs are the highest premium amounts. Life ins. premium is \$0.106 x every \$1,000 of annual salary.
Valley Center MWD		The Board reviews annually.	\$ 100.00								
Vista Irrigation District	1 per diem per day	When requested by the Board.	\$ 210.00	\$ 904.70	\$ 33.72	\$ 8.78			\$ 85.00		Medical, dental, and vision costs are the maximum premium amounts. Included here is the entire amount. This is single coverage so board member would contribute \$50 per month. Note- Pension- Only one member can receive and was grandfathered in.
Yuima MWD		The Board reviews annually, but has not increased since 2015	\$ 100.00	N/A	N/A	N/A	N/A				



All amounts are based on what other districts self reported.
City water boards and San Dieguito WD are excluded as board members also receive benefits for their work as city council members.
(1) Used Directors per diem rate of \$150



All amounts are based on what other districts self reported.

City water boards and San Dieguito WD are excluded as board members also receive benefits for their work as city council members.

**Some districts are shown with fewer than 10 due to limits set by their policy. Each district assumed to allow at least 10 per diems per month unless told otherwise.*

***Other includes: estimated pension, 2 reimbursed meals for the maximum amount, and other compensation that does not fit an existing category.*

(1) Used Directors per diem rate of \$150

(2) District did not provide information on benefits in their response, so assumed no other benefits are offered.

(3) Reimbursed for home office expenses, used \$50 for this calculation.

(4) Board members may submit "reasonable" expenses while traveling on District business with no formal cap/allowance. Used \$200 for expenses reimbursement for this calculation, which is in line with the maximum for 2 reimbursed meals from other districts.