

Casitas Municipal Water District

*Annual Comprehensive Financial Report
For the Years Ended June 30, 2024 and 2023*



1055 Ventura Avenue, Oak View, California 93022 - 805.649.2251
www.casitaswater.org



**CASITAS MUNICIPAL WATER DISTRICT
Oak View, California**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEARS ENDED JUNE 30, 2024 AND 2023

Prepared by:

Janyne Brown – Chief Financial Officer

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**CASITAS MUNICIPAL WATER DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEARS ENDED JUNE 30, 2024 AND 2023**

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INTRODUCTORY SECTION

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October 23, 2024

Board of Directors and Customers of Casitas Municipal Water District

Introduction

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

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

District Structure and Leadership

The Casitas Municipal Water District is a special district of the State of California that provides domestic and agricultural water services to the western portion of Ventura County. The District's Board of Directors is composed of five members who are elected in specified election divisions. The Directors serve terms of four years with an election held every two years for alternating divisions. The District also provides recreational activities at Lake Casitas. The Water District and the lake activities are accounted for as an enterprise fund.

Formed in 1952, the District was the inspiration of area civic leaders, cattlemen, and citrus ranchers who were frustrated by a severe drought and subsequent water rationing. Between 1952 and 1956, when ground was broken for Casitas Dam, the District sought and obtained commitments for 50-year federal loans to construct Casitas Dam and the Robles-Casitas Diversion Canal. Engineers drilled through 1,800 feet of rock for the outlet tunnel, and built an earthen dam with 9.2 million cubic yards of earth. Final cost of the reservoir, dam and Lake Casitas Recreation Area was \$20 million.

Drawing from the 105-square mile watershed, Lake Casitas began to form in the Santa Ana Valley. In 1978, 19 years after the dam's completion, the lake overflowed for the first time. With a capacity of 237,761-acre feet (Updated 2017), the reservoir has a shoreline of 35 miles and provides water to over 65,000 people.

Water quality is strictly controlled in the surrounding 3,200-acre Charles M. Teague Memorial Watershed. Since 1974, the federal government has spent more than \$25 million to purchase lands in the watershed to preserve water quality from the pollution of over development.

Casitas Municipal Water District has been a strong proponent of watershed protection and lake management. The efforts to protect the Lake Casitas watershed and lake management practices developed by the District provide an excellent quality of water to the customers. Regulatory changes affecting surface waters had moved the District through considerations for filtration avoidance to the conclusion that construction of a water filtration plant was necessary to meet regulatory requirements. The Marion R. Walker Pressure Filtration Plant was designed and constructed to meet those requirements and became fully operational on November 6, 1997. Casitas was proud to receive a water supply permit from the Department of Health Services granting the District permission to supply water for domestic purposes after completion of the treatment plant.

In 2017, Casitas acquired the Ojai Water System from Golden State Water Company (GSWC). Prior to this, GSWC had been a wholesale customer of Casitas. Ojai Water System customers are now direct customers of Casitas. The Ojai Water System includes the Ojai Wellfield on the east end of Ojai with six groundwater wells. These wells are located in the Ojai Groundwater Basin and currently provide approximately 1,800 AFY of supply.

Economic Condition and Outlook

This past year Casitas added over an additional 61,100 acre-feet of water resulting in Lake Casitas being 100% full for the first time since 2005. More than 93,000 acre-feet of water supply was added to Lake Casitas in the prior year.

Two years in a row with rainfall totals exceeding normal expected season totals has resulted in exceptionally low annual water use by customers. Balancing operational expenses and capital replacement expenditures is going to be challenging for the District with the decreased demand of water.

Internal Control Structure

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

Budgetary Control

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects.

The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and financial statement basis.

Investment Policy

The Board of Directors have adopted an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity and yield. District funds are invested in the State Treasurer's Local Agency Investment Fund, County of Ventura Pooled Money Investment Fund, U.S. Treasury Bills, Notes and Bonds, and institutional savings and checking accounts.

Water Rate and District Revenues

District policy direction ensures that all revenues from user charges and surcharges generated from District customers must support all District operations including capital project funding. Accordingly, water rates are reviewed periodically. Water rates are user charges imposed on customers for services and are the primary component of the District's revenue. Water rates are composed of a commodity (usage) charge and a fixed (readiness-to-serve) charge.

The City of Ventura initiated a water rights adjudication of four groundwater basins within the Ventura River watershed. The basins named in the lawsuit include: Upper Ventura River Groundwater Basin, Lower Ventura River Groundwater Basin, Ojai Valley Groundwater Basin, and Upper Ojai Valley Groundwater Basin. The outcome of the adjudication is currently unknown and Casitas continues to actively defend and protect its water rights. As a result of the water right adjudication, a pass-through fee for the expected costs associated with the lawsuit, was added as an additional fixed charge. The pass through fee was passed through a proposition 218 process and became effective July 1, 2020.

Audit and Financial Reporting

State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Clifton Larson Allen, LLP has conducted the audit of the District's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Awards and Acknowledgements

For the year ended June 30, 2023, the District received for the 30th year 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 Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Casitas Municipal Water District's fiscal policies.

Respectfully submitted,



Michael Flood
General Manager



Janyne Brown
Chief Financial Officer

**CASITAS MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS AND MANAGEMENT
JULY 1, 2023 – JUNE 30, 2024**

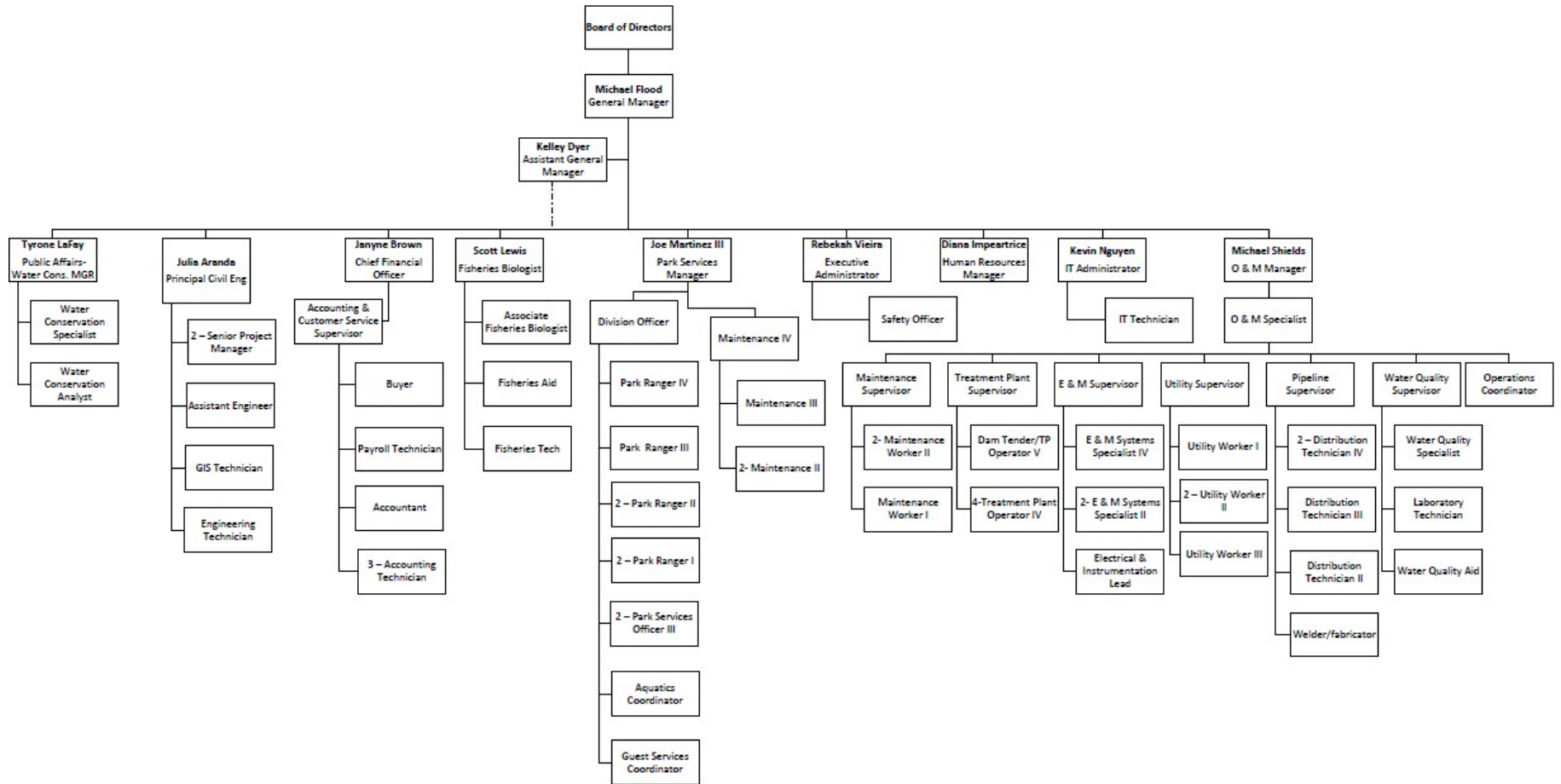
Board of Directors

Board Member	Division	Date of Original Election or Appointment	Ending Date of Term
Brian Brennan	Division 1	November, 2018	December, 2026
Neil Cole	Division 2	November, 2020	December, 2024
Pete Kaiser	Division 3	November, 2002	December, 2024
Mary Bergen	Division 4	May 26, 2021	December, 2026
Richard Hajas	Division 5	November, 2020	December, 2024

Staff

Michael Flood	General Manager
Kelley Dyer	Assistant General Manager
Rebekah Vieira	Executive Administrator
Diana Impeartrice	Human Resources
Janyne Brown	Chief Financial Officer
Julia Aranda	Principal Civil Engineer
Joe Martinez III	Park Services Manager
Michael Shields	O&M Manager
Scott Lewis	Fisheries Biologist
Tyrone LaFay	Public Affairs & Water Conservation Manager

CASITAS MUNICIPAL WATER DISTRICT ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Casitas Municipal Water District
California**

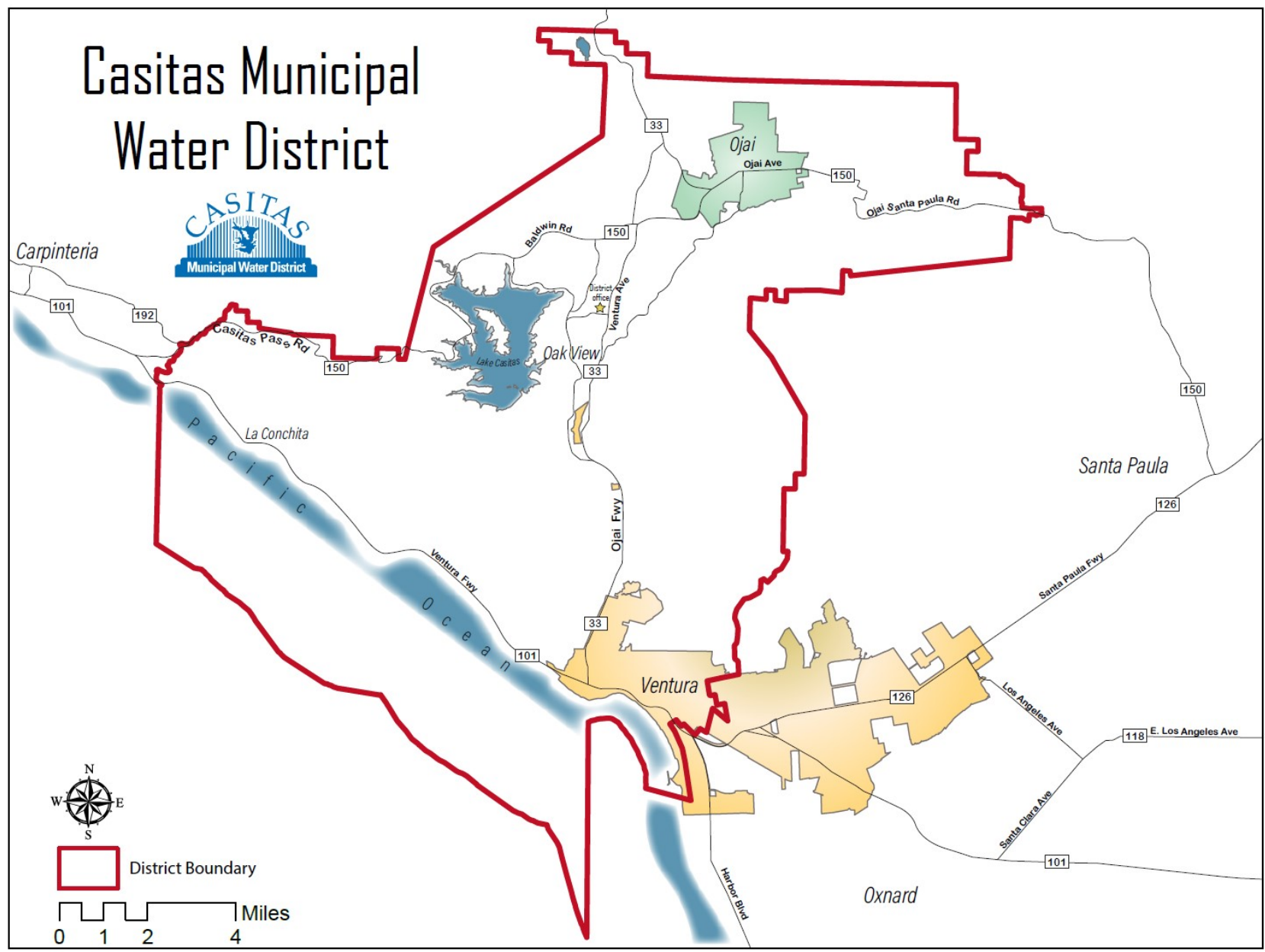
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Casitas Municipal Water District



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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Casitas Municipal Water District
Oak View, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Casitas Municipal Water District (the District), as of and for the years ended June 30, 2024 and 2023, 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 financial position of the District, as of June 30, 2024 and 2023, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of the contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios, and schedule of contributions to the OPEB plan 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule of revenues, expenses, and changes in net position – budget to actual, combining balance sheets, combining schedule of revenues and expenses and changes in net position, detail schedule of operating expenses – utility department, detail schedule of operating revenues and expenses – recreation department, and detail schedule of operating revenues and expenses – adjudication fund (the 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. 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

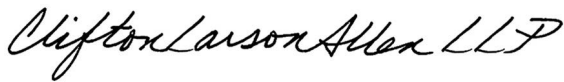
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements do not cover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

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

Board of Directors
Casitas Municipal Water District

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2024, 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.



CliftonLarsonAllen LLP

Irvine California
October 23, 2024

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

Management's Discussion and Analysis (MD&A) offers readers of Casitas Municipal Water District's financial statements a narrative overview of the District's financial activities for the year ended June 30, 2024 and 2023. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operation, a current-to prior year analysis for the past three years, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- In fiscal year 2024, the District's net position increased 4.8%, or \$2,050,874 from the prior year's net position of \$42,589,533 to \$44,640,407, as a result of this year's operations.
- In fiscal year 2023, the District's net position decreased 7.6%, or \$3,486,316 from the prior year's net position of \$46,075,849 to \$42,589,533, as a result of that year's operations.
- In fiscal year 2024, operating revenues increased by 1.9% or \$333,157 from \$17,735,393 to \$18,068,550 from the prior year, primarily due recreation activities.
- In fiscal year 2023, operating revenues decreased by 15.9% or \$3,363,451 from \$21,098,844 to \$17,735,393 from the prior year, primarily due to historically low water consumption.
- In fiscal year 2024, operating expenses before depreciation and change in water-in-storage inventory, increased by 1.31% or \$317,713 from \$24,237,751 to \$24,555,464, from the prior year, primarily due to increased operational costs.
- In fiscal year 2023, operating expenses before depreciation and change in water-in-storage inventory, increased by 3.62% or \$847,151 from \$23,390,600 to \$24,237,751, from the prior year, primarily due to expenses related to the damages sustained from the January 2023 storms.

REQUIRED FINANCIAL STATEMENTS

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

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

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions about the District's finances is, "Is the District better off or worse as a result of this year's activities?" The Balance Sheets and Statements of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation.

Condensed Balance Sheets

	June 30, 2024	June 30, 2023	Change	June 30, 2022	Change
Assets:					
Current assets	\$20,388,311	\$19,623,226	\$765,085	\$24,352,986	(\$4,729,760)
Non-current assets	15,333,929	12,554,696	2,779,233	15,067,900	(2,513,204)
Capital assets, net	95,391,879	96,050,014	(658,135)	89,835,301	6,214,713
Total assets	<u>131,114,119</u>	<u>128,227,936</u>	<u>2,886,183</u>	<u>129,256,187</u>	<u>(1,028,251)</u>
Deferred outflows of resources	<u>12,465,345</u>	<u>14,219,391</u>	<u>(1,754,046)</u>	<u>12,658,996</u>	<u>1,560,395</u>
Total assets and deferred outflows of resources	<u>\$143,579,464</u>	<u>\$142,447,327</u>	<u>\$1,132,137</u>	<u>\$141,915,183</u>	<u>\$532,144</u>
Liabilities:					
Current liabilities	\$4,984,140	\$4,530,803	\$453,337	\$4,008,146	\$522,657
Non-current liabilities	83,417,416	83,455,442	(38,026)	84,759,973	(1,304,531)
Total liabilities	<u>88,401,556</u>	<u>87,986,245</u>	<u>415,311</u>	<u>88,768,119</u>	<u>(781,874)</u>
Deferred inflows of resources	<u>10,537,501</u>	<u>11,871,549</u>	<u>(1,334,048)</u>	<u>7,071,215</u>	<u>4,800,334</u>
Net position:					
Net Investment in capital assets	37,576,774	39,209,965	(1,633,191)	39,891,569	(681,604)
Restricted	1,112,722	685,776	426,946	258,093	427,683
Unrestricted	5,950,911	2,693,792	3,257,119	5,926,187	(3,232,395)
Total net position	<u>44,640,407</u>	<u>42,589,533</u>	<u>2,050,874</u>	<u>46,075,849</u>	<u>(3,486,316)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$143,579,464</u>	<u>\$142,447,327</u>	<u>\$1,132,137</u>	<u>\$141,915,183</u>	<u>\$532,144</u>

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$44,640,407, \$42,589,533, and \$46,075,849 as of June 30, 2024, 2023, and 2022, respectively.

By far the largest portion of the District's net position (84% as of June 30, 2024, 92% as of June 30, 2023, and 87% as of June 30, 2022) reflects the District's net investment in capital assets (net depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending.

At the end of years 2024, 2023, and 2022, the District showed a positive balance in its unrestricted net position of \$5,950,911, \$2,693,792, and \$5,926,187 respectively, which may be utilized in future years.

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

	June 30, 2024	June 30, 2023	Change	June 30, 2022	Change
Operating revenues	\$18,068,550	\$17,735,393	\$333,157	\$21,098,844	(\$3,363,451)
Operating expenses	(19,603,672)	(22,238,226)	2,634,554	(23,814,713)	1,576,487
Operating income before depreciation	(1,535,122)	(4,502,833)	2,967,711	(2,715,869)	(1,786,964)
Depreciation expense	(4,229,659)	(4,143,938)	(85,721)	(4,409,404)	265,466
Operating income (loss)	(5,764,781)	(8,646,771)	2,881,990	(7,125,273)	(1,521,498)
Non-operating revenues (expenses), net	6,793,120	4,970,292	1,822,828	3,140,605	1,829,687
Net loss before capital contributions	1,028,339	(3,676,479)	4,704,818	(3,984,668)	308,189
Capital contributions	1,022,535	190,163	832,372	534,212	(344,049)
Change in net position	2,050,874	(3,486,316)	5,537,190	(3,450,456)	(35,860)
Net position:					
Beginning of year	42,589,533	46,075,849	(3,486,316)	49,526,305	(3,450,456)
Prior period adjustment	-	-	-	-	-
End of year	\$44,640,407	\$42,589,533	\$2,050,874	\$46,075,849	(\$3,486,316)

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years. In the case of the District, the District's net position increased by \$2,050,874 for the years ended June 30, 2024 and decreased by \$3,486,316 and \$3,450,456 for the years ended June 30, 2023, and 2022 respectively.

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

Total Revenues

	June 30, 2024	June 30, 2023	Increase (Decrease)	June 30, 2022	Increase (Decrease)
Operating revenues:					
Retail water consumption	\$4,978,739	\$5,226,167	(\$247,428)	\$7,134,613	(\$1,908,446)
Wholesale water sales	1,349,832	1,357,651	(7,819)	2,493,025	(1,135,374)
Monthly water service charge	6,008,900	5,669,871	339,029	5,677,364	(7,493)
Recreation revenue	5,460,240	4,703,998	756,242	4,150,626	553,372
Other water charges and services	270,839	777,706	(506,867)	1,643,216	(865,510)
Total operating revenues	<u>18,068,550</u>	<u>17,735,393</u>	<u>333,157</u>	<u>21,098,844</u>	<u>(3,363,451)</u>
Non-operating:					
Property taxes- ad valorem	3,150,716	2,973,364	177,352	2,720,375	252,989
Pass-through property tax increment	415,409	414,840	569	334,023	80,817
Property tax assessment for SWP	1,195,624	1,447,573	(251,949)	984,114	463,459
State water project water sales to other agenci	1,375,000	175,000	1,200,000	-	175,000
CFD 2013-1 assessment	2,963,060	2,929,902	33,158	2,843,711	86,191
Mira Monte assessment	65	165	(100)	19,575	(19,410)
Investment earnings	525,613	155,531	370,082	(577,286)	732,817
Adjudication	571,394	576,003	(4,609)	580,960	(4,957)
Other non-operating revenues/ (expenses), net	249,608	176,270	73,338	181,073	(4,803)
Total non-operating	<u>10,446,489</u>	<u>8,848,648</u>	<u>1,597,841</u>	<u>7,086,545</u>	<u>1,762,103</u>
Total revenues	<u>\$28,515,039</u>	<u>\$26,584,041</u>	<u>\$1,930,998</u>	<u>\$28,185,389</u>	<u>(\$1,601,348)</u>

In fiscal year 2024, operating revenues slightly increased by 1.9% or \$333,157 from \$17,735,393 to \$18,068,550 from the prior year. With the lake being about 100% full along with the new aquatic play structure increased the amount of traffic and revenue that was generated by recreation activities.

In fiscal year 2023, operating revenues decreased by 15.9% or \$3,363,451 from \$21,098,844 to \$17,735,393 from the prior year. The decrease in revenues is primarily due to historically low water consumption as a result of the winter storms.

In fiscal year 2022, operating revenue increased by 2.8% or \$568,570 from \$20,530,274 to \$21,098,844 from the prior year. The increase is primarily due to the fixed monthly charges of \$650,222 and \$465,324 in recreation revenue that is offset with a decrease in water consumption penalties of \$679,118 due to conservation efforts.

On December 13th, 2023 the Board of Directors approved a water rate increase for calendar years 2024, 2025, and 2026 for both water consumption (variable) and monthly water service charge (fixed). As a result rates were increased on January 1st, 2024.

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

Total Expenses

	June 30, 2024	June 30, 2023	Increase (Decrease)	June 30, 2022	Increase (Decrease)
Operating expenses:					
Fisheries	\$749,672	\$543,410	\$206,262	\$638,594	(\$95,184)
Engineering	2,906,134	4,050,866	(1,144,732)	2,048,007	2,002,859
Water Treatment	2,495,653	2,393,601	102,052	2,557,694	(164,093)
Water Quality	845,946	897,299	(51,353)	867,408	29,891
Utilities Maintenance	1,089,696	1,086,579	3,117	1,261,659	(175,080)
Electrical Mechanical	2,854,182	2,908,210	(54,028)	3,222,294	(314,084)
Pipeline	1,660,543	1,680,785	(20,242)	1,818,823	(138,038)
Recreation expenses	5,473,475	4,772,978	700,497	4,841,352	(68,374)
Operations Maintenance & Management	1,583,354	1,493,084	90,270	775,128	717,956
General and administrative	4,896,810	4,410,939	485,871	5,359,641	(948,702)
Change in water-in-storage inventory	(4,951,793)	(1,999,525)	(2,952,268)	424,113	(2,423,638)
Operating expenses before depreciation	19,603,672	22,238,226	(2,634,554)	23,814,713	(1,576,487)
Depreciation	4,229,659	4,143,938	85,721	4,409,404	(265,466)
Total operating expenses	23,833,331	26,382,164	(2,548,833)	28,224,117	(1,841,953)
Non-operating:					
State water project expense	979,475	1,119,365	(139,890)	875,246	244,119
Tax collection expense	56,101	47,388	8,713	43,305	4,083
Interest expense- Long-term debt	2,415,549	2,458,630	(43,081)	2,341,093	117,537
Amortization of Bond Insurance on CFD 2013-	20,241	20,241	-	20,241	-
Adjudication	144,448	147,680	(3,232)	613,715	(466,035)
Bond and Administrative Fees	30,767	34,552	(3,785)	20,699	13,853
Cost of debt issuance	-	50,500	(50,500)	-	50,500
Loss on Disposition of Capital Asset	6,788	-	6,788	31,641	(31,641)
Total non-operating	3,653,369	3,878,356	(224,987)	3,945,940	(67,584)
Total expenses	\$27,486,700	\$30,260,520	(\$2,773,820)	\$32,170,057	(\$1,909,537)

In fiscal year 2024, operating expenses before depreciation and change in water-in-storage inventory, slightly increased by 1.31% or \$317,713 from \$24,237,751 to \$24,555,464, from the prior year, which can be attributed to general operational increases.

In fiscal year 2023, operating expenses before depreciation and change in water-in-storage inventory, increased by 3.62% or \$847,151 from \$23,390,600 to \$24,237,751, from the prior year, primarily due to expenses related to the damages sustained from the January 2023 storms.

In fiscal year 2022, operating expenses before depreciation and change in water-in-storage inventory, increased by 5.35% or \$1,187,883 from \$22,202,717 to \$23,390,600, from the prior year, primarily due to operational cost in every area other than pipeline and general and administrative.

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

Capital Assets

	Balance June 30, 2024	Balance June 30, 2023	Balance June 30, 2022
Capital assets:			
Non-depreciable assets	\$13,514,383	\$17,878,979	\$16,189,634
Depreciable assets	173,140,646	165,651,742	158,109,023
Accumulated depreciation	(92,238,384)	(88,454,753)	(84,755,778)
Lease Asset	649,433	520,882	27,418
Amortization Lease Asset	(202,217)	(76,073)	(2,635)
SBITA	940,523	758,670	344,360
Amortization SBITA	(412,505)	(229,433)	(76,721)
Total capital assets, net	<u>\$95,391,879</u>	<u>\$96,050,014</u>	<u>\$89,835,301</u>

At the end of year 2024, 2023, and 2022 the District's investment in capital assets amounted to \$95,391,879, \$96,050,014, and \$89,835,301 (net of accumulated depreciation), respectively. Capital asset additions amounted to \$3,611,396 and \$10,358,651 for various projects primarily related to Ojai water facilities within the Community Facilities District 2013-1 (CFD 2013-1), the Ventura County-Santa Barbara Intertie projects, and the Aquatic Play Structure at Lake Casitas for the years ended June 30, 2024 and 2023, respectively. See Note 6 for further information.

Debt Administration

The long-term debt of the District is summarized below:

	Balance June 30, 2024	Balance June 30, 2023	Balance June 30, 2022
Long-term debt:			
Reimbursement agreement	\$2,162,388	\$2,239,616	\$2,316,845
Loans payable	2,396,878	2,636,911	-
Notes Payable	199,319	251,255	97,670
Lease Payable	399,271	381,659	25,078
SBITA	491,677	468,132	241,313
Special tax bonds	54,596,391	55,332,818	55,999,245
Total Long Term Debt	<u>\$60,245,924</u>	<u>\$61,310,391</u>	<u>\$58,680,151</u>

Long term debt decreased by \$1,064,467 for the year ended June 30, 2024, due to principal payments along with premium amortization of the long term debt. Debt increased for the year ended June 30, 2023, due to the replacement of the aquatic play structure at Lake Casitas. See Notes 8, 9, and 10 for further information.

**CASITAS MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED JUNE 30, 2024 AND 2023**

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

CONDITIONS AFFECTING CURRENT FINANCIAL POSITION

This past year was another historic year for Casitas. On top of the over 93,000 acre-feet of water supply that was added in fiscal year 2023 an additional 61,100 acre-feet of water supply was added in fiscal year 2024. With another exceptional year when it comes to rainfall resulted in record low annual water use by customers.

With the lake being nearly 100% full along with the exceptional job District customers have done over the years in regards to conservation efforts has resulted in lower water consumption. Balancing operational expenses with decreased demand will be challenging for the District. The full magnitude decreased demand will have on the District's financial condition, liquidity and future remains uncertain.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Chief Financial Officer at 1055 Ventura Avenue, Oak View, California 93022 or (805) 649-2251 x 103.

**CASITAS MUNICIPAL WATER DISTRICT
BALANCE SHEETS
JUNE 30, 2024 AND 2023**

	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 6,312,473	\$ 4,882,722
Investments	9,684,841	10,626,150
Accrued Interest Receivable	54,533	62,039
Accounts Receivable, Net	3,308,978	3,053,858
Materials and Supplies Inventory	56,722	60,619
Prepaid Expenses	970,764	937,838
Total Current Assets	20,388,311	19,623,226
NONCURRENT ASSETS		
Restricted - Cash and Cash Equivalents	135,021	2,307,581
Water-in-Storage Inventory	15,198,908	10,247,115
Capital Assets - Not Being Depreciated	13,514,383	17,878,979
Capital Assets - Being Depreciated, Net	80,902,262	77,196,989
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	447,216	444,809
Capital Assets, Intangible Asset - SBITA, Net	528,018	529,237
Total Noncurrent Assets	110,725,808	108,604,710
Total Assets	131,114,119	128,227,936
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on CFD 2013-1	2,659,172	2,865,043
OPEB Related Deferred Outflows of Resources	4,611,611	6,260,763
Pension Related Deferred Outflows of Resources	5,194,562	5,093,585
Total Deferred Outflows of Resources	12,465,345	14,219,391
Total Assets and Deferred Outflows of Resources	\$ 143,579,464	\$ 142,447,327

See accompanying Notes to Basic Financial Statements.

**CASITAS MUNICIPAL WATER DISTRICT
BALANCE SHEETS (CONTINUED)
JUNE 30, 2024 AND 2023**

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	2024	2023
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 1,211,499	\$ 1,640,102
Deposits and Unearned Revenue	106,286	341,169
Accrued Interest Payable	820,177	829,943
Unearned Revenue	683,425	-
Long-Term Liabilities - Due Within One Year:		
Compensated Absences	532,052	512,858
Claims Liability	288,397	-
Lease Liability	104,802	79,172
SBITA Liability	234,125	173,610
Long-Term Debt	1,003,377	953,949
Total Current Liabilities	4,984,140	4,530,803
NONCURRENT LIABILITIES		
Long-Term Liabilities - Due in More Than One Year:		
Compensated Absences	798,078	769,286
Claims Liability	85,463	166,648
Lease Liability	294,469	302,487
SBITA Liability	257,552	294,522
Long-Term Debt	58,351,599	59,506,651
Net OPEB Liability	11,176,458	10,891,907
Net Pension Liability	12,453,797	11,523,941
Total Noncurrent Liabilities	83,417,416	83,455,442
Total Liabilities	88,401,556	87,986,245
DEFERRED INFLOWS OF RESOURCES		
OPEB Related Deferred Outflows of Resources	10,428,644	11,691,864
Pension Related Deferred Outflows of Resources	108,857	179,685
Total Deferred Inflows of Resources	10,537,501	11,871,549
NET POSITION		
Net Investment in Capital Assets	37,576,774	39,209,965
Restricted for Adjudication	1,112,722	685,776
Unrestricted	5,950,911	2,693,792
Total Net Position	44,640,407	42,589,533
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 143,579,464	\$ 142,447,327

See accompanying Notes to Basic Financial Statements.

**CASITAS MUNICIPAL WATER DISTRICT
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
OPERATING REVENUES		
Retail Water Consumption	\$ 4,978,739	\$ 5,226,167
Wholesale Water Sales	1,349,832	1,357,651
Monthly Water Service Charge	6,008,900	5,669,871
Recreation Revenue	5,460,240	4,703,998
Other Water Charges and Services	270,839	777,706
Total Operating Revenues	18,068,550	17,735,393
OPERATING EXPENSES		
Fisheries	749,672	543,410
Engineering	2,906,134	4,050,866
Water Treatment	2,495,653	2,393,601
Water Quality	845,946	897,299
Utilities Maintenance	1,089,696	1,086,579
Electrical Mechanical	2,854,182	2,908,210
Pipeline	1,660,543	1,680,785
Recreation Expenses	5,473,475	4,772,978
Operations Maintenance and Management	1,583,354	1,493,084
General and Administrative	4,896,810	4,410,939
Change in Water-in-Storage Inventory	(4,951,793)	(1,999,525)
Total Operating Expenses	19,603,672	22,238,226
OPERATING LOSS BEFORE DEPRECIATION	(1,535,122)	(4,502,833)
DEPRECIATION AND AMORTIZATION		
Depreciation	(3,879,138)	(3,917,788)
Right-to-Use Leased Asset Amortization	(126,144)	(73,438)
SBITA Amortization	(224,377)	(152,712)
Total Depreciation and Amortization	(4,229,659)	(4,143,938)
OPERATING LOSS	(5,764,781)	(8,646,771)
NONOPERATING REVENUES (EXPENSES)		
Property Taxes - Ad Valorem	3,150,716	2,973,364
Pass-Through Property Tax Increment	415,409	414,840
Property Tax Assessment for State Water Project	1,195,624	1,447,573
State Water Project Water Sales to Other Agencies	1,375,000	175,000
State Water Project Expense	(979,475)	(1,119,365)
CFD 2013-1 Assessment	2,963,060	2,929,902
Mira Monte Assessment	65	165
Tax Collection Expense	(56,101)	(47,388)
Investment Earnings	525,613	155,531
Interest Expense - Long-Term Debt	(2,415,549)	(2,458,630)
Amortization of Bond Insurance on CFD 2013-1	(20,241)	(20,241)
Costs of Debt Issuance	-	(50,500)
Bond and Administrative Fees	(30,767)	(34,552)
Adjudication Charge	571,394	576,003
Adjudication Costs	(144,448)	(147,680)
Loss on Disposition of Capital Assets	(6,788)	-
Other, Net	249,608	176,270
Total Nonoperating Revenues (Expenses), Net	6,793,120	4,970,292
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,028,339	(3,676,479)
CAPITAL CONTRIBUTIONS		
Federal, State, and Local Grants	1,022,535	190,163
Total Capital Contributions	1,022,535	190,163
CHANGE IN NET POSITION	2,050,874	(3,486,316)
Net Position - Beginning of Year	42,589,533	46,075,849
NET POSITION - END OF YEAR	\$ 44,640,407	\$ 42,589,533

See accompanying Notes to Basic Financial Statements.

**CASITAS MUNICIPAL WATER DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers and Others	\$ 20,481,880	\$ 20,028,594
Cash Paid to Employees for Salaries and Benefits	(14,592,500)	(14,505,827)
Cash Paid to Vendors and Suppliers for Materials and Services	(8,910,751)	(11,598,479)
Net Cash Used by Operating Activities	(3,021,371)	(6,075,712)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from Property Taxes and Assessments	7,699,181	7,729,794
Tax Collection Expense	(56,101)	(47,388)
Net Cash Provided by Noncapital Financing Activities	7,643,080	7,682,406
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(4,154,562)	(9,450,877)
Proceeds from Capital Grants	1,022,535	190,163
Principal Paid on Long-Term Debt	(953,949)	(743,542)
Payment of Costs of Issuance	-	(50,500)
Receipt of Loan Proceeds	-	2,991,809
Interest and Fees Paid on Long-Term Debt	(2,420,871)	(2,392,106)
Lease payments	(94,903)	(136,883)
SBITA payments	(232,570)	(187,491)
Net Cash Used by Capital and Related Financing Activities	(6,834,320)	(9,779,427)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the Sale or Maturity of Investments	1,139,924	-
Purchases of Investments	-	(982,943)
Investment Earnings	329,878	420,252
Net Cash Provided (Used) by Investing Activities	1,469,802	(562,691)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(742,809)	(8,735,424)
Cash and Cash Equivalents - Beginning of Year	7,190,303	15,925,727
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 6,447,494	\$ 7,190,303
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET		
Cash and Cash Equivalents	\$ 6,312,473	\$ 4,882,722
Restricted - Cash and Cash Equivalents	135,021	2,307,581
Total Cash and Cash Equivalents	\$ 6,447,494	\$ 7,190,303

See accompanying Notes to Basic Financial Statements.

**CASITAS MUNICIPAL WATER DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Loss	\$ (5,764,781)	\$ (8,646,771)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization	4,229,659	4,143,938
State Water Project Water Sales to Other Agencies	1,375,000	175,000
State Water Project Expense	(979,475)	(1,119,365)
Bond and Administrative Fees	(30,767)	(34,552)
Adjudication charges	571,394	576,003
Adjudication costs	(144,448)	(147,680)
Other, Net	249,608	176,270
Cancelled Prior Year Construction in Progress Balances	961,546	-
Cancelled Prior Year Construction in Progress Balances	33,084	-
Change in Assets - (Increase) Decrease:		
Accounts Receivable	(229,427)	1,191,853
Materials and Supplies Inventory	3,897	7,380
Prepaid Expenses	(32,926)	41,864
Water-in-Storage Inventory	(4,951,793)	(1,999,525)
Change in Deferred Outflows of Resources - (Increase) Decrease:		
OPEB Related Deferred Outflows of Resources	1,649,152	1,358,335
Pension Related Deferred Outflows of Resources	(100,977)	(3,124,602)
Change in Liabilities - Increase (Decrease):		
Accounts Payable and Accrued Expenses	(444,216)	(184,350)
Deposits	(234,883)	174,075
Unearned Revenue	683,425	-
Compensated Absences	47,986	90,934
Claims Liability	207,212	71,481
Net OPEB Liability	284,551	(9,832,735)
Net Pension Liabilities	929,856	6,206,401
Change in Deferred Inflows of Resources - Increase (Decrease):		
OPEB Related Deferred Inflows of Resources	(1,263,220)	9,318,518
Pension Related Deferred Inflows of Resources	(70,828)	(4,518,184)
Total Adjustments	2,743,410	2,571,059
Net Cash Used by Operating Activities	\$ (3,021,371)	\$ (6,075,712)
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITY		
Change in Fair-Value of Investments	\$ 203,241	\$ (264,717)
Loss on Disposition of Capital Assets	\$ (33,084)	\$ -
Cancelled Prior Year Construction in Progress Balances	\$ 961,546	\$ -
Issuance of Notes Payable for Capital Asset Purchases	\$ 49,752	\$ -
Issuance of Leases	\$ 112,515	\$ 493,464
Issuance of SBITAs	\$ 256,115	\$ 414,310

See accompanying Notes to Basic Financial Statements.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Organization

Established in 1952, the Casitas Municipal Water District (the District) provides domestic and agricultural water to the western portion of Ventura County. The District is governed by a five-member board of directors who serve overlapping four-year terms.

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. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) it is able to impose its will on that organization, or 2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or 3) the primary government holds a majority equity interest of an organization. The District has no component units.

B. Basis of Presentation, Measurement Focus, and Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied. 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 in 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 at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation, Measurement Focus, and Basis of Accounting (Continued)

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than property taxes, financing, and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a nonoperating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as nonoperating expenses.

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of 90 days or less, when purchased, to be cash equivalents.

2. Investments

Investments 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. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio (in relation to the amortized cost of that portfolio). Changes in fair value that occur during a fiscal year are recognized as investment earnings reported for that fiscal year. Investment earnings includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

2. Investments (Continued)

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability, either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment and is based on the best information available in the circumstances.

3. Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Receivables are shown net of allowances for doubtful accounts. Uncollectible accounts are based on prior experience and management's assessment of the collectability of existing accounts. If balances are determined to be uncollectible, they are written off as bad debt expense. Management has evaluated the accounts and has established an allowance in the amounts of \$121,045 and \$154,220 as of June 30, 2024 and June 30, 2023, respectively.

4. Prepays

Certain payments of vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

5. Customer Deposits

Based on a customer's creditworthiness, the District may require a deposit deemed reasonable by the District. These deposits are held to pay-off close out bills or to cover delinquent payments.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

6. Materials and Supplies Inventory

Inventory consists primarily of materials and supplies used in the construction and maintenance of the water system and is stated at cost on a first-in, first-out basis.

7. Water-in-Storage Inventory

Water-in-storage inventory consists of the water in Lake Casitas that flows from streams, rainfall, and diverted water. The value of water inventory is determined based upon the quantity of water in storage in Lake Casitas and the costs to divert the water into the lake on a first-in, first-out basis using the consumption method. A base year of June 30, 2011 was determined to have lake levels that equaled full capacity. In years when the lake level decreases, a reduction is made to inventory equal to the acre-foot reduction as a pro-rata portion of the base year inventory balance. In years when the lake level increases, the diversion costs are capitalized into inventory and tracked as additional values that can be used to relieve inventory once the base year costs have been exhausted.

8. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. Contributed assets are recorded at acquisition value at date of donation. It is the District's policy to capitalize assets costing over \$5,000 and a useful life of more than one year. The District also records the value of the intangible right-to-use assets and subscription-based information technology arrangements (SBITA) based on the underlying leased asset and SBITA guidance in accordance with Governmental Accounting Standards Board (GASB) Statements No. 87, *Leases*, and No. 96, *SBITAs*. The right to use the intangible asset and SBITA are amortized over the lesser of term or useful life of the underlying asset. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the District's classes of assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
State Water Project Entitlement	72 Years
Transmission and Distribution System	50 to 100 Years
Pumping Plant	10 to 30 Years
Water Treatment Plant	10 to 30 Years
Buildings and Structures	10 to 30 Years
Equipment	5 to 20 Years
Fish Ladder	25 to 50 Years
Recreation Assets	25 to 50 Years
Alternate Swimming Facility	25 Years

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

9. Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheets reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The category of deferred outflow of resources reported in the balance sheets is related to a loss on refunding, pension, and other postemployment benefits. A deferred loss on refunding results from the difference in the carrying value of the 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 on other postemployment benefits and pension are more fully discussed in Notes 11 and 12, respectively.

In addition to liabilities, the balance sheets reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources reported on the balance sheets relate to other postemployment benefits and pension, which are more fully discussed in Notes 11 and 12, respectively.

10. Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave (employee benefits). Liabilities for vacation leave are recorded when benefits are earned. Full cash payment for all unused vacation leave is available to employees upon retirement or termination. Partial cash payment for accrued sick leave is available upon retirement or termination if certain criteria are met (eight years of employment and upon retirement or termination will receive 50% of accrued benefits).

11. Leases

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

12. Subscription-Based Information Technology Arrangements (SBITAs)

The District recognizes a SBITA liability and a SBITA asset at the commencement of the SBITA term, unless the SBITA is a short-term agreement, or it transfers ownership of the underlying asset. The SBITA liability should be measured at the present value of payments expected to be made during the contract term (less any incentives). The SBITA asset should be measured at the amount of the initial measurement of the SBITA liability, plus any payments made to the vendor at or before the commencement of the contract term and certain direct costs.

13. Pensions

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

14. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

15. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation, capital assets, intangible assets – right to use leased assets and intangible assets – SBITAs, net of accumulated amortization and reduced by the outstanding balances of any bonds, mortgages, notes, leases payable, or other borrowings or payables that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Operating Revenues and Expenses

Operating revenues, such as charges for services (retail water sales, wholesale water sales, monthly water charge, recreation revenue, and other water charges and services), result from exchange transactions associated with the principal activity of the District. Nonoperating revenues, such as property taxes, assessments, investment earnings, adjudication charges, and other such items, result from nonexchange activities in which the District receives value without directly giving equal value in exchange.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Operating Revenues and Expenses (Continued)

Operating expenses include the costs of providing water and related services (fisheries, engineering, water treatment, water quality, utilities maintenance, electrical mechanical, pipeline, operations maintenance and management, and change in water-in-storage inventory), general and administrative expenses, recreation expenses, depreciation on capital assets, and amortization on right-to-use leased assets and SBITAs. All expenses not meeting this definition are reported as nonoperating expenses.

E. Property Taxes and Assessments

Property taxes are levied based on a fiscal year (July 1 - June 30) each year. The property tax assessments are formally due on November 1 and February 1, and become delinquent after December 10 and April 10, respectively. Taxes become a lien on the property effective January 1 of the preceding year.

F. Capital Contributions

Capital contributions represent federal, state, and local grants received for the construction of capital projects.

G. Use of Estimates

The preparation of financial statements in conformity 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, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

H. State Water Project Participation Rights

The District participates in the State Water Project (Project) entitling it to certain water rights. The District's participation in the Project is through cash payments. Monies used for the construction of capital assets, such as pipelines, pumping facilities, storage facilities, etc., are recorded as State Water Project entitlement rights and amortized over the life of the agreements within capital assets. Certain projects also require payments for on-going maintenance; those payments are charged to expenses as incurred.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS

Cash and investments were classified in the accompanying financial statements as follows:

Description	June 30,	
	2024	2023
Cash and Cash Equivalents	\$ 6,312,473	\$ 4,882,722
Investments	9,684,841	10,626,150
Restricted - Cash and Cash Equivalents	135,021	2,307,581
Total	<u>\$ 16,132,335</u>	<u>\$ 17,816,453</u>

Cash and investments consisted of the following:

Description	June 30,	
	2024	2023
Cash on Hand	\$ 6,800	\$ 6,800
Demand Deposits Held in Financial Institutions	6,178,779	4,860,123
Other Cash and Cash Equivalents:		
Deposits in Money-Market Funds	123,091	12,147
Deposits in the Local Agency Investment Fund (LAIF)	516	496
Deposits in the Ventura County Pooled Investment Fund	3,287	3,156
Subtotal Cash and Cash Equivalents	6,312,473	4,882,722
Investments	9,684,841	10,626,150
Restricted - Investments with Fiscal Agent	135,021	2,307,581
Total	<u>\$ 16,132,335</u>	<u>\$ 17,816,453</u>

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2024 and 2023, all of the District's deposits with financial institutions were covered by federal depository insurance limits or were held in collateralized accounts.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Authorized Investments and Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code (or 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 the investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy. This table also does not address investments of the employer contributions to the OPEB trusts that are governed by the agreement between the District and the trustees, rather than the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5-Years*	None	None
Government Sponsored Entities Securities	5-Years*	None	None
Non-Negotiable Certificates of Deposit	5-Years*	30%	10%
Medium Term Notes	5-Years	30%	10%
Money Market Mutual Funds	5-Years	20%	10%
Municipal Bonds	5-Years	None	10%
Commercial Paper	270 days**	25%**	10%
Bankers Acceptances	180 days**	40%**	10%
Repurchase Agreements	1-Year**	None	10%
County Pooled Investment Funds	None	None	None
California Local Agency Investment Fund (LAIF)	None	95%	None
Bonds Issued by the District	5-Years	95%	None

* The District's investment policy for the fiscal year ended June 30, 2024 allows for a maximum maturity of five years. However, a previous investment policy allowed for a maximum maturity of ten years. The California Government Code limit's the maturity to five years but allows the board express authority to make investments either specifically or as a part of an investment program approved by the board that exceeds this five-year maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit. Some investments with a maturity in excess of five years were purchased under the previous investment policy and have not yet liquidated.

**The California Government Code is more restrictive than the District's policy and is reflected in these line items.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Money-Market Mutual Funds

Money-market mutual funds are an investment whose objective is to earn modest investment earnings while maintaining a net asset value (NAV) of \$1 per share (which is the funds main goal – preservation of principal). A money-market mutual fund's portfolio is typically comprised of short-term, or less than one year, securities representing high-quality, liquid debt and monetary instruments with minimal credit risk. Money-market mutual funds are not subject to the fair value hierarchy. For financial reporting purposes, the District considers money market funds a cash equivalent due to their highly liquid nature and NAV of \$1 per share.

Ventura County Pooled Investment Fund (VCPIF)

The District is a voluntary participant in the Ventura County Pooled Investment Fund (VCPIF) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the Ventura County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all request for withdrawal of funds for the purpose of investing or deposits the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the County of Ventura Treasurer's Office – 800 S. Victoria Ave., Ventura, California 93009 or the Treasurer and Tax Collector's office website at www.ventura.org/ttc.

VCPIF is not subject to the fair value hierarchy established by accounting principles generally accepted in the United States of America as it is held at an amortized cost basis, and it is not rated under the current credit risk ratings format. For financial reporting purposes, the District considers the VCPIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers' money to manage the state's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity, and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties, and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Local Agency Investment Fund (LAIF) (Continued)

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not subject to the fair value hierarchy established by accounting principles generally accepted in the United States of America as it is held at an amortized cost basis, and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology.

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 fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. One of the ways 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 to that a portion of the portfolio is maturing or coming close to maturity as necessary to provide the cash flow and liquidity needed for operations.

The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk. 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 by the following tables that show the distribution of the District's investments by maturity.

The District's investments as of June 30, 2024, were as follows:

<u>Type of Investments</u>	<u>Measurement Input</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 120 Months</u>
U.S. Treasury Obligations	Level 2	AA	\$ 2,446,474	\$ 2,446,474	\$ -	\$ -
Government Sponsored						
Agency Securities	Level 2	AA	7,238,367	1,387,634	4,084,973	1,765,760
Local Agency Investment Fund (LAIF)	N/A	N/A	516	516	-	-
Ventura County Pooled						
Investment Fund (VCPIF)	N/A	N/A	3,287	3,287	-	-
Money Market Mutual Funds	N/A	Not Rated	123,091	123,091	-	-
Restricted - Investments with Fiscal Agent:						
Money Market Mutual Funds	N/A	AAA	135,021	135,021	-	-
Total			<u>\$ 9,946,756</u>	<u>\$ 4,096,023</u>	<u>\$ 4,084,973</u>	<u>\$ 1,765,760</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

The District's investments as of June 30, 2023, were as follows:

Type of Investments	Measurement Input	Credit Rating	Fair Value	12 Months or Less	13 to 24 Months	25 to 120 Months
U.S. Treasury Obligations	Level 2	AA	\$ 2,400,377	\$ 2,400,377	\$ -	\$ -
Government Sponsored						
Agency Securities	Level 2	AA	8,225,773	1,949,550	1,353,652	4,922,571
Local Agency Investment Fund (LAIF)	N/A	N/A	496	496	-	-
Ventura County Pooled						
Investment Fund (VCPIF)	N/A	N/A	3,156	3,156	-	-
Money Market Mutual Funds	N/A	Not Rated	12,147	12,147	-	-
Restricted - Investments with Fiscal Agent:						
Money Market Mutual Funds	N/A	AAA	2,307,581	2,307,581	-	-
Total			<u>\$ 12,949,530</u>	<u>\$ 6,673,307</u>	<u>\$ 1,353,652</u>	<u>\$ 4,922,571</u>

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The District has presented its measurement inputs as noted in the previous table. U.S. treasury obligations and government sponsored agency securities are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Custodial Credit Risk – Investments

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 government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. 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 VCPIF).

Credit Risk - Investments

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 District's investments in U.S. Treasury obligations and government sponsored agency securities are rated AA by *Standard & Poor's* as of June 30, 2024 and 2023.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or nongovernmental issuer beyond that stipulated by the California Government Code. The following investments in any one governmental or nongovernmental issuer represented 5% or more of the District's total investments:

Description	June 30, 2024	
	Percentage	Balance
U.S. Treasury Obligations	25 %	\$ 2,446,474
Government Sponsored Agency Securities:		
Federal Agricultural Mortgage Corporation (FAMC)	5	473,040
Federal Home Loan Banks (FHLB)	10	977,670
Federal National Mortgage Association (FNMA)	38	3,773,359
Federal Farm Credit Bank (FFCB)	21	2,014,298

Description	June 30, 2023	
	Percentage	Balance
U.S. Treasury Obligations	23 %	\$ 2,400,377
Government Sponsored Agency Securities:		
Federal Agricultural Mortgage Corporation (FAMC)	11	1,175,239
Federal Home Loan Banks (FHLB)	21	2,190,456
Federal National Mortgage Association (FNMA)	35	3,691,502
Federal Farm Credit Bank (FFCB)	12	1,168,576

NOTE 3 RESTRICTED ASSETS

Restricted assets (restricted for debt service) as of June 30, were classified on the balance sheets as follows:

Description	2024	2023
Restricted - Cash and Cash Equivalents	\$ 135,021	\$ 2,307,581

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 4 ACCOUNTS RECEIVABLE

The balance at June 30, consists of the following:

Description	2024	2023
Accounts Receivable - Customers	\$ 2,618,413	\$ 2,351,364
Allowance for Doubtful Accounts	(121,045)	(154,220)
Accounts Receivable - Others	546,028	601,795
Accounts Receivable - Property Taxes	134,548	108,855
Accounts Receivable - CFD 2013-1 Assessment	131,034	146,064
Total	<u>\$ 3,308,978</u>	<u>\$ 3,053,858</u>

NOTE 5 WATER-IN-STORAGE INVENTORY

The following schedule notes the change in the cost of the water held-in storage in Casitas Lake. The increase or decrease in the water storage valuation balance denotes a way of accounting for water diversion expenses as explained in Note 1 in future years when the water in the lake is transmitted to the District's customers.

Changes in water-in-storage inventory for the years ended June 30, were as follows:

Description	2024	2023
Beginning Balance - Water-in-Storage	\$ 10,247,115	\$ 8,247,590
Current Year Change in Water-in-Storage	4,951,793	1,999,525
Ending Balance - Water-in-Storage	<u>\$ 15,198,908</u>	<u>\$ 10,247,115</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 6 CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended June 30, 2024, were as follows:

Description	Balance July 1, 2023	Additions	Transfers	June 30, 2024
Nondepreciable Assets:				
Land	\$ 7,797,935	\$ -	\$ -	\$ 7,797,935
Easements	393,408	-	-	393,408
Construction-in-Process	9,687,636	1,925,587	(6,290,183)	5,323,040
Total Nondepreciable Assets	<u>17,878,979</u>	<u>1,925,587</u>	<u>(6,290,183)</u>	<u>13,514,383</u>
Depreciable Assets:				
State Water Project Entitlement	3,549,740	113,224	-	3,662,964
Transmission and Distribution System	69,215,712	5,350,424	-	74,566,136
Pumping Plant	24,241,457	168,096	-	24,409,553
Water Treatment Plant	30,198,141	-	-	30,198,141
Buildings and Structures	7,182,156	1,510,737	-	8,692,893
Equipment	8,226,110	160,211	(95,507)	8,290,814
Fish Ladder	9,417,731	-	-	9,417,731
Recreation Assets	8,772,980	214,261	-	8,987,241
Alternate Swimming Facility	4,847,715	67,458	-	4,915,173
Total Depreciable Assets	<u>165,651,742</u>	<u>7,584,411</u>	<u>(95,507)</u>	<u>173,140,646</u>
Accumulated Depreciation:				
State Water Project Entitlement	(2,506,820)	(94,658)	-	(2,601,478)
Transmission and Distribution System	(24,284,625)	(874,637)	-	(25,159,262)
Pumping Plant	(11,954,591)	(645,470)	-	(12,600,061)
Water Treatment Plant	(24,118,897)	(789,594)	-	(24,908,491)
Buildings and Structures	(2,357,445)	(279,304)	-	(2,636,749)
Equipment	(7,412,859)	(418,706)	95,507	(7,736,058)
Fish Ladder	(7,735,152)	(337,433)	-	(8,072,585)
Recreation Assets	(6,196,068)	(194,234)	-	(6,390,302)
Alternate Swimming Facility	(1,888,296)	(245,102)	-	(2,133,398)
Total Accumulated Depreciation	<u>(88,454,753)</u>	<u>(3,879,138)</u>	<u>95,507</u>	<u>(92,238,384)</u>
Total Depreciable Assets, Net	<u>77,196,989</u>	<u>3,705,273</u>	<u>-</u>	<u>80,902,262</u>
Amortized Assets:				
Intangible Asset - Right-to-Use:				
Lease Asset - Vehicles	520,882	128,551	-	649,433
SBITA	758,670	263,030	(81,177)	940,523
Total Amortized Assets	<u>1,279,552</u>	<u>391,581</u>	<u>(81,177)</u>	<u>1,589,956</u>
Accumulated Amortization:				
Intangible Asset - Right-to-Use:				
Lease Asset - Vehicles	(76,073)	(126,144)	-	(202,217)
SBITA	(229,433)	(224,377)	41,305	(412,505)
Total Accumulated Amortization	<u>(305,506)</u>	<u>(350,521)</u>	<u>41,305</u>	<u>(614,722)</u>
Total Amortized Assets, Net	<u>974,046</u>	<u>41,060</u>	<u>(39,872)</u>	<u>975,234</u>
Total Capital Assets, Net	<u>\$ 96,050,014</u>	<u>\$ 5,671,920</u>	<u>\$ (6,330,055)</u>	<u>\$ 95,391,879</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 6 CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

Changes in capital assets for the fiscal year ended June 30, 2023, were as follows:

Description	Balance July 1, 2022	Additions	Deletions/ Transfers	Balance June 30, 2023
Nondepreciable Assets:				
Land	\$ 7,797,935	\$ -	\$ -	\$ 7,797,935
Easements	393,408	-	-	393,408
Construction-in-Process	7,998,291	5,320,104	(3,630,759)	9,687,636
Total Nondepreciable Assets	<u>16,189,634</u>	<u>5,320,104</u>	<u>(3,630,759)</u>	<u>17,878,979</u>
Depreciable Assets:				
State Water Project Entitlement	3,473,788	75,952	-	3,549,740
Transmission and Distribution System	68,604,660	611,052	-	69,215,712
Pumping Plant	23,711,529	529,928	-	24,241,457
Water Treatment Plant	30,006,147	191,994	-	30,198,141
Buildings and Structures	5,030,685	2,151,471	-	7,182,156
Equipment	7,403,643	1,041,280	(218,813)	8,226,110
Fish Ladder	9,417,731	-	-	9,417,731
Recreation Assets	8,504,839	268,141	-	8,772,980
Alternate Swimming Facility	1,956,001	2,891,714	-	4,847,715
Total Depreciable Assets	<u>158,109,023</u>	<u>7,761,532</u>	<u>(218,813)</u>	<u>165,651,742</u>
Accumulated Depreciation:				
State Water Project Entitlement	(2,414,572)	(92,248)	-	(2,506,820)
Transmission and Distribution System	(23,464,923)	(819,702)	-	(24,284,625)
Pumping Plant	(11,174,860)	(779,731)	-	(11,954,591)
Water Treatment Plant	(23,326,332)	(792,565)	-	(24,118,897)
Buildings and Structures	(2,109,187)	(248,258)	-	(2,357,445)
Equipment	(7,224,965)	(406,707)	218,813	(7,412,859)
Fish Ladder	(7,397,719)	(337,433)	-	(7,735,152)
Recreation Assets	(5,996,653)	(199,415)	-	(6,196,068)
Alternate Swimming Facility	(1,646,567)	(241,729)	-	(1,888,296)
Total Accumulated Depreciation	<u>(84,755,778)</u>	<u>(3,917,788)</u>	<u>218,813</u>	<u>(88,454,753)</u>
Total Depreciable Assets, Net	<u>73,353,245</u>	<u>3,843,744</u>	<u>-</u>	<u>77,196,989</u>
Amortized Assets:				
Intangible Asset - Right-to-Use:				
Lease Asset - Vehicles	27,418	493,464	-	520,882
SBITA	344,360	414,310	-	758,670
Total Amortized Assets	<u>371,778</u>	<u>907,774</u>	<u>-</u>	<u>1,279,552</u>
Accumulated Amortization:				
Intangible Asset - Right-to-Use:				
Lease Asset - Vehicles	(2,635)	(73,438)	-	(76,073)
SBITA	(76,721)	(152,712)	-	(229,433)
Total Accumulated Amortization	<u>(79,356)</u>	<u>(226,150)</u>	<u>-</u>	<u>(305,506)</u>
Total Amortized Assets, Net	<u>292,422</u>	<u>681,624</u>	<u>-</u>	<u>974,046</u>
Total Capital Assets, Net	<u>\$ 89,835,301</u>	<u>\$ 9,845,472</u>	<u>\$ (3,630,759)</u>	<u>\$ 96,050,014</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 6 CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

State Water Project Entitlement

In 1963, the Ventura County Flood Control District contracted with the state of California (State) for 20,000 acre-feet per year of water from the State Water Project (SWP). The SWP conveys water from Northern California to Southern California through a system of reservoirs, canals, pump stations, and power generation facilities. In 1971, the administration of the State Water Contract with the state was assigned to the District. Of the 20,000 acre-feet per year contracted, the District is assigned 5,000 acre-feet per year. United Water Conservation District is assigned 5,000 acre-feet per year, and the City of Ventura is assigned 10,000 acre-feet per year. Currently, only United Water Conservation District is receiving water from the SWP.

The District is one of many participants contracting with the state of California for a system to provide water throughout California. Under the terms of the State Water Contract, as amended, the District is obliged to pay allocable portions of the cost of construction of the system and ongoing operations and maintenance costs through at least the year 2035, regardless of the quantities of water available from the project. The District and the other contractors may also be responsible to the state for certain obligations by any contractor who defaults on its payments to the state.

The District exercised its option to extend the contractual period to 2085 under substantially comparable terms. This corresponds to an estimated 80-year service life for the original facilities. The state is obligated to provide specific quantities of water throughout the life of the contract, subject to certain conditions.

In addition to system on-aqueduct power facilities, the state has, either on its own or through joint venture, financed certain off-aqueduct power facilities (OAPF). The power generated is utilized by the system for water transportation purposes. Power generated in excess of system needs is marketed to various utilities and California's power market. The District is entitled to a proportionate share of the revenues resulting from sales of excess power. The District and the other water contractors are responsible for repaying the capital and operating costs of the OAPF regardless of the amount of power generated.

The District capitalized its share of system construction costs as participation rights in state water facilities when such costs are billed by the state. Unamortized participation rights essentially represent a prepayment for future water deliveries through the state system. The District's share of system operations and maintenance costs is charged to expense.

The District amortizes a portion of capitalized participation rights each year using a formula that considers the total estimated cost of the project, estimated useful life and estimated production capacity of the assets based upon information provided by the state of California.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 7 COMPENSATED ABSENCES

Summary changes to compensated absences balances for the year ended June 30, 2024 were as follows:

Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
\$ 1,282,144	\$ 510,114	\$ (462,128)	\$ 1,330,130	\$ 532,052	\$ 798,078

Summary changes to compensated absences balances for the year ended June 30, 2023 were as follows:

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
\$ 1,191,210	\$ 503,476	\$ (412,542)	\$ 1,282,144	\$ 512,858	\$ 769,286

NOTE 8 LEASES

The District leases equipment (vehicles) under a long-term noncancelable lease agreements. The leases expire at various times through 2029 and do not provide for renewal options. The interest rates range from 4.48% to 8.35% and there are no variable payments. The following are the lease liabilities as of June 30, 2024 and 2023:

Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
\$ 381,659	\$ 112,515	\$ (94,903)	\$ 399,271	\$ 104,802	\$ 294,469

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
\$ 25,078	\$ 412,101	\$ (55,520)	\$ 381,659	\$ 79,172	\$ 302,487

Total future minimum lease payments under lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 104,802	\$ 25,542
2026	112,516	17,828
2027	118,260	9,557
2028	57,941	2,336
2029	5,752	89
Total	<u>\$ 399,271</u>	<u>\$ 55,352</u>

Right-to-use assets, consisting of equipment, acquired through outstanding leases, net of accumulated amortization total \$447,216 and \$444,809 for the fiscal years ended June 30, 2024 and 2023, respectively. See more details of these balances in Note 6, Capital Assets and Depreciation.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 9 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The District has entered into subscription based-information technology arrangements (SBITAs) for various software, cloud services, and online system subscriptions. The SBITA arrangements expire at various dates through 2029, are calculated at interest rates of 3.21%, and provide for renewal options. The following are the SBITA liabilities as of June 30, 2024 and 2023:

Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
\$ 468,132	\$ 256,115	\$ (232,570)	\$ 491,677	\$ 234,125	\$ 257,552

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
\$ 241,313	\$ 403,814	\$ (176,995)	\$ 468,132	\$ 173,610	\$ 294,522

SBITA assets and the related accumulated amortization totaled \$528,018 and \$529,237, for the fiscal years ended June 30, 2024 and 2023, respectively. See more details of these balances in Note 6, Capital Assets and Depreciation.

The future subscription payments under SBITA agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	Principal	Interest
2025	\$ 234,125	\$ 10,430
2026	175,720	4,690
2027	43,038	1,806
2028	25,655	810
2029	13,139	91
Total	<u>\$ 491,677</u>	<u>\$ 17,827</u>

Some SBITA agreements require variable payments based on future performance of the government, usage of the underlying IT assets, or number of user seats and are not included in the measurement of the SBITA liability. Those variable payments are recognized as outflows of resources in the periods in which the obligation for those payments is incurred. The District has no such variable payments.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 10 LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2024 were as follows:

Long-Term Debt	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
Direct Borrowing:						
Loans Payable	\$ 2,636,911	\$ -	\$ (240,033)	\$ 2,396,878	\$ 248,141	\$ 2,148,737
Notes Payable	251,255	49,752	(101,688)	199,319	63,008	136,311
Other Debt:						
Special Tax Bonds:						
2017 Series B	38,615,000	-	(395,000)	38,220,000	455,000	37,765,000
2017 Series B Premium	3,377,184	-	(139,745)	3,237,439	-	3,237,439
2019 Series C	11,850,000	-	(140,000)	11,710,000	160,000	11,550,000
2019 Series C Premium	1,490,634	-	(61,682)	1,428,952	-	1,428,952
Reimbursement						
Agreement	2,239,616	-	(77,228)	2,162,388	77,228	2,085,160
Total Long-Term Debt	<u>\$ 60,460,600</u>	<u>\$ 49,752</u>	<u>\$ (1,155,376)</u>	<u>\$ 59,354,976</u>	<u>\$ 1,003,377</u>	<u>\$ 58,351,599</u>

Changes in long-term debt for the year ended June 30, 2023 were as follows:

Long-Term Debt	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
Direct Borrowing:						
Loans Payable	\$ -	\$ 2,751,200	\$ (114,289)	\$ 2,636,911	\$ 240,033	\$ 2,396,878
Notes Payable	97,670	240,609	(87,024)	251,255	101,688	149,567
Other Debt:						
Special Tax Bonds:						
2017 Series B	38,955,000	-	(340,000)	38,615,000	395,000	38,220,000
2017 Series B Premium	3,516,929	-	(139,745)	3,377,184	-	3,377,184
2019 Series C	11,975,000	-	(125,000)	11,850,000	140,000	11,710,000
2019 Series C Premium	1,552,316	-	(61,682)	1,490,634	-	1,490,634
Reimbursement						
Agreement	2,316,845	-	(77,229)	2,239,616	77,228	2,162,388
Total Long-Term Debt	<u>\$ 58,413,760</u>	<u>\$ 2,991,809</u>	<u>\$ (944,969)</u>	<u>\$ 60,460,600</u>	<u>\$ 953,949</u>	<u>\$ 59,506,651</u>

A. Loans Payable

2022 Loan Payable

On July 20, 2022, the District obtained financing in the amount of \$2,751,200 that matures on August 1, 2032. The loan was issued for the replacement of the aquatic play structure and regenerative media filtration system for the Casitas Water Adventure at the Lake Casitas Recreation Area. Interest is calculated at 3.35% per annum and annual payments equal \$326,375. The loan is scheduled to mature in 2033. The District shall fix, prescribe, and collect rates, fees, and charges during each fiscal year which are sufficient to yield net revenues and taxes which are at least equal to 110% of the aggregate amount of the installment payments and debt service on all parity obligations coming due and payable in such fiscal year. The District is in compliance with this requirement for the fiscal year ended June 30, 2024. The District's net revenues and taxes are pledged and assigned to repayment of the note. See additional details in Note 10F.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 10 LONG-TERM DEBT (CONTINUED)

A. Loans Payable (Continued)

2022 Loan Payable (Continued)

Annual debt service requirements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 248,141	\$ 78,235	\$ 326,376
2026	256,523	69,852	326,375
2027	265,189	61,187	326,376
2028	274,147	52,228	326,375
2029	283,408	42,968	326,376
2030-2033	1,069,470	72,844	1,142,314
Total	<u>\$ 2,396,878</u>	<u>\$ 377,314</u>	<u>\$ 2,774,192</u>

B. Notes Payable

The District has financed the purchase of certain equipment for various terms under long-term financing agreements, which expire at various dates through 2028. Interest rates range from 3.35% to 3.75%. Annual debt service requirements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 63,008	\$ 10,429	\$ 73,437
2026	64,135	7,240	71,375
2027	36,381	3,855	40,236
2028	24,379	1,759	26,138
2029	11,416	624	12,040
Total	<u>\$ 199,319</u>	<u>\$ 23,907</u>	<u>\$ 223,226</u>

C. 2017 Special Tax Bonds

In 2013, registered voters within Community Facilities District 2013-1 authorized the District to incur bonded indebtedness in the aggregate principal amount not to exceed \$60,000,000. In April 2017, the District issued \$39,910,000 in 2017 Special Tax Bonds-Series A and B for the purchase of the Ojai water facilities in Community Facilities District 2013-1 (CFD 2013-1) for \$34.4 million and capital improvements needed to upgrade the water facilities. The Special Tax Bonds were issued by the District under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended. A special assessment is levied annually on the property owners of the CFD 2013-1 service area to repay their portion of the annual debt service for the acquisition of the water facilities.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 10 LONG-TERM DEBT (CONTINUED)

C. 2017 Special Tax Bonds (Continued)

The acquisition of CFD 2013-1 water facilities for \$34.4 million included capital assets of \$25.9 million and various other assets, liabilities, and expenses totaling \$4.4 million leaving \$4,100,000 as a deferred loss on the acquisition of CFD 2013-1 that is being amortized over 30 years. The balance of this deferred loss, net of accumulated amortization is \$2,659,172 and \$2,865,043 as of June 30, 2024 and 2023, respectively.

The 2017 Special Tax Bonds are secured by a pledge and lien of the special taxes levy on the taxable property within the District. See Note 10 F. for details.

The special tax bonds are scheduled to mature on September 1, 2047 with annual principal and interest payments due September 1 and March 1. Annual interest rates range between 2.0% and 5.25%. The special tax bonds were issued with a \$4,227,203 bond premium and a prepaid Build America Mutual municipal bond insurance policy with a cost of \$472,314, both of which will be amortized over the remaining years of debt service life. Annual debt service requirements on the special tax bonds are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 455,000	\$ 1,777,388	\$ 2,232,388
2026	520,000	1,757,888	2,277,888
2027	585,000	1,735,788	2,320,788
2028	655,000	1,707,713	2,362,713
2029	735,000	1,672,963	2,407,963
2030-2034	5,010,000	7,777,969	12,787,969
2035-2039	7,385,000	6,702,125	14,087,125
2040-2044	10,810,000	4,629,744	15,439,744
2045-2048	12,065,000	1,321,819	13,386,819
Total	<u>\$ 38,220,000</u>	<u>\$ 29,083,397</u>	<u>\$ 67,303,397</u>

D. 2019 Special Tax Bonds

In October 2019, the District issued \$12,265,000 in Special Tax Bonds for capital improvements to the Ojai water facilities serving property within Community Facilities District 2013-1 (CFD 2013-1). The Special Tax Bonds are being issued by the District under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended. A special assessment will be levied annually on the property owners of the CFD 2013-1 service area to repay their portion of the annual debt service for the acquisition of the water facilities.

The 2019 Special Tax Bonds are secured by a pledge and lien of the special taxes levy on the taxable property within the District. See Note 10F for details.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 10 LONG-TERM DEBT (CONTINUED)

D. 2019 Special Tax Bonds (Continued)

The Special Tax Bonds are scheduled to mature on September 1, 2047 with annual principal and interest payments due September 1 and March 1. Annual interest rates range between 3.0% and 5.0%. The Special Tax Bonds were issued with a \$1,711,659 bond premium and a prepaid Build America Mutual municipal bond insurance policy for \$128,405 both of which will be amortized over the remaining years of debt service life. The cost of debt issuance was \$323,870 and was expensed as incurred. Annual debt service requirements on the special tax bonds are as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 160,000	\$ 477,350	\$ 637,350
2026	175,000	472,325	647,325
2027	195,000	465,800	660,800
2028	215,000	457,600	672,600
2029	235,000	447,425	682,425
2030-2034	1,575,000	2,047,075	3,622,075
2035-2039	2,330,000	1,661,600	3,991,600
2040-2044	3,285,000	1,103,700	4,388,700
2045-2048	3,540,000	322,100	3,862,100
Total	<u>\$ 11,710,000</u>	<u>\$ 7,454,975</u>	<u>\$ 19,164,975</u>

E. Casitas Dam Project-Seismic Safety of Casitas Dam Reimbursement Agreement

The United States Bureau of Reclamation (USBR) has undertaken and completed a project to strengthen Casitas Dam to better withstand seismic activity. Under federal law, the District is required to pay 15% of those costs. The District and the USBR have completed negotiations on the District's share of the cost of the project which is \$3,011,898. The District is to reimburse the USBR \$77,228 each February 1 until February 1, 2052 as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Amount</u>
2025	\$ 77,228
2026	77,228
2027	77,228
2028	77,228
2029	77,228
2030-2034	386,140
2035-2039	386,140
2040-2044	386,140
2045-2049	386,140
2050-2052	231,688
Total	2,162,388
Less: Current Portion	(77,228)
Total Noncurrent	<u>\$ 2,085,160</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 10 LONG-TERM DEBT (CONTINUED)

F. Pledged Revenue

The 2017 and 2019 Special Tax Bonds are secured by a pledge and lien of the special taxes levy on the taxable property within the District. The special taxes collected, debt services payments, and percentage of revenue collected over debt services payments for the years ended June 30, 2024 and 2023 are as follows:

	2024	2023
CFD 2013-1 Assessment Revenue	<u>\$ 2,963,060</u>	<u>\$ 2,929,902</u>
Special Tax Bonds - 2017 Series B Debt Service Payment	\$ 2,189,388	\$ 2,149,088
Special Tax Bonds - 2019 Series C Debt Service Payment	<u>621,850</u>	<u>610,825</u>
Total Debt Service Payments Supported by Assessment	<u>\$ 2,811,238</u>	<u>\$ 2,759,913</u>
Percentage of Revenue Collected Over Debt Service Payments	105%	106%

The 2022 loan payable is secured by a pledge and lien of all net revenues and taxes of the District. The amounts pledged are as follows:

	2024	2023
Net Water Revenues	\$ 4,059,918	\$ 2,132,747
Taxes	<u>-</u>	<u>-</u>
Total Pledged Net Revenues	<u>\$ 4,059,918</u>	<u>\$ 2,132,747</u>
Total Debt Service Payments Supported by Net Revenues	<u>\$ 326,376</u>	<u>\$ 299,178</u>
Percentage of Revenue Collected Over Debt Service Payments	1244%	713%

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY

Summary

The following balances on the balance sheets will be addressed in this footnote as follows:

Description	2024	2023
OPEB Related Deferred Outflows of Resources	\$ 4,611,611	\$ 6,260,763
Net OPEB Liability	11,176,458	10,891,907
OPEB Related Deferred Inflows of Resources	10,428,644	11,691,864

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

Plan Description – Eligibility

The District, through an agent multiemployer defined benefit plan (the Plan), provides postemployment healthcare benefits to retirees managed through California Employers’ Retiree Benefit Trust (CERBT). The following requirements must be satisfied in order to be eligible for postemployment medical benefits: (1) Attainment of age 60, and 20 years for full-time service, and (2) retirement from the District (the District must be the last employer prior to retirement).

Plan Description - Benefits

The District offers postemployment medical benefits to retired employees who satisfy the eligibility rules. Retirees may enroll in any plan available through the ACWA-JPIA medical program. The benefits provided and contribution requirements of plan members and the District are established and may be amended by the board of directors. The following is a description of the current retiree benefit plan:

Description	Participants
Benefit Types Provided	Secondary to Medicare - Medical, Dental, and Vision
Benefit Types not Covered	Medicare Part B
Duration of Benefits	Lifetime
Required Service	20 Years Service
Minimum Age	60 Years Old and CalPERS Retirement from District
Dependent Coverage	Surviving Spouse may Participate
District Contribution	100% of the Least Cost of Plans That are Offered to District employees

Employees Covered by Benefit Terms

At June 30, 2023 and 2022 (measurement dates), the following employees were covered by the benefit terms:

Description	2023	2022
Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	35	34
Active Plan Members	76	75
Total	111	109

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

Contributions

Contribution requirements are established by District policy and may be amended by the board of directors. The annual contribution is based on the actuarially determined contribution; however, the District typically contributes based on the pay-as-you-go costs. For the fiscal year ended June 30, 2024, the District made no contributions to the OPEB trust, made payments totaling \$355,493 for retiree health care insurance benefits of which \$294,486 was reimbursed by the OPEB trust, made no payments for administrative expenses paid outside of the trust, and the implied subsidy was \$163,110, resulting in payments of \$224,117. For the fiscal year ended June 30, 2023, the District made no contributions to the OPEB trust, made payments totaling \$337,947 for retiree health care insurance benefits, made no payments for administrative expenses paid outside of the trust, and the implied subsidy was \$161,251, resulting in payments of \$499,198.

A. Net OPEB Liability

The District's net OPEB liability for the fiscal year ended June 30, 2024, was measured as of June 30, 2023 (measurement date), and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023, using standard update procedures.

The District's net OPEB liability for the fiscal year ended June 30, 2023, was measured as of June 30, 2022 (measurement date), and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions and Other Inputs

The total net OPEB liability in the June 30, 2023 and 2022 (measurement dates) actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2023	June 30, 2022
Discount Rate	4.22 %	4.19 %
Inflation	2.50	2.50
Salary Increases	2.75	2.75
Investment Rate of Return	5.25	5.25
Healthcare Cost Trend Rates	(1)	(1)
Mortality, Retirement, Disability, and Termination	(2)	(2)
Mortality Improvement	(3)	(3)

- (1) Non-Medicare: 8.5% for 2024 Decreasing to 3.45% in 2076;
Medicare (Kaiser): 7.5% for 2024 Decreasing to 3.45% in 2076
Medicare (Other): 6.25% for 2024 Decreasing to 3.45% in 2076

(2) Based on CalPERS 2000-2019 Experience Study.

(3) Postretirement Mortality Projected Fully Generational With Scale MP-20201

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

A. Net OPEB Liability (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocations with CERBT as of June 30, 2023 and 2022 measurement dates are summarized in the following tables:

Measurement period ended June 30, 2023:

	Target Allocation CERBT - Strategy 3	Expected Real Rate of Return
Global Equity	23.00 %	4.56 %
Fixed Income	51.00	1.56
TIPS	9.00	(0.08)
Commodities	3.00	1.22
REITS	14.00	4.06
Assumed Long-Term Rate of Inflation		2.50
Expected Long-Term Net Rate of Return, Rounded		5.25

Measurement period ended June 30, 2022:

	Target Allocation CERBT - Strategy 3	Expected Real Rate of Return
Global Equity	23.00 %	4.56 %
Fixed Income	51.00	1.56
TIPS	9.00	(0.08)
Commodities	3.00	1.22
REITS	14.00	4.06
Assumed Long-Term Rate of Inflation		2.50
Expected Long-Term Net Rate of Return, Rounded		5.25

Discount Rate

GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments—to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher—to the extent that the conditions in (a) are not met.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

A. Net OPEB Liability (Continued)

Discount Rate – Measurement Period Ended June 30, 2023

The blended discount rate used to measure the total OPEB liability was 4.22% as of the measurement period ended June 30, 2023. The projection of cash flows used to determine the discount rate assumed that the District would make contributions based on expected pay-go costs less normal costs for future new members and that additional contributions to the trust were unlikely. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries through 2051, the crossover date. At the crossover date of 2051, the plan's fiduciary net position is not projected to be available to make required payments and, therefore, the Bond Buyer 20-Bond GO Index rate of 3.65% was applied from this date forward.

Discount Rate – Measurement Period Ended June 30, 2022

The blended discount rate used to measure the total OPEB liability was 4.19% as of the measurement period ended June 30, 2022. The projection of cash flows used to determine the discount rate assumed that the District would make contributions based on expected pay-go costs less normal costs for future new members and that additional contributions to the trust were unlikely. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries through 2052, the crossover date. At the crossover date of 2052, the plan's fiduciary net position is not projected to be available to make required payments and, therefore, the Bond Buyer 20-Bond GO Index rate of 3.54% was applied from this date forward.

Changes of Assumptions

The following changes in assumptions were noted from the measurement period ended June 30, 2022 to June 30, 2023:

- The discount rate was updated from 4.19% to 4.22%.

The following changes in assumptions were noted from the measurement period ended June 30, 2021 to June 30, 2022:

- The discount rate was updated from 2.33% to 4.19%.
- The mortality improvement scale was updated from Scale MP-2020 to Scale MP-2021.
- The medical trend rates were updated.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

A. Net OPEB Liability (Continued)

Changes of Benefit Terms

There were no changes of benefit terms.

B. Changes in the Net OPEB Liability

The changes in the net OPEB liability are as follows for the June 30, 2023 measurement date:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022 (Measurement Date)	\$ 12,331,104	\$ 1,439,197	\$ 10,891,907
Changes for the Year:			
Service Cost	337,135	-	337,135
Interest on the Net OPEB Liability	520,467	-	520,467
Changes in Assumptions	(51,523)	-	(51,523)
Differences Between Actual and Expected Experience	-	-	-
Employer Contributions	-	499,198	(499,198)
Net Investment Income	-	22,740	(22,740)
Administrative Expenses	-	(410)	410
Benefit Payments	(499,198)	(499,198)	-
Net Changes	<u>306,881</u>	<u>22,330</u>	<u>284,551</u>
Balance at June 30, 2023 (Measurement Date)	<u>\$ 12,637,985</u>	<u>\$ 1,461,527</u>	<u>\$ 11,176,458</u>

The changes in the net OPEB liability are as follows for the June 30, 2022 measurement date:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021 (Measurement Date)	\$ 22,341,226	\$ 1,616,584	\$ 20,724,642
Changes for the Year:			
Service Cost	778,485	-	778,485
Interest on the Net OPEB Liability	531,877	-	531,877
Changes in Assumptions	(4,105,231)	-	(4,105,231)
Differences Between Actual and Expected Experience	(6,627,466)	-	(6,627,466)
Employer Contributions	-	584,787	(584,787)
Net Investment Income	-	(173,976)	173,976
Administrative Expenses	-	(411)	411
Benefit Payments	(587,787)	(587,787)	-
Net Changes	<u>(10,010,122)</u>	<u>(177,387)</u>	<u>(9,832,735)</u>
Balance at June 30, 2022 (Measurement Date)	<u>\$ 12,331,104</u>	<u>\$ 1,439,197</u>	<u>\$ 10,891,907</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

B. Changes in the Net OPEB Liability (Continued)

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate for the measurement dates ended June 30, 2023 and 2022:

	1% Decrease 3.22%	Discount Rate 4.22%	1% Increase 5.22%
June 30, 2023 (Measurement Date)	<u>\$ 13,074,640</u>	<u>\$ 11,176,458</u>	<u>\$ 9,622,960</u>
	1% Decrease 3.19%	Discount Rate 4.19%	1% Increase 5.19%
June 30, 2022 (Measurement Date)	<u>\$ 12,754,277</u>	<u>\$ 10,891,907</u>	<u>\$ 9,369,069</u>

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates for the measurement dates ended June 30, 2023 and 2022:

	1% Decrease (1)	Healthcare Cost Trend Rates (2)	1% Increase (3)
June 30, 2023 (Measurement Date)	<u>\$ 9,325,162</u>	<u>\$ 11,176,458</u>	<u>\$ 13,560,193</u>
June 30, 2022 (Measurement Date)	<u>\$ 9,188,503</u>	<u>\$ 10,891,907</u>	<u>\$ 13,076,650</u>

June 30, 2023 and 2022 (Measurement Date):

- (1) Non-Medicare: 7.50% for 2024 Decreasing to 2.45% in 2076;
Medicare (Kaiser): 6.50% for 2024 Decreasing to 2.45% in 2076;
Medicare (Other): 5.25% for 2024 Decreasing to 2.45% in 2076.
- (2) Non-Medicare: 8.50% for 2024 Decreasing to 3.45% in 2076;
Medicare (Kaiser): 7.50% for 2024 Decreasing to 3.45% in 2076;
Medicare (Other): 6.25% for 2024 Decreasing to 3.45% in 2076.
- (3) Non-Medicare: 9.50% for 2024 Decreasing to 4.45% in 2076;
Medicare (Kaiser): 8.50% for 2024 Decreasing to 4.45% in 2076;
Medicare (Other): 7.25% for 2024 Decreasing to 4.45% in 2076.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

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

For the fiscal years ended June 30, 2024 and 2023, the District recognized OPEB expense of \$894,600 and \$1,343,318, respectively.

As of the fiscal year ended June 30, 2024, the District reported deferred outflows and deferred inflows of resources related to the net OPEB liability from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to the Measurement Date	\$ 224,117	\$ -
Changes in Assumptions	4,242,834	(3,486,870)
Differences Between Expected and Actual Experience	-	(6,941,774)
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	144,660	-
Total Deferred Outflows (Inflows) of Resources	<u>\$ 4,611,611</u>	<u>\$ (10,428,644)</u>

At June 30, 2024, the District reported \$224,117 of deferred outflows of resources for employer contributions made subsequent to the measurement date which will be used to reduce the net OPEB liability balance in the fiscal year ending June 30, 2025 calculation. Other amounts reported as deferred outflows (inflows) of resources related to the net OPEB liability will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amount
2025	\$ 116,542
2026	118,775
2027	(454,868)
2028	(940,157)
2029	(991,735)
Thereafter	(3,889,707)
Total	<u>\$ (6,041,150)</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 11 NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

As of the fiscal year ended June 30, 2023, the District reported deferred outflows and deferred inflows of resources related to the net OPEB liability from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to the Measurement Date	\$ 499,198	\$ -
Changes in Assumptions	5,638,573	(3,828,656)
Differences Between Expected and Actual Experience	-	(7,863,208)
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	122,992	-
Total Deferred Outflows (Inflows) of Resources	<u>\$ 6,260,763</u>	<u>\$ (11,691,864)</u>

At June 30, 2023, the District reported \$499,198 of deferred outflows of resources for employer contributions made subsequent to the measurement date which were used to reduce the net OPEB liability balance in the fiscal year ended June 30, 2024 calculation.

D. Payable to the OPEB Plan

At June 30, 2024, the District had no outstanding amount of contributions to the OPEB plan.

NOTE 12 PENSION PLAN

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	June 30, 2024	June 30, 2023
Pension Related Deferred Outflows of Resources	\$ 5,194,562	\$ 5,093,585
Net Pension Liability	12,453,797	11,523,941
Pension Related Deferred Inflows of Resources	108,857	179,685

Qualified employees are covered under a cost-sharing, multiemployer defined benefit pension plan maintained by agencies of the state of California known as the California Public Employees' Retirement System (CalPERS), or (the Plan).

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plans (Plans), which are cost-sharing, multiemployer defined benefit pension plans administered by CalPERS. Benefit provisions under these plans are established by state statute and District resolution. CalPERS acts as a common investment and administrative agent for participating public entities within the state of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2022 and 2021 Annual Actuarial Valuation Reports. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefits Provided

The Plans' provisions and benefits in effect at the fiscal years ended June 30, 2024 and 2023 are summarized as follows:

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2.0% @ 60	2.0% @ 62
Benefit Vesting Schedule	5-Years of Service	5-Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 67 & up	52 - 67 & up
Monthly Benefits, as a % of Eligible Compensation	1.092% to 2.418%	1.0% to 2.5%
Required Member Contribution Rates	6.918%	6.750%
Required Member Contribution Rates - 2024:		
Normal Cost Rate	10.660%	7.680%
Payment of Unfunded Liability	\$ 816,945	\$ -
Required Member Contribution Rates - 2023:		
Normal Cost Rate	9.120%	7.470%
Payment of Unfunded Liability	\$ 843,847	\$ 8,588

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for service retirement upon attainment of age 55 with at least five years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for service retirement upon attainment of age 62 with at least five years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation based on a retirement formula using the local service credit, age at retirement, and highest average annual compensation during any consecutive 12- or 36-month period throughout the employees' CalPERS career.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

Participant members are eligible for nonindustrial disability retirement if they become disabled and have at least five years of credited service. There is no special age requirement. The standard nonindustrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

A member's beneficiary may receive the basic death benefit if the member dies while actively employed. The member must be actively employed with the District to be eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the members' accumulated contributions, where interest is currently credited at 7.15% per year, plus a lump-sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump-sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate. Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers will be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members. For the measurement periods ending June 30, 2023 and 2022 (measurement dates), the active member contribution rate for the Classic Miscellaneous Plan and the PEPRA Miscellaneous Plan are included in the above benefits schedule.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions (Continued)

Contributions for the fiscal years ended June 30, 2024 and 2023, were as follows:

<u>Employer Contributions by Fiscal Year</u>	<u>Miscellaneous Plans</u>		
	<u>Classic</u>		<u>Total</u>
	<u>Tier 1</u>	<u>PEPRA</u>	
Contributions - Employer - June 30, 2024	<u>\$ 1,180,482</u>	<u>\$ 370,984</u>	<u>\$ 1,551,466</u>
Contributions - Employer - June 30, 2023	<u>\$ 1,165,526</u>	<u>\$ 345,759</u>	<u>\$ 1,511,285</u>

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

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement periods for the Miscellaneous Plan for the fiscal years ended June 30, 2024 and 2023:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS - Miscellaneous Plans:			
Balance as of June 30, 2022 (Measurement Date)	\$ 42,824,722	\$ 31,300,781	\$ 11,523,941
Balance as of June 30, 2023 (Measurement Date)	45,084,803	32,631,006	12,453,797
Change	<u>\$ 2,260,081</u>	<u>\$ 1,330,225</u>	<u>\$ 929,856</u>
<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS - Miscellaneous Plans:			
Balance as of June 30, 2021 (Measurement Date)	\$ 41,702,044	\$ 36,384,504	\$ 5,317,540
Balance as of June 30, 2022 (Measurement Date)	42,824,722	31,300,781	11,523,941
Change	<u>\$ 1,122,678</u>	<u>\$ (5,083,723)</u>	<u>\$ 6,206,401</u>

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2022 and 2021). The risk pool's fiduciary net position (FNP) subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2023 and 2022). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2023 and 2022 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2023 fiscal year and the 2022 fiscal year).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023 and 2022, 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, 2022 and 2021 rolled forward to June 30, 2023 and 2022, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The District's proportionate share percentage of the net pension liability for the June 30, 2023, measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase (Decrease)
	Fiscal Year Ended	Fiscal Year Ended	
	June 30, 2024	June 30, 2023	
Measurement Date	June 30, 2023	June 30, 2022	
Percentage of Risk Pool Net Pension Liability	0.249060%	0.246280%	0.002780%
Percentage of Plan (PERF C) Net Pension Liability	0.099827%	0.099770%	0.000057%

The District's proportionate share percentage of the net pension liability for the June 30, 2022, measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase (Decrease)
	Fiscal Year Ended	Fiscal Year Ended	
	June 30, 2023	June 30, 2022	
Measurement Date	June 30, 2022	June 30, 2021	
Percentage of Risk Pool Net Pension Liability	0.246280%	0.280050%	-0.033770%
Percentage of Plan (PERF C) Net Pension Liability	0.099770%	0.098320%	0.001450%

For the fiscal years ended June 30, 2024 and 2023, the District recognized pension expense in the amounts of \$2,309,517 and \$74,903, respectively, for the CalPERS Miscellaneous Plan.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to the Measurement Date	\$ 1,551,466	\$ -
Differences Between Expected and Actual Experience	636,207	(98,691)
Changes in Assumptions	751,892	-
Changes in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	238,615	(10,166)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	2,016,382	-
Total Deferred Outflows (Inflows) of Resources	<u>\$ 5,194,562</u>	<u>\$ (108,857)</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The District will recognize \$1,551,466 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

The deferred outflows/(inflows) of resources related to the net differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the differences between expected and actual experience, changes of assumptions, and changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions, will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

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

Amortization Period Fiscal Year Ending June 30,	Amount
2025	\$ 1,118,007
2026	777,500
2027	1,580,872
2028	57,860
Total	<u>\$ 3,534,239</u>

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to the Measurement Date	\$ 1,511,285	\$ -
Differences Between Expected and Actual Experience	231,424	(154,997)
Changes in Assumptions	1,180,869	-
Changes in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	59,128	(24,688)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	<u>2,110,879</u>	<u>-</u>
Total Deferred Outflows (Inflows) of Resources	<u>\$ 5,093,585</u>	<u>\$ (179,685)</u>

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The District recognized \$1,511,285 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.7 years.

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

Amortization Period Fiscal Year Ending June 30,	Amount
2024	\$ 888,682
2025	779,755
2026	443,091
2027	1,291,087
Total	<u>\$ 3,402,615</u>

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement periods ending June 30, 2023 and 2022 (the measurement dates), the total pension liabilities were based on the following actuarial methods and assumptions:

	Measurement Date June 30, 2023 <u>Entry Age Normal</u>	Measurement Date June 30, 2022 <u>Entry Age Normal</u>
Actuarial Cost Method		
Actuarial Assumptions:		
Discount Rate	6.90 %	6.90 %
Inflation	2.30	2.30
Salary Increases	(1)	(1)
Mortality Rate Table	(2)	(2)
Post Retirement Benefit Increase	(3)	(3)

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability (Continued)

- (1) Varies by entry age and service.
- (2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.
- (3) The less of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% 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 best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows for the measurement period ended June 30, 2023:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return (a) (b)</u>
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-Backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	<u>100.00 %</u>	

- (a) An expected inflation of 2.3% is used for this period.
- (b) Figures are based on the 2021 Asset Liability Management study.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 12 PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the measurement periods ending June 30, 2023 and 2022, respectively. 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.

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

The following presents the District's proportionate share of the net pension liability for the Plans, as of the measurement dates, calculated using the discount rate for each 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 5.90%	Discount Rate 6.90%	1% Increase 7.90%
June 30, 2023 (Measurement Date)	\$ 18,551,325	\$ 12,453,797	\$ 7,435,008
	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
June 30, 2022 (Measurement Date)	\$ 17,361,723	\$ 11,523,941	\$ 6,720,895

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

Payable to Pension Plans

At June 30, 2024 and 2023, the District had no outstanding amount of contributions to the pension plans

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 13 NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

Description	2024	2023
Noncurrent Portion of Assets:		
Capital Assets - Not Being Depreciated	\$ 13,514,383	\$ 17,878,979
Capital Assets - Being Depreciated, Net	80,902,262	77,196,989
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	447,216	444,809
Capital Assets, Intangible Asset - SBITAs	528,018	529,237
Deferred Outflows of Resources:		
Deferred Loss on CFD 2013-1	2,659,172	2,865,043
Current Portion of Liabilities:		
Lease Liability	(104,802)	(79,172)
SBITA Liability	(234,125)	(173,610)
Long-Term Debt	(1,003,377)	(953,949)
Noncurrent Portion of Liabilities:		
Lease Liability	(294,469)	(302,487)
SBITA Liability	(257,552)	(294,522)
Long-Term Debt Used for Capital Asset Purchases	(58,216,578)	(57,199,070)
Current Liabilities:		
Accounts Payable and Accrued Expenses:		
Capital Related	(320,796)	(482,531)
Retentions Payable	(42,578)	(219,751)
Total Net Investment in Capital Assets	<u>\$ 37,576,774</u>	<u>\$ 39,209,965</u>

NOTE 14 RESTRICTED NET POSITION

Restricted net position consisted of the following as of June 30:

Description	2024	2023
Adjudication Fund	<u>\$ 1,112,722</u>	<u>\$ 685,776</u>

NOTE 15 DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in two defined contribution 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. 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.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 15 DEFERRED COMPENSATION SAVINGS PLAN (CONTINUED)

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 accompanying financial statements. The District makes no contributions to these plans.

NOTE 16 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; natural disasters; and terrorism. The District is self-insured for the first \$25,000 of general and auto liabilities for each occurrence, and the excess (up to \$10,000,000) per occurrence and in the aggregate) is covered through the purchase of an insurance policy. Employment practices liability coverage is self-insured for the \$25,000, and the excess (up to \$5,000,000 per occurrence and in the aggregate) is covered through the insurance policy.

The District is a member Public Risk Innovation Solutions and Management Agency (PRISM, formally CSAC Excess Insurance Authority) (Agency) for its workers' compensation coverage. The District is self-insured for the first \$125,000 of each occurrence, and the Authority finances \$5,000,000 per occurrence. The District purchased additional excess coverage layers of \$95 million which increases the limits set forth by the Agency.

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

<u>Long-Term Debt</u>	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
Claims Liability	\$ 166,648	\$ 357,245	\$ (150,033)	\$ 373,860	\$ 288,397	\$ 85,463

<u>Long-Term Debt</u>	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
Claims Liability	\$ 95,167	\$ 128,637	\$ (57,156)	\$ 166,648	\$ -	\$ 166,648

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 17 COMMITMENTS AND CONTINGENCIES

State Water Contract

Estimates of the District's share of the project fixed costs of the State Water Project (SWP) are provided annually by the state. The estimates are subject to future increases or decreases resulting from changes in planned facilities, refinements in cost estimates, and inflation.

During the next five years, payments under the State Water Contract, exclusive of variable power costs, are currently estimated by the state to be as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 1,150,969
2026	1,136,149
2027	1,154,024
2028	1,170,985
2029	1,193,586
Total	<u>\$ 5,805,713</u>

As of June 30, 2024, the District has expended \$29.5 million since the District started participating in the State Water Contract.

According to the state's latest estimates, the District's long-term obligations (25% share) under the contract, for capital and minimum operations and maintenance costs, including interest to the year 2069, are as follows:

	<u>State Water Contract Long-Term Obligations</u>
Transportation Facilities	\$ 13,693,326
Conservation Facilities	6,529,140
Off-Aqueduct Power Facilities	1,172,329
Revenue Bond Surcharge	779
Total Long-Term SWP Contract Obligations	<u>\$ 21,395,574</u>

The amounts shown above do not contain any escalation or inflation and are subject to significant variation over time because the amounts are based on a number of assumptions and are contingent on future events. Accordingly, none of the estimated long-term obligations are recorded as liabilities in the accompanying basic financial statements.

There are other pending actions that may adversely impact the District's ability to control the sale of water transported through the SWP into its service area. The impact on future revenues of such actions cannot be determined.

**CASITAS MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 17 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

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

REQUIRED SUPPLEMENTARY INFORMATION

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS**

Fiscal Year Ended	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
District's Proportion of the Net Pension Liability	0.099827%	0.099770%	0.098320%	0.088110%	0.084990%
District's Proportionate Share of the Net Pension Liability	\$ 12,453,797	\$ 11,523,941	\$ 5,317,540	\$ 9,586,888	\$ 8,708,942
District's Covered Payroll	\$ 7,944,664	\$ 7,471,589	\$ 6,796,786	\$ 5,955,380	\$ 5,931,424
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	156.76%	154.24%	78.24%	160.98%	146.83%
District's Proportionate Share of Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	72.38%	73.09%	87.25%	76.08%	75.26%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

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

There were no changes in assumptions.

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

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

From fiscal year June 30, 2018 to June 30, 2022:

There were no significant changes in assumptions.

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

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

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

There were no significant changes in assumptions.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
LAST 10 FISCAL YEARS**

Fiscal Year Ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's Proportion of the Net Pension Liability	0.081300%	0.080015%	0.077286%	0.067262%	0.086030%
District's Proportionate Share of the Net Pension Liability	\$ 7,834,700	\$ 7,935,268	\$ 6,687,600	\$ 4,616,826	\$ 5,353,339
District's Covered Payroll	\$ 5,467,811	\$ 4,602,594	\$ 4,334,649	\$ 4,123,809	\$ 3,866,484
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	143.29%	172.41%	154.28%	111.96%	138.45%
District's Proportionate Share of Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	78.45%	77.91%	80.01%	85.60%	85.60%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

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

There were no changes in assumptions.

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

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

From fiscal year June 30, 2018 to June 30, 2022:

There were no significant changes in assumptions.

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

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

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

There were no significant changes in assumptions.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN
LAST 10 FISCAL YEARS**

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	\$ 1,551,466	\$ 1,511,285	\$ 1,362,418	\$ 1,218,701	\$ 1,021,010
Contributions in Relation to the Actuarially Determined Contributions	<u>(1,551,466)</u>	<u>(1,511,285)</u>	<u>(1,362,418)</u>	<u>(1,218,701)</u>	<u>(1,021,010)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 8,434,548	\$ 7,944,664	\$ 7,471,589	\$ 6,796,786	\$ 5,955,380
Contributions as a Percentage of Covered Payroll	18.39%	19.02%	18.23%	17.93%	17.14%

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
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Methods and Assumptions Used to
Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.90% (3)	6.90% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with the exception of 52 for Miscellaneous PEPRA 2%@62
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (CONTINUED)
LAST 10 FISCAL YEARS**

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 829,079	\$ 689,022	\$ 555,953	\$ 465,843	\$ 340,790
Contributions in Relation to the Actuarially Determined Contributions	<u>(829,079)</u>	<u>(689,022)</u>	<u>(555,953)</u>	<u>(465,843)</u>	<u>(340,790)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 5,931,424	\$ 5,467,811	\$ 4,602,594	\$ 4,334,649	\$ 4,123,809
Contributions as a Percentage of Covered Payroll	13.98%	12.60%	12.08%	10.75%	8.26%

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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Methods and Assumptions Used to
Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Fair Value
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with the exception of 52 for Miscellaneous PEPRA 2%@62
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS***

Fiscal Year Ended	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Measurement Period	June 30, 2023	June 30, 2022
Total OPEB Liability:		
Service cost	\$ 337,135	\$ 778,485
Interest on Total OPEB Liability	520,467	531,877
Changes of Assumptions	(51,523)	(4,105,231)
Differences Between Expected and Actual Experience	-	(6,627,466)
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	<u>(499,198)</u>	<u>(584,787)</u>
Net Change in Total OPEB Liability	306,881	(10,007,122)
Total OPEB Liability - Beginning of Year	<u>12,334,104</u>	<u>22,341,226</u>
Total OPEB Liability - End of Year (a)	12,640,985	12,334,104
Plan Fiduciary Net Position:		
Contributions - Employer	499,198	584,787
Net Investment Income	22,740	(173,976)
Administrative Expenses	(410)	(411)
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	<u>(499,198)</u>	<u>(584,787)</u>
Net Change in Plan Fiduciary Net Position	22,330	(174,387)
Plan Fiduciary Net Position - Beginning of Year	<u>1,442,197</u>	<u>1,616,584</u>
Plan Fiduciary Net Position - End of Year (b)	<u>1,464,527</u>	<u>1,442,197</u>
Net OPEB Liability - Ending (a)-(b)	<u>\$ 11,176,458</u>	<u>\$ 10,891,907</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.59%	11.69%
Covered Employee Payroll	\$ 8,859,433	\$ 8,469,356
Net OPEB Liability as Percentage of Covered Employee Payroll	126.15%	128.60%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

Discount rate was updated 4.22% 4.19%

Removed the liability for Affordable Care Act excise tax due to repeal in December 2019 from fiscal year June 30, 2020 to June 30, 2021.

Mortality improvement scale was updated from Scale MP-2018 to Scale MP-2020 from fiscal year June 30, 2020 to June 30, 2021.

Kaiser Senior Advantage plan medical trend was decreased from 6.5% for 2020 for the fiscal year ended June 30, 2020 to 5.0% for 2022 for the fiscal year ended June 30, 2021.

For the fiscal year ended June 30, 2022 to June 30, 2023, the medical trend rates were updated, the experience study was updated to 2000-2019, and the mortality improvement scale was updated to MP-2021.

* Fiscal year 2018 was the first year of implementation; therefore, only seven years are shown.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST 10 FISCAL YEARS***

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Period	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability:					
Service cost	\$ 764,771	\$ 594,473	\$ 417,772	\$ 232,654	\$ 226,427
Interest on Total OPEB Liability	562,642	781,245	841,909	683,863	657,817
Changes of Assumptions	(124,456)	2,676,738	3,319,650	5,629,147	-
Differences Between Expected and Actual Experience	-	(2,588,440)	-	(259,672)	-
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	(671,482)	(694,250)	(677,053)	(626,696)	(518,711)
Net Change in Total OPEB Liability	531,475	769,766	3,902,278	5,659,296	365,533
Total OPEB Liability - Beginning of Year	21,809,751	21,039,985	17,137,707	11,478,411	11,112,878
Total OPEB Liability - End of Year (a)	22,341,226	21,809,751	21,039,985	17,137,707	11,478,411
Plan Fiduciary Net Position:					
Contributions - Employer	671,482	696,270	679,073	626,696	1,714,977
Net Investment Income	193,129	84,839	89,988	55,999	-
Administrative Expenses	(503)	(2,685)	(2,289)	(2,200)	-
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	(671,482)	(694,250)	(677,053)	(626,696)	(518,711)
Net Change in Plan Fiduciary Net Position	192,626	84,174	89,719	53,799	1,196,266
Plan Fiduciary Net Position - Beginning of Year	1,423,958	1,339,784	1,250,065	1,196,266	-
Plan Fiduciary Net Position - End of Year (b)	1,616,584	1,423,958	1,339,784	1,250,065	1,196,266
Net OPEB Liability - Ending (a)-(b)	\$ 20,724,642	\$ 20,385,793	\$ 19,700,201	\$ 15,887,642	\$ 10,282,145
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.24%	6.53%	6.37%	7.29%	10.42%
Covered Employee Payroll	\$ 7,801,655	\$ 5,955,380	\$ 5,931,424	\$ 5,467,811	\$ 4,602,594
Net OPEB Liability as Percentage of Covered Employee Payroll	265.64%	342.31%	332.13%	290.57%	223.40%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

Discount rate was updated 2.33% 2.53% 3.67% 4.89% 6.00%

Removed the liability for Affordable Care Act excise tax due to repeal in December 2019 from fiscal year June 30, 2020 to June 30, 2021.

Mortality improvement scale was updated from Scale MP-2018 to Scale MP-2020 from fiscal year June 30, 2020 to June 30, 2021.

Kaiser Senior Advantage plan medical trend was decreased from 6.5% for 2020 for the fiscal year ended June 30, 2020 to 5.0% for 2022 for the fiscal year ended June 30, 2021.

For the fiscal year ended June 30, 2022 to June 30, 2023, the medical trend rates were updated, the experience study was updated to 2000-2019, and the mortality improvement scale was updated to MP-2021.

* Fiscal year 2018 was the first year of implementation; therefore, only seven years are shown.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
LAST 10 FISCAL YEARS***

Fiscal Year Ended	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Actuarially Determined Contribution	\$ 1,020,833	\$ 993,254
Contributions in Relation to the Actuarially Determined Contributions	<u>(224,117)</u>	<u>(499,198)</u>
Contribution Deficiency (Excess)	<u>\$ 796,716</u>	<u>\$ 494,056</u>
Covered Employee Payroll	\$ 8,844,384	\$ 8,859,433
Contributions as a Percentage of Covered Employee Payroll	2.53%	5.63%

Notes to Schedule:

Valuation Date	6/30/2022	6/30/2022
Methods and Assumptions Used to Determine Contributions Rates:		
Actuarial Cost Method	Entry Age	Entry Age
Amortization Method	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value
Discount Rate	5.25%	5.25%
Inflation	2.50%	2.50%
Salary Increases	2.75%	2.75%
Investment Rate of Return	5.25%	5.25%
Medical Trend	(8)	(8)
Mortality	(9)	(9)
Mortality Improvement	(10)	(10)

- (1) Level percentage of payroll, closed
(2) Non-Medicare: 7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Medicare: 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
(3) CalPERS 1997-2015 experience study
(4) Postretirement mortality projected fully generational with Scale MP-2018
(5) Non-Medicare: 7.5% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Kaiser): 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Other): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076
(6) Postretirement mortality projected fully generational with Scale MP-2020
(7) Non-Medicare: 7.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Kaiser): 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Other): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076
(8) Non-Medicare: 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Medicare (Kaiser): 7.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Medicare (Other): 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076
(9) CalPERS 2000-2019 experience study
(10) Postretirement mortality projected fully generational with Scale MP-2021

* - Fiscal year 2018 was the first year of implementation; therefore, only seven years are shown.

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (CONTINUED)
LAST 10 FISCAL YEARS***

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	\$ 1,311,681	\$ 1,273,193	\$ 1,372,064	\$ 1,331,790	\$ 1,714,977
Contributions in Relation to the Actuarially Determined Contributions	<u>(584,787)</u>	<u>(671,482)</u>	<u>(696,270)</u>	<u>(679,073)</u>	<u>(884,244)</u>
Contribution Deficiency (Excess)	<u>\$ 726,894</u>	<u>\$ 601,711</u>	<u>\$ 675,794</u>	<u>\$ 652,717</u>	<u>\$ 830,733</u>
Covered Employee Payroll	\$ 8,469,356	\$ 7,801,655	\$ 5,955,380	\$ 5,931,424	\$ 5,467,811
Contributions as a Percentage of Covered Employee Payroll	6.90%	8.61%	11.69%	11.45%	16.17%

Notes to Schedule:

Valuation Date	6/30/2020	6/30/2020	6/30/2018	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contributions Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	3.00%	3.00%	3.00%	3.00%	2.75%
Investment Rate of Return	5.50%	5.50%	5.50%	5.50%	5.50%
Medical Trend	(7)	(5)	(2)	(2)	(2)
Mortality	(3)	(3)	(3)	(3)	(3)
Mortality Improvement	(6)	(6)	(4)	(4)	(4)

- (1) Level percentage of payroll, closed
- (2) Non-Medicare: 7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Medicare: 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
- (3) CalPERS 1997-2015 experience study
- (4) Postretirement mortality projected fully generational with Scale MP-2018
- (5) Non-Medicare: 7.5% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Kaiser): 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Other): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076
- (6) Postretirement mortality projected fully generational with Scale MP-2020
- (7) Non-Medicare: 7.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Kaiser): 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Medicare (Other): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076
- (8) Non-Medicare: 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Medicare (Kaiser): 7.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Medicare (Other): 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076
- (9) CalPERS 2000-2019 experience study
- (10) Postretirement mortality projected fully generational with Scale MP-2021

* - Fiscal year 2018 was the first year of implementation; therefore, only seven years are shown.

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SUPPLEMENTARY INFORMATION

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
BUDGET TO ACTUAL
YEAR ENDED JUNE 30, 2024**

	Final Budget	Actual	Variance Positive/ (Negative)
OPERATING REVENUES			
Retail Water Consumption	\$ 7,079,353	\$ 4,978,739	\$ (2,100,614)
Wholesale Water Sales	2,205,987	1,349,832	(856,155)
Monthly Water Service Charge	6,278,140	6,008,900	(269,240)
Recreation Revenue	6,079,050	5,460,240	(618,810)
Other water charges and services	190,673	270,839	80,166
Total Operating Revenues	<u>21,833,203</u>	<u>18,068,550</u>	<u>(3,764,653)</u>
OPERATING EXPENSES			
Fisheries	707,807	749,672	(41,865)
Engineering	10,858,895	2,906,134	7,952,761
Water Treatment	2,782,993	2,495,653	287,340
Water Quality	1,467,126	845,946	621,180
Utilities Maintenance	1,036,230	1,089,696	(53,466)
Electrical Mechanical	3,130,850	2,854,182	276,668
Pipeline	1,969,706	1,660,543	309,163
Recreation Expenses	5,795,396	5,473,475	321,921
Operations Maintenance and Management	1,455,661	1,583,354	(127,693)
General and Administrative	5,628,235	4,896,810	731,425
Change in Water-in-Storage Inventory	-	(4,951,793)	(4,951,793)
Total Operating Expenses	<u>34,832,899</u>	<u>19,603,672</u>	<u>5,325,641</u>
OPERATING LOSS BEFORE DEPRECIATION	(12,999,696)	(1,535,122)	(9,090,294)
DEPRECIATION AND AMORTIZATION			
Depreciation	-	(3,879,138)	3,879,138
Right-to-Use Leased Asset Amortization	-	(126,144)	126,144
SBITA Amortization	-	(224,377)	224,377
Total Depreciation and Amortization	<u>-</u>	<u>(4,229,659)</u>	<u>4,229,659</u>
OPERATING LOSS	(12,999,696)	(5,764,781)	(4,860,635)
NONOPERATING REVENUES (EXPENSES)			
Property Taxes - Ad Valorem	2,897,274	3,150,716	253,442
Pass-Through Property Tax Increment	342,373	415,409	73,036
Property Tax Assessment for State Water Project	1,167,681	1,195,624	27,943
State Water Project Water Sales to Other Agencies	1,375,000	1,375,000	-
State Water Project Expense	(1,163,828)	(979,475)	184,353
CFD 2013-1 Assessment	2,950,230	2,963,060	12,830
Mira Monte Assessment	-	65	65
Tax Collection Expense	(44,300)	(56,101)	(11,801)
Investment Earnings	246,677	525,613	278,936
Interest Expense - Long-Term Debt	(3,137,614)	(2,415,549)	722,065
Amortization of Bond Insurance on CFD 2013-1	-	(20,241)	(20,241)
Bond and Administrative Fees	(39,775)	(30,767)	9,008
Adjudication Charge	574,516	571,394	(3,122)
Adjudication Costs	(574,516)	(144,448)	430,068
Loss on Disposition of Capital Assets	-	(6,788)	(6,788)
Other, Net	1,892,125	249,608	(1,642,517)
Total Nonoperating Revenues (Expenses), Net	<u>6,485,843</u>	<u>6,793,120</u>	<u>307,277</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(6,513,853)	1,028,339	(4,553,358)
CAPITAL CONTRIBUTIONS			
Federal, State, and Local Grants	2,291,972	1,022,535	(1,269,437)
Total Capital Contributions	<u>2,291,972</u>	<u>1,022,535</u>	<u>(1,269,437)</u>
CHANGE IN NET POSITION	<u>\$ (4,221,881)</u>	2,050,874	<u>\$ (5,822,795)</u>
Net Position - Beginning of Year		<u>42,589,533</u>	
NET POSITION - END OF YEAR		<u>\$ 44,640,407</u>	

**CASITAS MUNICIPAL WATER DISTRICT
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
BUDGET TO ACTUAL
YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive/ (Negative)
OPERATING REVENUES			
Retail Water Consumption	\$ 7,125,027	\$ 5,226,167	\$ (1,898,860)
Wholesale Water Sales	2,710,896	1,357,651	(1,353,245)
Monthly Water Service Charge	5,783,364	5,669,871	(113,493)
Recreation Revenue	4,786,839	4,703,998	(82,841)
Other Water Charges and Services	162,265	777,706	615,441
Total Operating Revenues	<u>20,568,391</u>	<u>17,735,393</u>	<u>(2,832,998)</u>
OPERATING EXPENSES			
Fisheries	624,151	543,410	80,741
Engineering	11,366,349	4,050,866	7,315,483
Water Treatment	2,317,199	2,393,601	(76,402)
Water Quality	1,038,108	897,299	140,809
Utilities Maintenance	1,084,941	1,086,579	(1,638)
Electrical Mechanical	3,469,480	2,908,210	561,270
Pipeline	1,944,366	1,680,785	263,581
Recreation Expenses	5,029,567	4,772,978	256,589
Operations Maintenance and Management	1,325,549	1,493,084	(167,535)
General and Administrative	5,765,792	4,410,939	1,354,853
Change in Water-in-Storage Inventory	-	(1,999,525)	(1,999,525)
Total Operating Expenses	<u>33,965,502</u>	<u>22,238,226</u>	<u>7,728,226</u>
OPERATING LOSS BEFORE DEPRECIATION	(13,397,111)	(4,502,833)	(10,561,224)
DEPRECIATION AND AMORTIZATION			
Depreciation	-	(3,917,788)	3,917,788
Right-to-Use Leased Asset Amortization	-	(73,438)	73,438
SBITA Amortization	-	(152,712)	152,712
Total Depreciation and Amortization	<u>-</u>	<u>(4,143,938)</u>	<u>4,143,938</u>
OPERATING LOSS	(13,397,111)	(8,646,771)	(6,417,286)
NONOPERATING REVENUES (EXPENSES)			
Property Taxes - Ad Valorem	2,658,217	2,973,364	315,147
Pass-Through Property Tax Increment	146,641	414,840	268,199
Property Tax Assessment for State Water Project	1,135,687	1,447,573	311,886
State Water Project Water Sales to Other Agencies	375,000	175,000	(200,000)
State Water Project Expense	(1,135,687)	(1,119,365)	16,322
CFD 2013-1 Assessment	2,890,140	2,929,902	39,762
Mira Monte Assessment	-	165	165
Tax Collection Expense	(36,965)	(47,388)	(10,423)
Investment Earnings	282,023	155,531	(126,492)
Interest Expense - Long-Term Debt	(2,759,913)	(2,458,630)	301,283
Amortization of Bond Insurance on CFD 2013-1	-	(20,241)	(20,241)
Cost of Debt Issuance	-	(50,500)	(50,500)
Bond and Administrative Fees	(39,050)	(34,552)	4,498
Adjudication Charge	577,296	576,003	(1,293)
Adjudication Costs	(577,296)	(147,680)	429,616
Other, Net	169,000	176,270	7,270
Total Nonoperating Revenues (Expenses), Net	<u>3,685,093</u>	<u>4,970,292</u>	<u>1,285,199</u>
NET LOSS BEFORE CAPITAL CONTRIBUTIONS	(9,712,018)	(3,676,479)	(5,132,087)
CAPITAL CONTRIBUTIONS			
Federal, State, and Local Grants	967,888	190,163	(777,725)
Total Capital Contributions	<u>967,888</u>	<u>190,163</u>	<u>(777,725)</u>
CHANGE IN NET POSITION	<u>\$ (8,744,130)</u>	<u>(3,486,316)</u>	<u>\$ (5,909,812)</u>
Net Position - Beginning of Year		<u>46,075,849</u>	
NET POSITION - END OF YEAR		<u>\$ 42,589,533</u>	

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Operating Fund	Financing Fund	Improvement Assessment Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 5,345,709	\$ -	\$ -
Investments	9,684,841	-	-
Accrued Interest Receivable	54,533	-	-
Accounts Receivable, Net	3,174,287	-	-
Due from Other Funds	-	12,952,339	2,466,339
Materials and Supplies Inventory	56,722	-	-
Prepaid expenses	970,764	-	-
Total Current Assets	19,286,856	12,952,339	2,466,339
NONCURRENT ASSETS			
Restricted - Cash and Cash Equivalents	135,021	-	-
Water-in-storage Inventory	15,198,908	-	-
Capital Assets - Not Being Depreciated	13,514,383	-	-
Capital Assets - Being Depreciated, Net	80,902,262	-	-
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	447,216	-	-
Capital Assets, Intangible Asset - SBITA, Net	528,018	-	-
Total Noncurrent Assets	110,725,808	-	-
Total Assets	130,012,664	12,952,339	2,466,339
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on CFD 2013-1	2,659,172	-	-
OPEB Related Deferred Outflows of Resources	4,611,611	-	-
Pension Related Deferred Outflows of Resources	5,194,562	-	-
Total Deferred Outflows of Resources	12,465,345	-	-
Total Assets and Deferred Outflows of Resources	\$ 142,478,009	\$ 12,952,339	\$ 2,466,339
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 1,141,037	\$ -	\$ -
Deposits and Unearned Revenue	106,286	-	-
Accrued Interest Payable	820,177	-	-
Unearned Revenue	683,425	-	-
Due to Other Funds	15,500,407	-	-
Long-Term Liabilities - Due Within One Year:			
Compensated Absences	532,052	-	-
Claims Liability	288,397	-	-
Lease Liability	104,802	-	-
SBITA Liability	234,125	-	-
Long-Term Debt	1,003,377	-	-
Total Current Liabilities	20,414,085	-	-
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year:			
Compensated Absences	798,078	-	-
Claims Liability	85,463	-	-
Lease Liability	294,469	-	-
SBITA Liability	257,552	-	-
Long-Term Debt	58,351,599	-	-
Net OPEB Liability	11,176,458	-	-
Net Pension Liability	12,453,797	-	-
Total Noncurrent Liabilities	83,417,416	-	-
Total Liabilities	103,831,501	-	-
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Deferred Outflows of Resources	10,428,644	-	-
Pension Related Deferred Outflows of Resources	108,857	-	-
Total Deferred Inflows of Resources	10,537,501	-	-
NET POSITION			
Net Investment in Capital Assets	37,576,774	-	-
Restricted for Adjudication	-	-	-
Unrestricted	(9,467,767)	12,952,339	2,466,339
Total Net Position	28,109,007	12,952,339	2,466,339
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 142,478,009	\$ 12,952,339	\$ 2,466,339

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING BALANCE SHEETS (CONTINUED)
JUNE 30, 2024**

	Adjudication Fund	Elimination for Financial Reporting	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 966,764	\$ -	\$ 6,312,473
Investments	-	-	9,684,841
Accrued Interest Receivable	-	-	54,533
Accounts Receivable, Net	134,691	-	3,308,978
Due from Other Funds	81,729	(15,500,407)	-
Materials and Supplies Inventory	-	-	56,722
Prepaid expenses	-	-	970,764
Total Current Assets	<u>1,183,184</u>	<u>(15,500,407)</u>	<u>20,388,311</u>
NONCURRENT ASSETS			
Restricted - Cash and Cash Equivalents	-	-	135,021
Water-in-storage Inventory	-	-	15,198,908
Capital Assets - Not Being Depreciated	-	-	13,514,383
Capital Assets - Being Depreciated, Net	-	-	80,902,262
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	-	-	447,216
Capital Assets, Intangible Asset - SBITA, Net	-	-	528,018
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>110,725,808</u>
Total Assets	<u>1,183,184</u>	<u>(15,500,407)</u>	<u>131,114,119</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on CFD 2013-1	-	-	2,659,172
OPEB Related Deferred Outflows of Resources	-	-	4,611,611
Pension Related Deferred Outflows of Resources	-	-	5,194,562
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>12,465,345</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,183,184</u>	<u>\$ (15,500,407)</u>	<u>\$ 143,579,464</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 70,462	\$ -	\$ 1,211,499
Deposits and Unearned Revenue	-	-	106,286
Accrued Interest Payable	-	-	820,177
Accrued Interest Payable	-	-	683,425
Due to Other Funds	-	(15,500,407)	-
Long-Term Liabilities - Due Within One Year:			
Compensated Absences	-	-	532,052
Assessment Bonds Payable	-	-	288,397
Lease Liability	-	-	104,802
SBITA Liability	-	-	234,125
Long-Term Debt	-	-	1,003,377
Total Current Liabilities	<u>70,462</u>	<u>(15,500,407)</u>	<u>4,984,140</u>
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year:			
Compensated Absences	-	-	798,078
Claims Liability	-	-	85,463
Lease Liability	-	-	294,469
SBITA Liability	-	-	257,552
Long-Term Debt	-	-	58,351,599
Net OPEB Liability	-	-	11,176,458
Net Pension Liability	-	-	12,453,797
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>83,417,416</u>
Total Liabilities	<u>70,462</u>	<u>(15,500,407)</u>	<u>88,401,556</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Deferred Outflows of Resources	-	-	10,428,644
Pension Related Deferred Outflows of Resources	-	-	108,857
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>10,537,501</u>
NET POSITION			
Net Investment in Capital Assets	-	-	37,576,774
Restricted for Adjudication	1,112,722	-	1,112,722
Unrestricted	-	-	5,950,911
Total Net Position	<u>1,112,722</u>	<u>-</u>	<u>44,640,407</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 1,183,184</u>	<u>\$ (15,500,407)</u>	<u>\$ 143,579,464</u>

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2023**

	Operating Fund	Financing Fund	Improvement Assessment Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 4,384,213	\$ -	\$ -
Investments	10,626,150	-	-
Accrued Interest Receivable	62,039	-	-
Accounts Receivable, Net	2,910,187	-	-
Due from Other Funds	-	12,831,924	2,792,650
Materials and Supplies Inventory	60,619	-	-
Prepaid Expenses	937,838	-	-
Total Current Assets	<u>18,981,046</u>	<u>12,831,924</u>	<u>2,792,650</u>
NONCURRENT ASSETS			
Restricted - Cash and Cash Equivalents	2,307,581	-	-
Water-in-Storage Inventory	10,247,115	-	-
Capital Assets - Not Being Depreciated	17,878,979	-	-
Capital Assets - Being Depreciated, Net	77,196,989	-	-
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	444,809	-	-
Capital Assets, Intangible Asset - SBITA, Net	529,237	-	-
Total Noncurrent Assets	<u>108,604,710</u>	<u>-</u>	<u>-</u>
Total Assets	<u>127,585,756</u>	<u>12,831,924</u>	<u>2,792,650</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on CFD 2013-1	2,865,043	-	-
OPEB Related Deferred Outflows of Resources	6,260,763	-	-
Pension Related Deferred Outflows of Resources	5,093,585	-	-
Total Deferred Outflows of Resources	<u>14,219,391</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 141,805,147</u>	<u>\$ 12,831,924</u>	<u>\$ 2,792,650</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 1,636,297	\$ -	\$ -
Deposits and Unearned Revenue	338,276	-	-
Accrued Interest Payable	829,943	-	-
Due to Other Funds	15,674,868	-	-
Long-Term Liabilities - Due Within One Year:			
Compensated Absences	512,858	-	-
Lease Liability	79,172	-	-
SBITA Liability	173,610	-	-
Long-Term Debt	953,949	-	-
Total Current Liabilities	<u>20,198,973</u>	<u>-</u>	<u>-</u>
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year:			
Compensated Absences	769,286	-	-
Claims Liability	166,648	-	-
Lease Liability	302,487	-	-
SBITA Liability	294,522	-	-
Long-Term Debt	59,506,651	-	-
Net OPEB Liability	10,891,907	-	-
Net Pension Liability	11,523,941	-	-
Total Noncurrent Liabilities	<u>83,455,442</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>103,654,415</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Deferred Outflows of Resources	11,691,864	-	-
Pension Related Deferred Outflows of Resources	179,685	-	-
Total Deferred Inflows of Resources	<u>11,871,549</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	39,209,965	-	-
Restricted for Adjudication	-	-	-
Unrestricted	<u>(12,930,782)</u>	<u>12,831,924</u>	<u>2,792,650</u>
Total Net Position	<u>26,279,183</u>	<u>12,831,924</u>	<u>2,792,650</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 141,805,147</u>	<u>\$ 12,831,924</u>	<u>\$ 2,792,650</u>

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023**

	Adjudication Fund	Elimination for Financial Reporting	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 498,509	\$ -	\$ 4,882,722
Investments	-	-	10,626,150
Accrued Interest Receivable	-	-	62,039
Accounts Receivable, Net	143,671	-	3,053,858
Due from Other Funds	50,294	(15,674,868)	-
Materials and Supplies Inventory	-	-	60,619
Prepaid Expenses	-	-	937,838
Total Current Assets	<u>692,474</u>	<u>(15,674,868)</u>	<u>19,623,226</u>
NONCURRENT ASSETS			
Restricted - Cash and Cash Equivalents	-	-	2,307,581
Water-in-Storage Inventory	-	-	10,247,115
Capital Assets - Not Being Depreciated	-	-	17,878,979
Capital Assets - Being Depreciated, Net	-	-	77,196,989
Capital Assets, Intangible Asset - Right-to-Use Leased Asset, Net	-	-	444,809
Capital Assets, Intangible Asset - SBITA, Net	-	-	529,237
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>108,604,710</u>
Total Assets	<u>692,474</u>	<u>(15,674,868)</u>	<u>128,227,936</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on CFD 2013-1	-	-	2,865,043
OPEB Related Deferred Outflows of Resources	-	-	6,260,763
Pension Related Deferred Outflows of Resources	-	-	5,093,585
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>14,219,391</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 692,474</u>	<u>\$ (15,674,868)</u>	<u>\$ 142,447,327</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 3,805	\$ -	\$ 1,640,102
Deposits and Unearned Revenue	2,893	-	341,169
Accrued Interest Payable	-	-	829,943
Due to Other Funds	-	(15,674,868)	-
Long-Term Liabilities - Due Within One Year:			
Compensated Absences	-	-	512,858
Lease Liability	-	-	79,172
SBITA Liability	-	-	173,610
Long-Term Debt	-	-	953,949
Total Current Liabilities	<u>6,698</u>	<u>(15,674,868)</u>	<u>4,530,803</u>
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year:			
Compensated Absences	-	-	769,286
Reimbursement Agreement	-	-	166,648
Lease Liability	-	-	302,487
SBITA Liability	-	-	294,522
Long-Term Debt	-	-	59,506,651
Net OPEB Liability	-	-	10,891,907
Net Pension Liability	-	-	11,523,941
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>83,455,442</u>
Total Liabilities	<u>6,698</u>	<u>(15,674,868)</u>	<u>87,986,245</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Deferred Outflows of Resources	-	-	11,691,864
Pension Related Deferred Outflows of Resources	-	-	179,685
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>11,871,549</u>
NET POSITION			
Net Investment in Capital Assets	-	-	39,209,965
Restricted for Adjudication	685,776	-	685,776
Unrestricted	-	-	2,693,792
Total Net Position	<u>685,776</u>	<u>-</u>	<u>42,589,533</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 692,474</u>	<u>\$ (15,674,868)</u>	<u>\$ 142,447,327</u>

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

	Water Fund	Recreation Fund	Adjudication Fund	Total
OPERATING REVENUES				
Retail Water Consumption	\$ 4,978,739	\$ -	\$ -	\$ 4,978,739
Wholesale Water Sales	1,349,832	-	-	1,349,832
Monthly Water Service charge	6,008,900	-	-	6,008,900
Recreation Revenue	-	5,460,240	-	5,460,240
Other Water Charges and Services	270,839	-	-	270,839
Total Operating Revenues	<u>12,608,310</u>	<u>5,460,240</u>	<u>-</u>	<u>18,068,550</u>
OPERATING EXPENSES				
Fisheries	749,672	-	-	749,672
Engineering	2,906,134	-	-	2,906,134
Water Treatment	2,495,653	-	-	2,495,653
Water Quality	845,946	-	-	845,946
Utilities Maintenance	1,089,696	-	-	1,089,696
Electrical Mechanical	2,854,182	-	-	2,854,182
Pipeline	1,660,543	-	-	1,660,543
Recreation Expenses	-	5,473,475	-	5,473,475
Operations Maintenance and Management	1,583,354	-	-	1,583,354
General and Administrative	4,896,810	-	-	4,896,810
Change in Water-in-Storage Inventory	(4,951,793)	-	-	(4,951,793)
Total Operating Expenses	<u>14,130,197</u>	<u>5,473,475</u>	<u>-</u>	<u>19,603,672</u>
OPERATING LOSS BEFORE DEPRECIATION	(1,521,887)	(13,235)	-	(1,535,122)
DEPRECIATION AND AMORTIZATION				
Depreciation	(3,435,958)	(443,180)	-	(3,879,138)
Right-to-Use Lease Asset Amortization	(105,573)	(20,571)	-	(126,144)
SBITA Amortization	(199,249)	(25,128)	-	(224,377)
Total Depreciation and Amortization	<u>(3,740,780)</u>	<u>(488,879)</u>	<u>-</u>	<u>(4,229,659)</u>
OPERATING LOSS	(5,262,667)	(502,114)	-	(5,764,781)
NONOPERATING REVENUES (EXPENSES)				
Property Taxes - Ad Valorem	3,150,716	-	-	3,150,716
Pass-Through Property Tax Increment	415,409	-	-	415,409
Property Tax Assessment for State Water Project	1,195,624	-	-	1,195,624
State Water Project Water Sales to Other Agencies	1,375,000	-	-	1,375,000
State Water Project Expense	(979,475)	-	-	(979,475)
CFD 2013-1 Assessment	2,963,060	-	-	2,963,060
Mira Monte Assessment	65	-	-	65
Tax Collection Expense	(56,101)	-	-	(56,101)
Investment Earnings	525,613	-	-	525,613
Interest Expense - Long-Term Debt	(2,415,549)	-	-	(2,415,549)
Amortization of Bond Insurance on CFD 2013-1	(20,241)	-	-	(20,241)
Bond and Administrative Fees	(30,767)	-	-	(30,767)
Adjudication Charge	-	-	571,394	571,394
Adjudication Costs	-	-	(144,448)	(144,448)
Loss on Disposition of Capital Assets	(6,788)	-	-	(6,788)
Other, Net	249,608	-	-	249,608
Total Nonoperating Revenues (Expenses), Net	<u>6,366,174</u>	<u>-</u>	<u>426,946</u>	<u>6,793,120</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,103,507	(502,114)	426,946	1,028,339
CAPITAL CONTRIBUTIONS				
Federal, State, and Local Grants	933,287	89,248	-	1,022,535
Total Capital Contributions	<u>933,287</u>	<u>89,248</u>	<u>-</u>	<u>1,022,535</u>
CHANGE IN NET POSITION	<u>\$ 2,036,794</u>	<u>\$ (412,866)</u>	<u>\$ 426,946</u>	<u>\$ 2,050,874</u>

**CASITAS MUNICIPAL WATER DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2023**

	Water Fund	Recreation Fund	Adjudication Fund	Total
OPERATING REVENUES				
Retail Water Consumption	\$ 5,226,167	\$ -	\$ -	\$ 5,226,167
Wholesale Water Sales	1,357,651	-	-	1,357,651
Monthly Water Service Charge	5,669,871	-	-	5,669,871
Recreation Revenue	-	4,703,998	-	4,703,998
Other Water Charges and Services	777,706	-	-	777,706
Total Operating Revenues	<u>13,031,395</u>	<u>4,703,998</u>	<u>-</u>	<u>17,735,393</u>
OPERATING EXPENSES				
Fisheries	543,410	-	-	543,410
Engineering	4,050,866	-	-	4,050,866
Water Treatment	2,393,601	-	-	2,393,601
Water Quality	897,299	-	-	897,299
Utilities Maintenance	1,086,579	-	-	1,086,579
Electrical Mechanical	2,908,210	-	-	2,908,210
Pipeline	1,680,785	-	-	1,680,785
Recreation Expenses	-	4,772,978	-	4,772,978
Operations Maintenance and Management	1,493,084	-	-	1,493,084
General and Administrative	4,410,939	-	-	4,410,939
Change in Water-in-Storage Inventory	(1,999,525)	-	-	(1,999,525)
Total Operating Expenses	<u>17,465,248</u>	<u>4,772,978</u>	<u>-</u>	<u>22,238,226</u>
OPERATING LOSS BEFORE DEPRECIATION	(4,433,853)	(68,980)	-	(4,502,833)
DEPRECIATION AND AMORTIZATION				
Depreciation	(3,476,644)	(441,144)	-	(3,917,788)
Right-to-Use Leased Asset Amortization	(58,338)	(15,100)	-	(73,438)
SBITA Amortization	(129,582)	(23,130)	-	(152,712)
Total Depreciation and Amortization	<u>(3,664,564)</u>	<u>(479,374)</u>	<u>-</u>	<u>(4,143,938)</u>
OPERATING LOSS	(8,098,417)	(548,354)	-	(8,646,771)
NONOPERATING REVENUES (EXPENSES)				
Property Taxes - Ad Valorem	2,973,364	-	-	2,973,364
Pass-Through Property Tax Increment	414,840	-	-	414,840
Property Tax Assessment for State Water Project	1,447,573	-	-	1,447,573
State Water Project Water Sales to Other Agencies	175,000	-	-	175,000
State Water Project Expense	(1,119,365)	-	-	(1,119,365)
CFD 2013-1 Assessment	2,929,902	-	-	2,929,902
Mira Monte Assessment	165	-	-	165
Tax Collection Expense	(47,388)	-	-	(47,388)
Investment Earnings	155,531	-	-	155,531
Interest expense - Long-Term Debt	(2,458,630)	-	-	(2,458,630)
Amortization of Bond Insurance on CFD 2013-1	(20,241)	-	-	(20,241)
Cost of Debt Issuance	(50,500)	-	-	(50,500)
Bond and Administrative Fees	(34,552)	-	-	(34,552)
Adjudication Charge	-	-	576,003	576,003
Adjudication Costs	-	-	(147,680)	(147,680)
Other, Net	176,270	-	-	176,270
Total Nonoperating Revenues (Expenses), Net	<u>4,541,969</u>	<u>-</u>	<u>428,323</u>	<u>4,970,292</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,556,448)	(548,354)	428,323	(3,676,479)
CAPITAL CONTRIBUTIONS				
Federal, State, and Local Grants	87,871	102,292	-	190,163
Total Capital Contributions	<u>87,871</u>	<u>102,292</u>	<u>-</u>	<u>190,163</u>
CHANGE IN NET POSITION	<u>\$ (3,468,577)</u>	<u>\$ (446,062)</u>	<u>\$ 428,323</u>	<u>\$ (3,486,316)</u>

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING EXPENSES
 UTILITY DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
FISHERIES		
Advertising and Legal Notices	\$ -	\$ 727
Clothing and Personal Supplies	676	-
Communications	3,370	4,578
Computer Upgrades - Hardware and Software	476	1,804
District Equipment	4,599	4,042
Education and Training	3,000	2,600
Insurance	119	83
Memberships and Dues	125	-
OPEB and Pension	62,929	(40,285)
Outside Contracts	20,000	-
Postage	-	604
Pre-Employment Screening	-	334
Private Vehicle Mileage	-	110
Salaries and Benefits	634,330	541,835
Services and Supplies	9,299	10,028
Travel	10,749	16,950
Total Fisheries	749,672	543,410
ENGINEERING		
Clothing and Personal Supplies	1,663	1,354
Communications	4,834	7,044
Computer Upgrades - Hardware and Software	17,584	33,623
Education and Training	3,893	6,859
District Equipment	5,160	10,226
Gauging Stations	17,860	-
January 2023 Storms	850,419	2,208,430
Insurance	227	295
Licenses and Permits	61,433	104,702
Membership Dues	1,355	9,902
Office Supplies	-	172
OPEB and Pension	88,264	(81,647)
Other Professional Fees	688	1,607
Outside Contracts	180,616	(54,810)
Postage	2	383
Pre-Employment Screening	50	82
Private Vehicle Mileage	685	866
Salaries and Benefits	1,193,802	1,173,128
Service and Supplies/Outside Contracts	477,448	628,199
Small Tools	-	451
Travel	151	-
Total Engineering	2,906,134	4,050,866

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING EXPENSES (CONTINUED)
 UTILITY DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
WATER TREATMENT		
Ammonia	\$ 23,103	\$ 38,700
Caustics	35,241	34,765
Chlorine	126,458	146,521
Clothing and Personal Supplies	6,883	7,918
Communications	32,230	36,888
District Equipment	20,796	38,200
Education and Training	1,219	3,624
Ferric	8,244	14,126
Insurance	260	355
Licenses and Permits	11,962	11,059
Liquid Oxygen	205,560	179,396
OPEB and Pension	115,157	(35,350)
Outside Contracts	76,411	266,331
Polymer	25,325	22,491
Postage	166	199
Pre-Employment Screening	-	120
Private Vehicle Mileage	-	399
Salaries and Benefits	1,247,966	1,189,387
Service and Supplies	296,688	215,670
Small Tools	8,520	2,856
Travel	75	2,555
Uninsured Losses - Injuries	(8,700)	-
Utilities	161,424	146,402
Workers Compensation	100,665	70,989
Total Water Treatment	2,495,653	2,393,601
WATER QUALITY		
Advertising and Legal Notices	199	193
Clothing and Personal Supplies	1,953	1,232
Communications	1,746	2,070
District Equipment	6,444	7,224
Education and Training	115	860
Insurance	191	258
Licenses and Permits	52,970	50,784
Membership and Dues	-	140
OPEB and Pension	51,814	(9,728)
Outside Contracts	101,848	129,564
Postage	823	927
Printing and Binding	313	139
Salaries and Benefits	583,569	577,055
Service and Supplies	43,931	136,366
Small Tools	-	65
Travel	30	150
Total Water Quality	845,946	897,299

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING EXPENSES (CONTINUED)
 UTILITY DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
UTILITIES MAINTENANCE		
Clothing and Personal Supplies	\$ 6,828	\$ 8,526
Communications	3,529	4,849
Computer Upgrades - Hardware and Software	1,039	3,099
District Equipment	66,957	65,177
Education and Training	2,909	6,499
Insurance	309	316
Licenses and Permits	267	390
OPEB and Pension	56,925	(7,328)
Outside Contracts	-	5,853
Salaries and Benefits	727,020	724,303
Service and Supplies	216,006	266,429
Small Tools	6,402	6,283
Travel	1,505	2,183
Total Utilities Maintenance	1,089,696	1,086,579
ELECTRICAL MECHANICAL		
Clothing and Personal Supplies	9,149	4,782
Communications	19,865	17,015
Computer Upgrades - Hardware and Software	1,103	6,519
District Equipment	39,617	37,270
Education and Training	1,535	3,480
Insurance	157	153
Licenses and Permits	167,872	136,813
OPEB and Pension	49,638	(44,623)
Outside Contracts	113,322	263,019
Power Purchased	1,434,028	1,492,920
Pre-Employment Screening	184	254
Private Vehicle Mileage	133	-
Salaries and Benefits	678,075	831,844
Service and Supplies	129,562	111,694
Small Tools	5,974	4,026
Travel	888	255
Uninsured Losses - Injuries	131,933	(20)
Utilities	28,644	26,435
Workers Compensation	42,503	16,374
Total Electrical Mechanical	2,854,182	2,908,210

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING EXPENSES (CONTINUED)
 UTILITY DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
OPERATIONS MAINTENANCE AND MANAGEMENT		
Clothing and Personal Supplies	\$ 8,189	\$ 9,950
Communications	5,089	6,134
Computer Upgrades - Hardware and Software	585	392
District Equipment	48,063	63,696
Education and Training	6,775	1,504
Insurance	244	298
Licenses and Permits	830	912
Office Supplies	325	226
OPEB and Pension	133,554	(49,236)
Outside Contracts	110,105	144,699
Pre-Employment Screening	-	192
Private Vehicle Mileage	-	19
Salaries and Benefits	1,184,301	1,221,153
Service and Supplies	69,794	76,826
Small Tools	15,500	16,259
Travel	-	60
Total Operations Maintenance and Management	1,583,354	1,493,084
 PIPELINE		
Clothing and Personal Supplies	4,982	19,918
Communications	4,050	5,157
Computer Upgrades - Hardware and Software	2,205	2,691
Education and Training	8,790	1,648
District Equipment	71,738	115,173
Insurance	179	298
Workers Compensation	98,686	3,762
Licenses and Permits	928	642
OPEB and Pension	65,193	(23,598)
Outside Contracts	99,954	228,184
Pre-Employment Screening	25	-
Printing	-	520
Private Vehicle Mileage	-	63
Property Losses for Operation	24,897	5,346
Salaries and Benefits	885,921	1,006,782
Service and Supplies	332,114	294,926
Small Tools	1,881	7,268
Travel	3,585	3,358
Uninsured Losses - Injuries	47,107	-
Utilities	8,308	8,647
Total Pipeline	1,660,543	1,680,785

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING EXPENSES (CONTINUED)
 UTILITY DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
GENERAL AND ADMINISTRATIVE		
Advertising and Legal Notices	\$ 8,840	\$ 4,980
Bad Debt Provision	(19,670)	18,823
Bank Charges/Credit Card Fees	68,967	104,305
Books and Publications	167	2,879
Clothing and Personal Supplies	1,418	2,285
Communications	52,774	57,183
Computer Upgrades - Hardware and Software	40,755	47,153
Directors Election Fees	-	900
District Equipment	763	2,106
Education and Training	5,598	15,036
Gains/losses on Inventory	(1,995)	1,409
Insurance	1,552	1,567
Insurance - Liability	94,007	84,816
Workers Compensation	237,441	191,817
Licenses and Permits	5,036	8,957
Memberships and Dues	78,351	82,091
Office Equipment Maintenance	6,028	5,832
Office Supplies	3,624	7,932
OPEB and Pension	315,150	(213,406)
Other Operating Expense	-	23
Other Professional Services	197,998	218,035
Outside Contracts	112,893	157,376
Postage	12,644	20,387
Pre-Employment Screening	-	57
Printing and Binding	10,428	24,798
Private Vehicle Mileage	86	220
Purchased Water	1,643	1,082
Salaries and Benefits	4,033,118	3,904,724
Service and Supplies	67,721	103,803
Small Tools	79	-
Travel	4,389	5,516
Uninsured Losses - Injuries	32,613	2,990
Utilities	61,240	64,631
Vehicle Costs Direct	2,683	28,384
Workers Compensation	3,208	-
Costs Applied	-	(25,102)
Administrative Overhead Burden	(542,739)	(522,650)
Total General and Administrative	4,896,810	4,410,939
CHANGE IN WATER-IN-STORAGE INVENTORY		
Change in Water-in-Storage Inventory	(4,951,793)	(1,999,525)
Total Change in Water-in-Storage Inventory	(4,951,793)	(1,999,525)
DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation - Water Department	3,435,958	3,476,644
Right-to-Use Lease Asset Amortization - Water Department	105,573	58,338
SBITA Amortization - Water Department	199,249	129,582
Total Depreciation and Amortization Expense	3,740,780	3,664,564
Total Operating Expenses - Water Department	\$ 17,870,977	\$ 21,129,812

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING REVENUES AND EXPENSES
 RECREATION DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

RECREATION REVENUE	<u>2024</u>	<u>2023</u>
Animal Permit	\$ 24,940	\$ 32,648
Boat Fees - Annual	39,488	30,681
Boat Fees - Daily	13,800	8,795
Boat Fees - Overnight	475	575
Boat Inspection Fees - Quagga	8,065	1,797
Boat Lock Revenue - Quagga	1,500	2,850
Boat Rental - Concession	108,725	71,954
Café - Concession	83,198	53,494
Camping Fees	2,141,360	2,496,036
Commercials	3,500	-
Event Reimbursement	1,185	5,500
Events	40,524	29,248
Gift Cards and Certificates	766	2,483
Kayak and Canoes Annual	1,957	3,635
Kayak and Canoes Daily	145	65
Miscellaneous Revenue	4,063	926
Over/Short - Recreation	716	383
Park Store	84,606	76,132
Reservations	261,097	221,753
Shower Facility Fees	43,185	40,870
Trailer Storage Fees	329,499	297,343
Vehicle Fees - Daily	680,710	472,342
Violation Ordinance Fees	3,261	1,050
Visitor Cards	230,869	205,990
Water Park - Group Pass Fees	(108)	(2,617)
Water Park - Lifeguard Training	3,120	3,780
Water Park - Reservation Fee	20,785	2,510
Water Park - Season Pass Fee	6,300	-
Water Park - Shade Rental Fee	20,100	5,625
Water Park - Single Splash Fee	1,280,475	629,118
Water Park - Water Fitness Fee	6,212	1,102
Water Park - Snack Bar	15,722	7,930
Total Recreation Revenue	<u>5,460,240</u>	<u>4,703,998</u>

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING REVENUES AND EXPENSES (CONTINUED)
 RECREATION DEPARTMENT
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
RECREATION EXPENSES		
Administrative Overhead Burden	\$ 542,739	\$ 522,650
Advertising and Legal Notices	834	4,600
Bad Debt Provision	13,918	630
Chemicals - Water Playground	63,064	3,354
Chlorine	-	31,162
Clothing and Personal Supplies	22,717	17,474
Communications	49,062	42,670
Computer Upgrades - Hardware and Software	23,259	8,809
Credit Card Fees	170,616	135,682
District Equipment	97,896	126,346
Education and Training	6,811	5,689
Insurance	560	704
Workers Compensation	28,512	65,520
Licenses and Permits	9,977	9,153
Memberships and Dues	1,481	1,853
Office Supplies	1,360	2,948
OPEB and Pension	195,415	(87,069)
Other Professional Services	9,458	9,484
Outside Contracts	350,321	263,104
Postage	139	259
Pre-Employment Screening	16,678	18,597
Printing and Binding	6,687	5,382
Public Information Program	-	4,494
Purchased Water	75,221	99,464
Safety Program	3,697	57
Salaries and Benefits	3,395,854	3,232,067
Service and Supplies	142,266	37,706
Small Tools	2,039	2,962
Travel	1,065	915
Uninsured Losses - Injuries	478	2,315
Utilities	240,010	200,723
Vehicle Costs Direct	1,341	3,274
Total Recreation Expenses	5,473,475	4,772,978
RECREATION OPERATING LOSS BEFORE DEPRECIATION	(13,235)	(68,980)
DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation - Recreation Department	(443,180)	(441,144)
Right-to-Use Lease Asset Amortization - Recreation Department	(20,571)	(15,100)
SBITA Amortization - Recreation Department	(25,128)	(23,130)
Total Depreciation and Amortization Expense	(488,879)	(479,374)
Recreation Operating Loss	\$ (456,415)	\$ (510,124)

**CASITAS MUNICIPAL WATER DISTRICT
 DETAIL SCHEDULES OF OPERATING REVENUES AND EXPENSES
 ADJUDICATION FUND
 YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
OPERATING REVENUES	\$ -	\$ -
OPERATING EXPENSES	-	-
OPERATING INCOME (LOSS)	-	-
NONOPERATING REVENUES (EXPENSES)		
Adjudication Charge	571,394	576,003
Adjudication Costs	<u>(144,448)</u>	<u>(147,680)</u>
Total Nonoperating Revenues (Expenses), Net	<u>426,946</u>	<u>428,323</u>
CHANGE IN NET POSITION	<u>\$ 426,946</u>	<u>\$ 428,323</u>

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STATISTICAL SECTION

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**CASITAS MUNICIPAL WATER DISTRICT
OVERVIEW OF STATISTICAL INFORMATION
PRESENTED IN FIVE CATEGORIES**

Overview of Statistical Information Presented in Five Categories

Financial Trend Information – Intended to assist users in understanding and assessing how a District's financial position has changed over time.

Revenue Capacity Information – Intended to assist users in understanding and assessing the factors affecting a District's ability to generate own revenue.

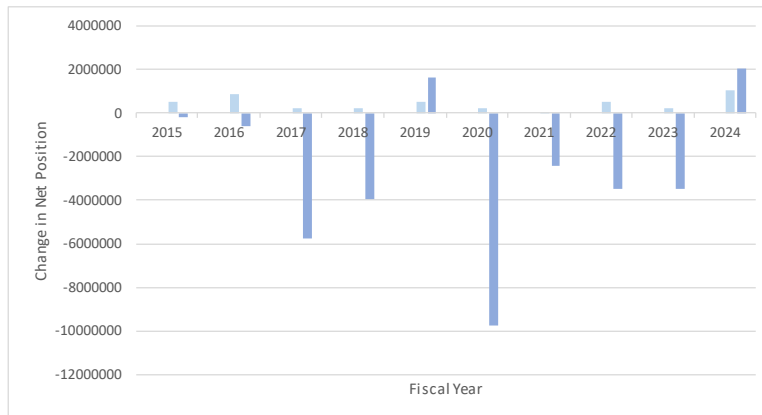
Debt Capacity Information – Intended to assist users in understanding and assessing a District's debt burden and its ability to issue additional debt.

Demographic and Economic Information – Intended to assist users in understanding the socioeconomic environment within which a District operates and to provide information that facilitates comparison of financial statement information over time and among agencies.

Operating Information – Intended to provide information about a District's operations and resources in order to assist readers in using financial statement information to understand and assess an agencies economic condition.

CASITAS MUNICIPAL WATER DISTRICT CHANGES IN NET POSITION BY COMPONENT LAST 10 FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
Changes in net position:				
Operating revenues	\$ 14,530,148	\$ 12,869,735	\$ 12,758,081	\$ 14,829,805
Operating expenses	(14,449,076)	(15,125,091)	(12,752,327)	(17,651,671)
Depreciation and amortization	(3,164,097)	(3,174,681)	(3,736,067)	(4,195,538)
Operating Income (loss)	\$ (3,083,025)	\$ (5,430,037)	\$ (3,730,313)	\$ (7,017,404)
Non-operating revenues (expenses)				
Property taxes	2,309,270	2,292,477	2,258,529	2,408,940
State Water Property Tax Assessment	490,989	730,400	151,501	369,167
CFD 2013-1 assessment	-	454,543	601,938	2,592,342
Bond and Administrative Fees	-	-	-	-
Mira Monte assessment	19,434	19,049	19,280	19,012
State Water Project Water Sales to other Agencies	-	-	-	-
Property tax collection expense	(31,610)	(32,050)	(27,679)	(38,038)
Investment income (loss)	227,483	718,495	(342,956)	(84,090)
State water project expense	(696,576)	(183,384)	(266,509)	(616,152)
Interest expense & Amortization of deferred loss and bond insurance	(70,887)	(62,438)	(187,096)	(1,859,860)
Acquisition expense of CFD 2013-1	-	-	(3,975,600)	-
Cost of debt issuance	-	-	(539,160)	-
Adjudication	-	-	-	-
Loss on Disposition of Capital Assets	-	-	-	-
Other revenue(expense), net	179,498	41,386	71,382	42,651
Total non-operating revenues (expenses),net	2,427,601	3,978,478	(2,236,370)	2,833,972
Net Income Before capital contributions	(655,424)	(1,451,559)	(5,966,683)	(4,183,432)
Capital contributions	484,674	844,524	230,644	220,264
Change in net position	\$ (170,750)	\$ (607,035)	\$ (5,736,039)	\$ (3,963,168)
Net position by component:				
Net investment in capital assets	\$ 53,488,631	\$ 53,720,578	\$ 35,176,319	\$ 34,740,555
Restricted	134,267	115,220	8,510,347	5,848,185
Unrestricted	17,311,073	16,491,138	20,904,213	19,441,172
Total net position	\$ 70,933,971	\$ 70,326,936	\$ 64,590,879	\$ 60,029,912



Notes:

FY2015 the District made a prior period adjustment of \$(10,684,160)

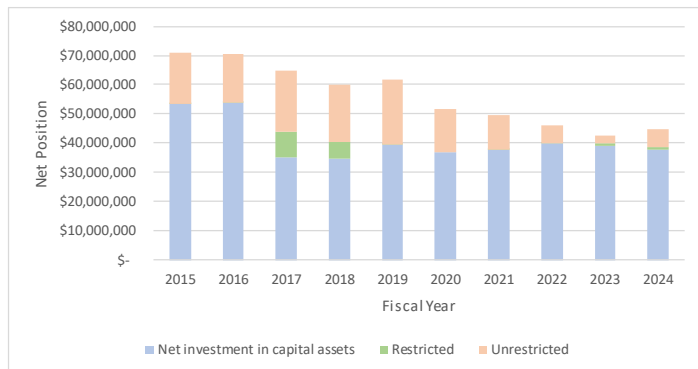
FY2018 the District made a prior period adjustment of \$(597,799)

FY2022 Restatement for Subscription Based Information Technology Arrangements (SBITA)

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
CHANGES IN NET POSITION BY COMPONENT (CONTINUED)
LAST 10 FISCAL YEARS**

	Fiscal Year					
	2019	2020	2021	2022	2023	2024
Changes in net position:						
Operating revenues	\$ 14,622,822	\$ 13,868,822	\$ 20,530,274	\$ 21,098,844	\$ 17,735,393	\$ 18,068,550
Operating expenses	(15,204,627)	(23,707,662)	(23,065,487)	(23,814,713)	(22,238,226)	(19,603,672)
Depreciation and amortization	(4,116,269)	(4,600,052)	(4,673,866)	(4,409,404)	(4,143,938)	(4,229,659)
Operating Income (loss)	\$ (4,698,074)	\$ (14,438,892)	\$ (7,209,079)	\$ (7,125,273)	\$ (8,646,771)	\$ (5,764,781)
Non-operating revenues (expenses)						
Property taxes	2,549,312	2,635,316	2,891,281	3,054,398	3,388,204	3,566,125
State Water Property Tax Assessment	728,773	780,860	917,616	984,114	1,447,573	1,195,624
CFD 2013-1 assessment	2,653,389	2,703,730	2,810,939	2,843,711	2,929,902	2,963,060
Bond and Administrative Fees	-	(2,750)	(5,270)	(20,699)	(34,552)	(30,767)
Mira Monte assessment	19,159	19,149	19,070	19,575	165	65
State Water Project Water Sales to other Agencies	749,823	111,449	771,941	-	175,000	1,375,000
Property tax collection expense	(39,366)	(42,176)	(43,386)	(43,305)	(47,388)	(56,101)
Investment income (loss)	1,413,695	1,315,926	(20,657)	(577,286)	155,531	525,613
State water project expense	(716,634)	(629,730)	(759,852)	(875,246)	(1,119,365)	(979,475)
Interest expense & Amortization of deferred loss and bond insurance	(1,646,282)	(2,219,516)	(2,371,254)	(2,361,334)	(2,478,871)	(2,435,790)
Acquisition expense of CFD 2013-1	-	-	-	-	-	-
Cost of debt issuance	-	(276,062)	-	-	(50,500)	-
Adjudication	-	-	290,203	(32,755)	428,323	426,946
Loss on Disposition of Capital Assets	-	-	-	-	-	(6,788)
Other revenue(expense), net	62,385	88,623	241,447	149,432	176,270	249,608
Total non-operating revenues (expenses), net	5,774,254	4,484,819	4,742,078	3,140,605	4,970,292	6,793,120
Net Income Before capital contributions	1,076,180	(9,954,073)	(2,467,001)	(3,984,668)	(3,676,479)	1,028,339
Capital contributions	537,395	211,502	69,082	534,212	190,163	1,022,535
Change in net position	\$ 1,613,575	\$ (9,742,571)	\$ (2,397,919)	\$ (3,450,456)	\$ (3,486,316)	\$ 2,050,874
Net position by component:						
Net investment in capital assets	\$ 39,302,535	\$ 36,991,071	\$ 37,569,004	\$ 39,891,569	\$ 39,209,965	\$ 37,576,774
Restricted	19,296	-	290,903	258,093	685,776	1,112,722
Unrestricted	22,321,656	14,909,845	11,643,090	5,926,187	2,693,792	5,950,911
Total net position	\$ 61,643,487	\$ 51,900,916	\$ 49,502,997	\$ 46,075,849	\$ 42,589,533	\$ 44,640,407



Notes:

FY2015 the District made a prior period adjustment of \$(10,684,160).

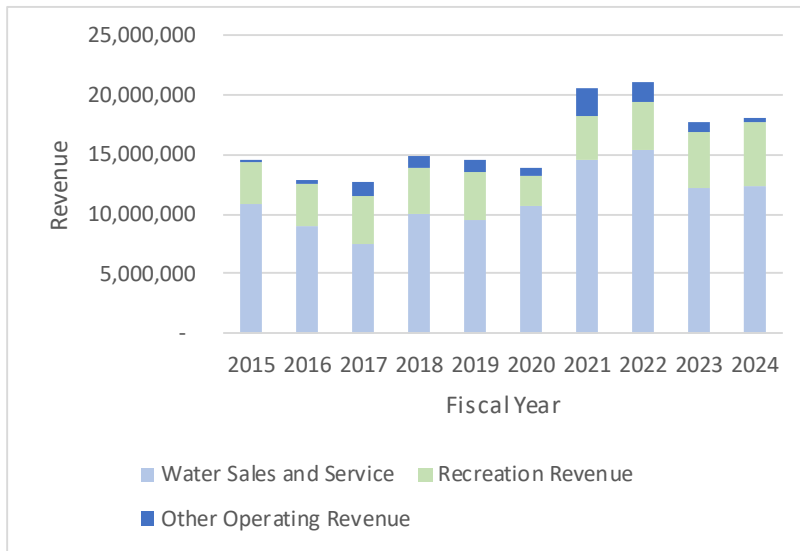
FY2018 the District made a prior period adjustment of \$(597,799).

FY2022 Restatement for Subscription Based Information Technology Arrangements (SBITA)

Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
OPERATING REVENUES BY SOURCE
LAST 10 FISCAL YEARS**

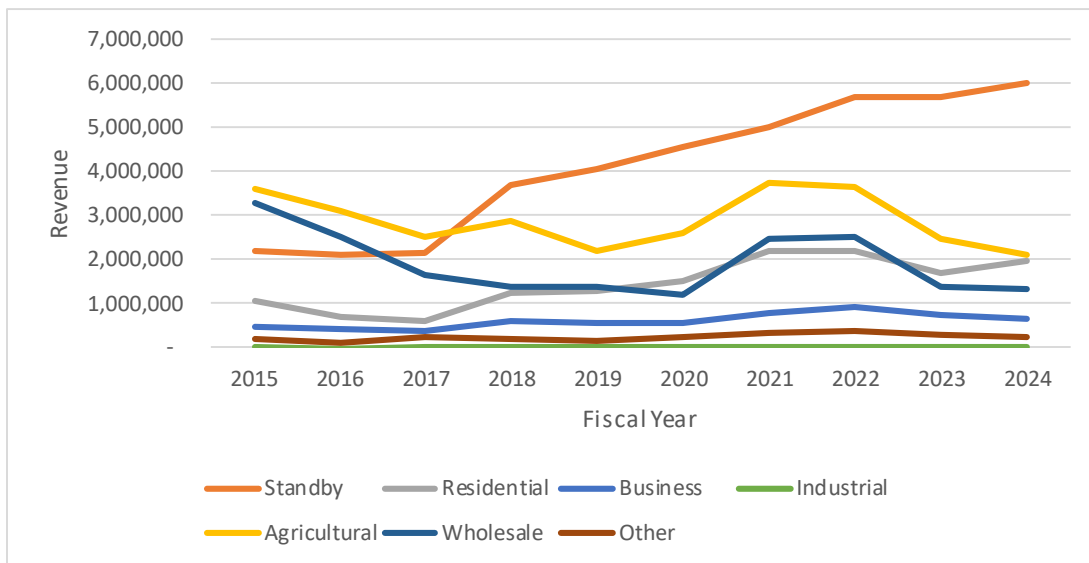
Fiscal Year	Water Sales and Service	Recreation Revenue	Other Operating Revenue	Total Operating Revenue
2015	10,868,054	3,443,089	219,005	14,530,148
2016	8,988,387	3,592,600	288,748	12,869,735
2017	7,542,239	4,027,340	1,188,502	12,758,081
2018	10,053,355	3,906,797	869,653	14,829,805
2019	9,578,074	3,894,552	1,150,196	14,622,822
2020	10,672,937	2,547,147	648,738	13,868,822
2021	14,522,638	3,685,302	2,322,334	20,530,274
2022	15,305,002	4,150,626	1,643,216	21,098,844
2023	12,253,689	4,703,998	777,706	17,735,393
2024	12,337,471	5,460,240	270,839	18,068,550



Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
OPERATING REVENUES BY CLASS
LAST 10 FISCAL YEARS**

Fiscal Year	Standby	Residential	Business	Industrial	Agricultural	Wholesale	Other	Total
2015	2,183,531	1,075,889	464,220	21,915	3,617,624	3,287,790	217,083	10,868,054
2016	2,123,742	685,975	409,263	7,940	3,105,239	2,531,668	124,561	8,988,387
2017	2,151,152	588,488	358,381	8,255	2,521,907	1,659,629	254,427	7,542,239
2018	3,707,098	1,260,163	611,392	9,284	2,890,600	1,364,143	210,676	10,053,355
2019	4,034,503	1,277,485	537,076	14,245	2,196,975	1,357,357	160,432	9,578,074
2020	4,532,973	1,532,865	572,794	16,869	2,600,256	1,189,931	227,249	10,672,937
2021	5,027,142	2,173,794	763,471	20,606	3,737,273	2,462,897	337,455	14,522,638
2022	5,677,364	2,185,415	926,791	16,995	3,624,124	2,493,025	381,288	15,305,002
2023	5,669,871	1,716,501	725,430	15,628	2,487,653	1,357,651	280,955	12,253,689
2024	6,008,900	1,953,244	670,321	20,453	2,112,182	1,349,832	222,539	12,337,471



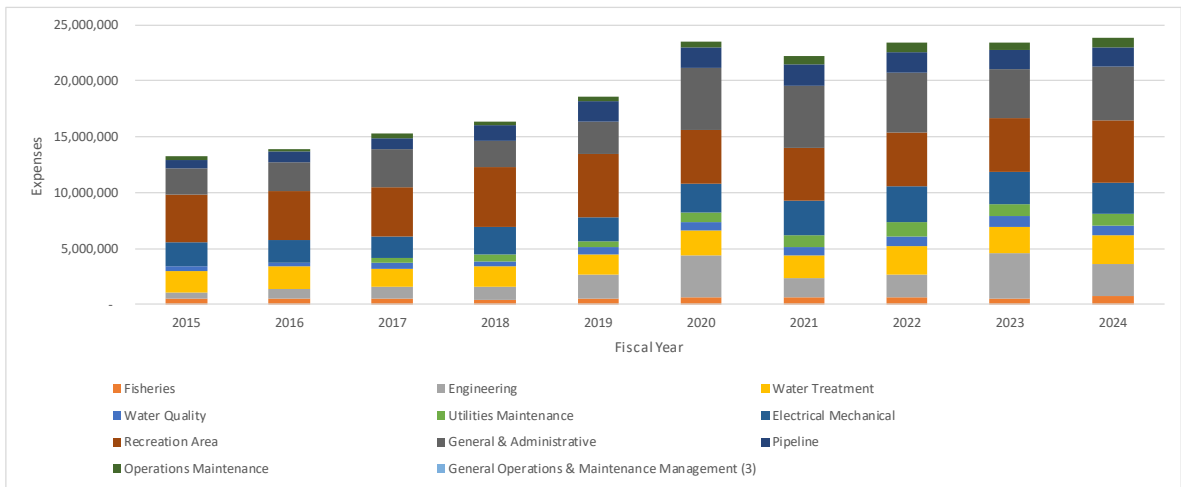
Notes:

Other classification also includes Fire, Temporary and Interdepartmental.

Source: Casitas Municipal Water District Administration Department

CASITAS MUNICIPAL WATER DISTRICT OPERATING EXPENSES BY ACTIVITY LAST 10 FISCAL YEARS

Fiscal Year	Fisheries	Engineering	Water		Utilities Maintenance	Electrical Mechanical		Recreation Area	Operations Maintenance	General Operations & Maintenance Management	General & Administrative	Change in Water-in-Storage Inventory	Total Operating Expenses
			Treatment	Quality		(3)	(1)						
2015	501,653	539,144	1,963,913	435,012	-	2,152,174	756,673	4,253,578	296,690		2,378,449	1,171,790	\$ 14,449,076
2016	468,372	894,991	1,998,923	399,504	-	2,029,702	893,950	4,362,941	291,810		2,590,938	1,193,960	\$ 15,125,091
2017	539,967	1,087,229	1,612,303	469,457	466,052	1,875,587	998,872	4,378,097	419,103		3,460,827	(2,555,167)	\$ 12,752,327
2018	430,066	1,134,293	1,844,420	459,489	585,524	2,519,062	1,371,117	5,353,874	306,035		2,368,786	1,279,005	\$ 17,651,671
2019	508,342	2,145,325	1,857,252	605,329	564,996	2,096,916	1,829,649	5,687,798	419,895		2,916,901	(3,427,776)	\$ 15,204,627
2020	643,362	3,760,968	2,159,537	759,507	858,103	2,579,106	1,776,037	4,875,183	602,664		5,553,962	139,233	\$ 23,707,662
2021	611,328	1,705,802	2,055,465	788,802	998,651	3,119,031	1,923,244	4,680,979	681,238		5,638,177	862,770	\$ 23,065,487
2022 ⁽²⁾	638,594	2,048,007	2,557,694	867,408	1,261,659	3,222,294	1,818,823	4,841,352	775,128		5,359,641	424,113	\$ 23,814,713
2023	543,410	4,050,866	2,393,601	897,299	1,086,579	2,908,210	1,680,785	4,772,978	702,724	790,360	4,410,939	(1,999,525)	\$ 22,238,226
2024	749,672	2,906,134	2,495,653	845,946	1,089,696	2,854,182	1,660,543	5,473,475	831,519	751,835	4,896,810	(4,951,793)	\$ 19,603,672



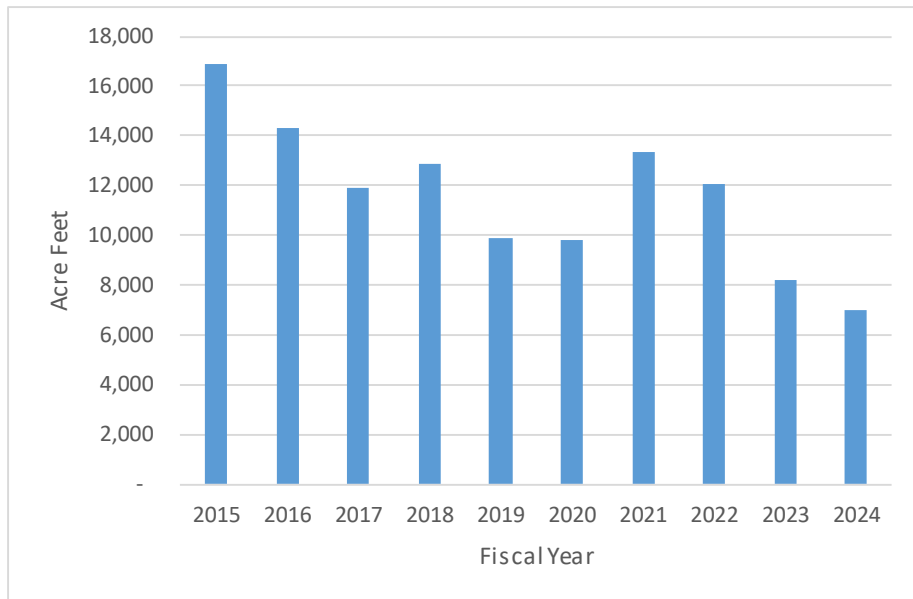
Notes:

- (1) FY2015 a prior period adjustment in the amount of \$3,690,410 was booked to account for the change in water-in-storage for the period July 1, 2011 to June 30, 2014
- (2) FY2022 Restatement for Subscription Based Information Technology Arrangements (SBITA)
- (3) FY2023 new department created prior years allocated to Water Treatment, Utilities Maintenance, Pipeline, & Electrical Mechanical

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE BASE
LAST 10 FISCAL YEARS**

Fiscal Year	Water Sales (Acre Feet)
2015	16,905
2016	14,342
2017	11,925
2018	12,841
2019	9,892
2020	9,801
2021	13,381
2022	12,067
2023	8,198
2024	6,994



Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEARS ENDED JUNE 30, 2012 AND 2017**

In fiscal year 2012, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE		FY12-13 Rate per Unit**		FY14-17 Rate per Unit**	
		GRAVITY	PUMPED	GRAVITY	PUMPED
Residential:					
Bi-Monthly Lifeline	0-20 Units	\$ 0.584	\$ 0.856	\$ 0.602	\$ 0.882
Bi-Monthly Lifeline	21-34 Units	\$ 1.033	\$ 1.305	\$ 1.064	\$ 1.344
Bi-Monthly Lifeline	35-100 Units	\$ 1.446	\$ 1.718	\$ 1.489	\$ 1.770
Bi-Monthly Lifeline	101 Units +	\$ 2.266	\$ 2.538	\$ 2.334	\$ 2.614
Business		\$ 1.297	\$ 1.570	\$ 1.336	\$ 1.617
Industrial		\$ 1.297	\$ 1.570	\$ 1.336	\$ 1.617
Resale		\$ 0.803	\$ 1.445	\$ 0.827	\$ 1.488
Other		\$ 1.297	\$ 1.570	\$ 1.336	\$ 1.617
Temporary		\$ 1.462	\$ 1.733	\$ 1.506	\$ 1.785
Recreation		\$ 1.297	\$ 1.570	\$ 1.336	\$ 1.617
RATE SCHEDULE - CLASS 3 SERVICE		Rate per Unit**		Rate per Unit**	
		GRAVITY	PUMPED	GRAVITY	PUMPED
Ag-Residential					
Monthly Lifeline	0-10 Units	\$ 0.584	\$ 0.856	\$ 0.602	\$ 0.882
Monthly Usage	11-17 Units	\$ 1.033	\$ 1.305	\$ 1.064	\$ 1.344
Monthly Usage	18-50 Units	\$ 1.446	\$ 1.718	\$ 1.489	\$ 1.770
Irrigation (AG)	51 Units +	\$ 0.606	\$ 0.878	\$ 0.624	\$ 0.904
** One unit equals 100 cubic feet (748 gallons)					
Cost per AF (example) Irrigation		per AF = \$0.606 x 435.6 = \$ 263.97 Gravity		per AF = \$0.878 x 435.6 = \$ 382.46 Pumped	

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
RESIDENTIAL	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
BUSINESS	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
INDUSTRIAL	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
IRRIGATION/ AG	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RESALE(G)	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RESALE(P)	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
OTHER	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
TEMPORARY	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RECREATION	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2018**

In fiscal year 2018, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 0.490	\$ 0.960	
Monthly Usage	11-50 Units	\$ 0.990	\$ 1.460	
Monthly Usage	50 Units+	\$ 1.890	\$ 2.360	
Business		\$ 0.990	\$ 1.460	
Industrial		\$ 0.990	\$ 1.460	
Resale		\$ 0.990	\$ 1.460	
Other		\$ 0.990	\$ 1.460	
Temporary		\$ 1.780	\$ 1.780	
Recreation		\$ 0.990	\$ 1.460	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 0.490	\$ 0.960	
Monthly Usage	11-17 Units	\$ 0.990	\$ 1.460	
Monthly Usage	18-50 Units+	\$ 0.620	\$ 1.090	
Irrigation (AG)		\$ 0.620	\$ 1.090	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.620 x 435.6 =	\$ 270.07	Gravity
		per AF = \$1.090 x 435.6 =	\$ 474.80	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 28.75	\$ 47.91	\$ 95.82	\$ 153.31	\$ 255.52	\$ 335.37	\$ 603.67	N/A	N/A	N/A
BUSINESS	Monthly	\$ 22.97	\$ 38.28	\$ 76.56	\$ 122.50	\$ 204.16	\$ 267.96	\$ 482.33	\$ 995.29	N/A	N/A
INDUSTRIAL	Monthly	\$ 20.54	\$ 34.24	\$ 68.47	\$ 109.55	\$ 182.59	\$ 239.65	\$ 431.36	N/A	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 43.28	\$ 86.56	\$ 138.50	\$ 230.84	\$ 302.97	\$ 545.35	\$ 1,125.33	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 34.78	\$ 69.57	\$ 111.30	\$ 185.51	\$ 243.48	\$ 438.26	N/A	N/A	N/A
RESALE	Monthly	\$ 25.27	\$ 42.12	\$ 84.24	\$ 134.78	\$ 224.63	\$ 294.83	\$ 530.70	\$ 1,095.09	\$ 6,469.48	\$ 12,026.38
OTHER	Monthly	\$ 20.54	\$ 34.24	\$ 68.47	\$ 109.55	\$ 182.59	\$ 239.65	\$ 431.36	N/A	N/A	N/A
TEMPORARY	Monthly	N/A	N/A	N/A	N/A	\$ 150.05	N/A	N/A	N/A	N/A	N/A
RECREATION	Monthly	\$ 20.54	\$ 34.24	\$ 68.47	\$ 109.55	\$ 182.59	\$ 239.65	\$ 431.36	N/A	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2019**

In fiscal year 2019, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 0.550	\$ 1.080	
Monthly Usage	11-50 Units	\$ 1.110	\$ 1.640	
Monthly Usage	50 Units+	\$ 2.120	\$ 2.640	
Business		\$ 1.110	\$ 1.640	
Industrial		\$ 1.110	\$ 1.640	
Resale		\$ 1.110	\$ 1.640	
Other		\$ 1.110	\$ 1.640	
Temporary		\$ 4.000	\$ 4.000	
Recreation		\$ 1.110	\$ 1.640	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 0.550	\$ 1.080	
Monthly Usage	11-17 Units	\$ 1.110	\$ 1.640	
Monthly Usage	18-50 Units+	\$ 0.690	\$ 1.220	
Irrigation (AG)		\$ 0.690	\$ 1.220	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example) Irrigation		per AF = \$0.690 x 435.6 =	\$ 300.56	Gravity
		per AF = \$1.220 x 435.6 =	\$ 531.43	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 32.20	\$ 53.66	\$ 107.32	\$ 171.71	\$ 286.81	\$ 375.61	\$ 676.11	N/A	N/A	N/A
BUSINESS	Monthly	\$ 25.73	\$ 42.87	\$ 85.75	\$ 137.20	\$ 228.66	\$ 300.12	\$ 540.21	\$ 1,114.72	N/A	N/A
INDUSTRIAL	Monthly	\$ 23.00	\$ 38.35	\$ 76.69	\$ 122.70	\$ 204.50	\$ 268.41	\$ 483.12	N/A	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 48.47	\$ 96.95	\$ 155.12	\$ 258.54	\$ 339.33	\$ 610.79	\$ 1,260.37	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 38.95	\$ 77.92	\$ 124.66	\$ 207.77	\$ 272.70	\$ 490.85	N/A	N/A	N/A
RESALE	Monthly	\$ 28.30	\$ 47.17	\$ 94.35	\$ 150.95	\$ 251.59	\$ 330.21	\$ 594.38	\$ 1,226.50	\$ 2,245.82	13,469.55
OTHER	Monthly	\$ 23.00	\$ 38.35	\$ 76.69	\$ 122.70	\$ 204.50	\$ 268.41	\$ 483.12	N/A	N/A	N/A
TEMPORARY	Monthly	N/A	N/A	N/A	N/A	\$ 150.00	N/A	N/A	N/A	N/A	N/A
RECREATION	Monthly	\$ 23.00	\$ 38.35	\$ 76.69	\$ 122.70	\$ 204.50	\$ 268.41	\$ 483.12	N/A	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2020**

In fiscal year 2020, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 0.620	\$ 1.210	
Monthly Usage	11-50 Units	\$ 1.240	\$ 1.840	
Monthly Usage	50 Units+	\$ 2.370	\$ 2.960	
Business		\$ 1.240	\$ 1.840	
Industrial		\$ 1.240	\$ 1.840	
Resale		\$ 1.240	\$ 1.840	
Other		\$ 1.240	\$ 1.840	
Temporary		\$ 4.000	\$ 4.000	
Recreation		\$ 1.240	\$ 1.840	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 0.620	\$ 1.210	
Monthly Usage	11-17 Units	\$ 1.240	\$ 1.840	
Monthly Usage	18-50 Units+	\$ 0.770	\$ 1.370	
Irrigation (AG)		\$ 0.770	\$ 1.370	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.770 x 435.6 =	\$ 335.41	Gravity
		per AF = \$1.370 x 435.6 =	\$ 596.77	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 36.06	\$ 60.10	\$ 120.20	\$ 192.32	\$ 320.52	\$ 420.68	\$ 757.24	N/A	N/A	N/A
BUSINESS	Monthly	\$ 28.82	\$ 480.10	\$ 96.04	\$ 153.66	\$ 256.10	\$ 336.13	\$ 605.04	\$ 1,248.49	N/A	N/A
INDUSTRIAL	Monthly	\$ 25.76	\$ 42.95	\$ 85.89	\$ 137.42	\$ 229.04	\$ 300.62	\$ 541.09	N/A	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 54.29	\$ 108.58	\$ 173.73	\$ 289.56	\$ 380.05	\$ 684.08	\$ 1,411.61	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 43.62	\$ 87.27	\$ 139.62	\$ 232.70	\$ 305.42	\$ 549.75	N/A	N/A	N/A
RESALE	Monthly	\$ 31.70	\$ 52.83	\$ 105.67	\$ 169.06	\$ 281.78	\$ 369.84	\$ 665.71	\$ 1,373.68	\$ 8,115.32	\$ 15,085.90
OTHER	Monthly	\$ 25.76	\$ 42.95	\$ 85.89	\$ 137.42	\$ 229.04	\$ 300.62	\$ 541.09	N/A	N/A	N/A
TEMPORARY	Monthly	N/A	N/A	N/A	N/A	\$ 150.00	N/A	N/A	N/A	N/A	N/A
RECREATION	Monthly	\$ 25.76	\$ 42.95	\$ 85.89	\$ 137.42	\$ 229.04	\$ 300.62	\$ 541.09	N/A	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2021**

In fiscal year 2021, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 0.690	\$ 1.360	
Monthly Usage	11-50 Units	\$ 1.390	\$ 2.060	
Monthly Usage	50 Units+	\$ 2.650	\$ 3.320	
Business		\$ 1.390	\$ 2.060	
Industrial		\$ 1.390	\$ 2.060	
Resale		\$ 1.390	\$ 2.060	
Other		\$ 1.390	\$ 2.060	
Temporary		\$ 4.000	\$ 4.000	
Recreation		\$ 1.390	\$ 2.060	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 0.690	\$ 1.360	
Monthly Usage	11-17 Units	\$ 1.390	\$ 2.060	
Monthly Usage	18-50 Units+	\$ 0.860	\$ 1.530	
Irrigation (AG)		\$ 0.860	\$ 1.530	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.860 x 435.6 =	\$ 374.62	Gravity
		per AF = \$1.530 x 435.6 =	\$ 666.47	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 40.39	\$ 67.31	\$ 134.62	\$ 215.40	\$ 358.98	\$ 471.16	\$ 848.11	N/A	N/A	N/A
BUSINESS	Monthly	\$ 32.28	\$ 53.77	\$ 107.56	\$ 172.10	\$ 286.83	\$ 376.47	\$ 677.64	\$ 1,398.31	N/A	N/A
INDUSTRIAL	Monthly	\$ 28.85	\$ 48.10	\$ 96.20	\$ 153.91	\$ 256.52	\$ 336.69	\$ 606.02	N/A	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 60.80	\$ 121.61	\$ 194.58	\$ 324.31	\$ 425.66	\$ 766.17	\$ 1,581.00	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 48.85	\$ 97.74	\$ 156.37	\$ 260.62	\$ 342.07	\$ 615.72	N/A	N/A	N/A
RESALE	Monthly	\$ 35.50	\$ 59.17	\$ 118.35	\$ 189.35	\$ 315.59	\$ 414.22	\$ 745.60	\$ 1,538.52	\$ 9,089.16	\$ 16,896.21
OTHER	Monthly	\$ 28.85	\$ 48.10	\$ 96.20	\$ 153.91	\$ 256.52	\$ 336.69	\$ 606.02	N/A	N/A	N/A
TEMPORARY	Monthly	N/A	N/A	N/A	N/A	\$ 150.00	N/A	N/A	N/A	N/A	N/A
RECREATION	Monthly	\$ 28.85	\$ 48.10	\$ 96.20	\$ 153.91	\$ 256.52	\$ 336.69	\$ 606.02	N/A	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2022**

In fiscal year 2022, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 0.770	\$ 1.520	
Monthly Usage	11-50 Units	\$ 1.560	\$ 2.310	
Monthly Usage	50 Units+	\$ 2.970	\$ 3.720	
Business		\$ 1.560	\$ 2.310	
Industrial		\$ 1.560	\$ 2.310	
Resale		\$ 1.560	\$ 2.310	
Other		\$ 1.560	\$ 2.310	
Temporary		\$ 4.000	\$ 4.000	
Recreation		\$ 1.560	\$ 2.310	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 0.770	\$ 1.520	
Monthly Usage	11-17 Units	\$ 1.560	\$ 2.310	
Monthly Usage	18-50 Units+	\$ 0.960	\$ 1.710	
Irrigation (AG)		\$ 0.960	\$ 1.710	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.960 x 435.6 =	\$ 418.18	Gravity
		per AF = \$1.710 x 435.6 =	\$ 744.88	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 45.24	\$ 75.39	\$ 150.77	\$ 241.25	\$ 402.06	\$ 527.70	\$ 949.88	N/A	N/A	N/A
BUSINESS	Monthly	\$ 36.15	\$ 60.22	\$ 120.47	\$ 192.75	\$ 321.25	\$ 421.65	\$ 758.96	\$ 1,566.11	N/A	N/A
INDUSTRIAL	Monthly	\$ 32.31	\$ 53.87	\$ 107.74	\$ 172.38	\$ 287.30	\$ 377.09	\$ 678.74	N/A	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 68.10	\$ 136.20	\$ 217.93	\$ 363.23	\$ 476.74	\$ 858.11	\$ 1,770.72	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 54.71	\$ 109.47	\$ 175.13	\$ 291.89	\$ 383.12	\$ 689.61	N/A	N/A	N/A
REALE	Monthly	\$ 39.76	\$ 66.27	\$ 132.55	\$ 212.07	\$ 353.46	\$ 463.93	\$ 835.07	\$ 1,723.14	\$ 10,179.86	\$ 18,923.76
OTHER	Monthly	\$ 32.31	\$ 53.87	\$ 107.74	\$ 172.38	\$ 287.30	\$ 377.09	\$ 678.74	N/A	N/A	N/A
TEMPORARY	Monthly	N/A	N/A	N/A	N/A	\$ 150.00	N/A	N/A	N/A	N/A	N/A
RECREATION	Monthly	\$ 32.31	\$ 53.87	\$ 107.74	\$ 172.38	\$ 287.30	\$ 377.09	\$ 678.74	N/A	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
REVENUE RATES
FISCAL YEAR ENDED JUNE 30, 2022**

In January of fiscal year 2024, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Residential:				
Monthly Usage	0-10 Units	\$ 1.070	\$ 1.900	
Monthly Usage	11-50 Units	\$ 1.910	\$ 2.710	
Monthly Usage	50 Units+	\$ 3.270	\$ 4.060	
Business		\$ 1.950	\$ 2.750	
Industrial		\$ 1.950	\$ 2.750	
Resale		\$ 1.950	\$ 2.750	
Other		\$ 1.950	\$ 2.750	
Temporary		\$ 4.000	\$ 4.000	
Recreation		\$ 1.950	\$ 2.750	
RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit**	
			GRAVITY	PUMPED
Ag-Residential				
Monthly Usage	0-10 Units	\$ 1.070	\$ 1.900	
Monthly Usage	11-17 Units	\$ 1.910	\$ 2.710	
Monthly Usage	18-50 Units+	\$ 1.240	\$ 2.050	
Irrigation (AG)		\$ 1.240	\$ 2.050	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$1.240 x 435.6 =	\$ 540.14	Gravity
		per AF = \$2.050 x 435.6 =	\$ 892.98	Pumped

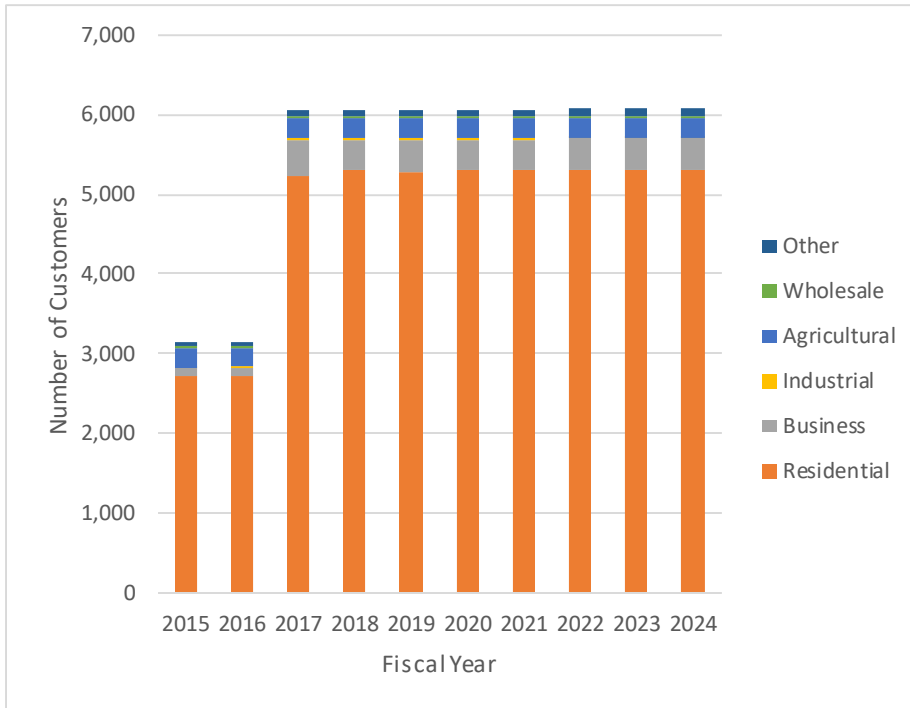
9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	12"	18"
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	N/A	N/A
RESIDENTIAL	Monthly	\$ 40.77	\$ 70.40	\$ 129.27	\$ 284.47	N/A	\$ 729.51	\$ 1,511.14	N/A	N/A	N/A
BUSINESS	Monthly	\$ 35.11	\$ 60.60	\$ 111.31	\$ 244.94	N/A	\$ 628.17	\$ 1,301.18	\$ 2,359.56	N/A	N/A
INDUSTRIAL	Monthly	\$ 35.11	\$ 60.60	\$ 111.31	\$ 244.94	N/A	\$ 628.17	\$ 1,301.18	\$ 2,359.56	N/A	N/A
IRRIGATION/ AG	Monthly	N/A	\$ 65.78	\$ 120.80	\$ 265.83	N/A	\$ 681.75	\$ 1,412.17	\$ 2,560.84	N/A	N/A
AG-DOMESTIC	Monthly	N/A	\$ 56.85	\$ 104.43	\$ 229.78	N/A	\$ 589.29	\$ 1,220.66	\$ 2,213.53	N/A	N/A
RESALE	Monthly	\$ 37.41	\$ 64.60	\$ 118.63	\$ 261.05	N/A	\$ 669.49	\$ 1,386.78	\$ 2,514.76	\$ 18,778.34	\$ 28,390.15
OTHER	Monthly	\$ 32.58	\$ 56.26	\$ 103.32	\$ 227.36	N/A	\$ 583.09	\$ 1,207.80	\$ 2,190.26	N/A	N/A
TEMPORARY	Monthly	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
RECREATION	Monthly	\$ 32.58	\$ 56.26	\$ 103.32	\$ 227.36	N/A	\$ 583.09	\$ 1,207.80	\$ 2,190.26	N/A	N/A

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
CUSTOMER BY TYPE AT FISCAL YEAR-END
LAST 10 FISCAL YEARS**

Customer Type							
Fiscal							
Year	Residential	Business	Industrial	Agricultural	Wholesale	Other	Total
2015	2,711	112	9	249	23	41	3,145
2016	2,711	114	9	248	25	41	3,148
2017	5,224	460	13	249	22	81	6,049
2018	5,292	391	13	251	22	83	6,052
2019	5,281	401	13	251	23	83	6,052
2020	5,296	392	13	249	24	88	6,062
2021	5,299	385	13	252	24	88	6,061
2022	5,309	388	14	250	25	86	6,072
2023	5,315	385	15	250	25	87	6,077
2024	5,307	387	15	251	23	87	6,070



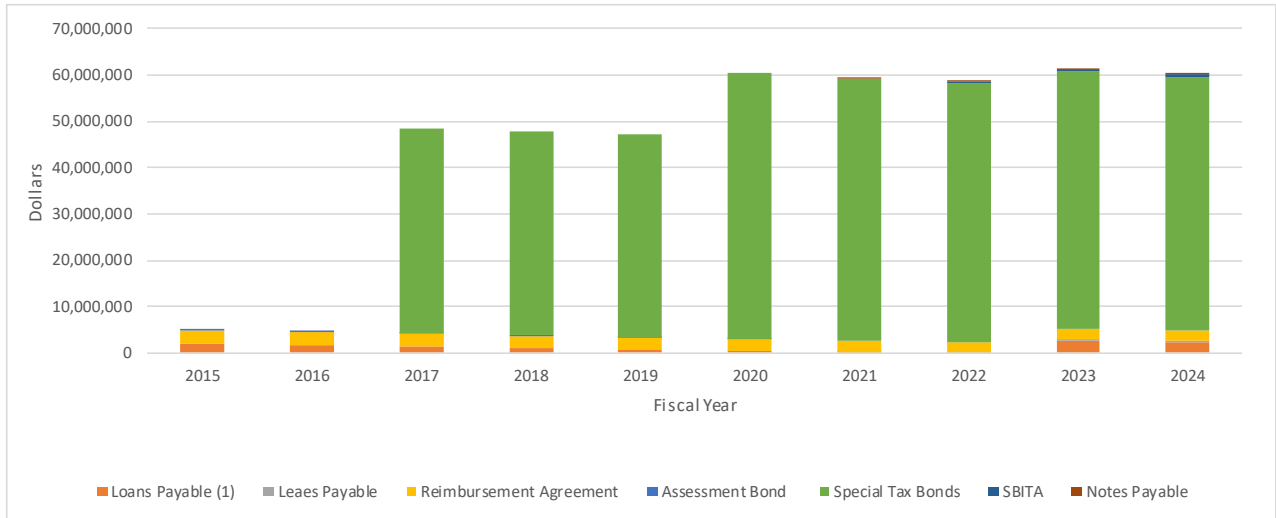
Note: Number of customers as of June 30th of fiscal year

FY2017 purchased Golden State Water

Source: Casitas Municipal Water District Administration Department

CASITAS MUNICIPAL WATER DISTRICT RATIOS OF OUTSTANDING DEBT BY TYPE LAST 10 FISCAL YEARS

Fiscal Year	Loans Payable ⁽¹⁾	Leases Payable	Notes Payable	SBITA	Reimbursement Agreement	Assessment Bond Payable ⁽²⁾	Special Tax Bonds Series A-C ^{(2)&(3)}		Total	
							Debt	Per Capita	As a Share of Personal Income	
2015	1,898,692	-	-	-	3,011,898	105,500	-	5,016,090	5.93	10.93%
2016	1,652,804	-	-	-	2,780,214	89,500	-	4,522,518	5.33	9.57%
2017	1,398,725	-	-	-	2,702,986	73,500	44,125,399	48,300,610	56.88	98.99%
2018	1,136,525	-	-	-	2,625,757	56,500	43,885,662	47,704,444	56.24	94.07%
2019	865,830	-	-	-	2,548,529	38,500	43,600,925	47,053,784	55.66	88.51%
2020	586,414	-	-	-	2,471,301	19,500	57,212,099	60,289,314	71.49	104.71%
2021	297,863	-	144,021	-	2,394,073	-	56,595,673	59,431,630	70.81	95.01%
2022	-	25,078	97,670	241,313	2,316,845	-	55,999,245	58,680,151	70.48	92.28%
2023	2,636,911	381,659	251,255	468,132	2,239,616	-	55,332,818	61,310,391	74.23	94.85%
2024	2,396,878	399,271	199,319	491,677	2,162,388	-	54,596,391	60,245,924	73.54	91.68%



Note:

- (1) In Fiscal Year 2023 took a loan for the Aquatic Play Structure Loan see note 10.
- (2) Assessment bonds and special tax bonds are not obligations of the District's operations - Mellos-Roos debt
- (3) Special tax Bonds are only applicable to customers who were part of the Golden State Water purchase in 2017

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
DEBT COVERAGE
LAST 10 FISCAL YEARS**

Fiscal Year	Net Revenues ⁽¹⁾	Operating Expenses ⁽²⁾	Net Available Revenues	Debt Service		Total	Coverage Ratio
				Principal ⁽³⁾	Interest ⁽⁴⁾		
2015	17,937,802	(14,449,076)	3,488,726	238,286	6,480	244,766	14.25
2016	16,910,651	(15,125,091)	1,785,560	323,116	55,864	378,980	4.71
2017	15,758,515	(12,752,327)	3,006,188	331,306	50,989	382,295	7.86
2018	20,176,194	(17,651,671)	2,524,523	339,428	42,866	382,294	6.60
2019	19,398,037	(15,204,627)	4,193,410	347,923	34,374	382,297	10.97
2020	18,020,136	(23,707,662)	(5,687,526)	356,644	25,652	382,296	-14.88
2021	24,414,286	(23,065,487)	1,348,799	365,779	16,516	382,296	3.53
2022	23,722,388	(23,814,713)	(92,325)	375,091	7,205	382,296	-0.24
2023	21,630,398	(22,238,226)	(607,828)	191,517	48,990	240,507	-2.53
2024	23,784,896	(19,603,672)	4,181,224	317,261	86,343	403,604	10.36

Notes:

(1) Net revenues exclude assessment and special tax bond revenues, interest expense on long term debt, amortization of bond insurance, state water project, and adjudication.

(2) Operating expenses exclude depreciation expense

(3) Includes the Casitas Dam Project-Seismic Safety of Casitas Dam loan see note 10 & 2022 loan payable see note 10.

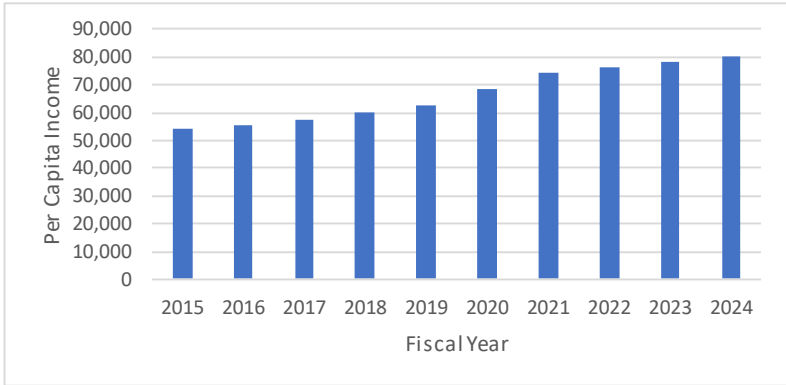
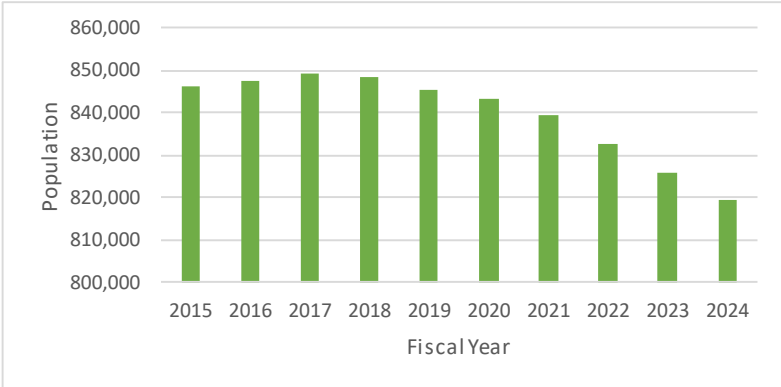
(4) Includes the 2022 loan payable see note 10.

Assessment bonds and special tax bonds are not obligations of the District's operations - Mellos-Roos debt

Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS – COUNTY OF VENTURA
LAST 10 FISCAL YEARS**

Year	Unemployment Rate	Population	Personal Income (thousands of dollars)	Personal Income per Capita
2015	5.7%	846,263	45,901,737	54,241
2016	5.3%	847,718	47,265,014	55,756
2017	4.5%	849,196	48,791,042	57,456
2018	3.9%	848,290	50,711,842	59,781
2019	3.6%	845,396	53,163,902	62,886
2020	11.8%	843,310	57,575,258	68,273
2021	6.9%	839,358	62,554,527	74,527
2022	3.5%	832,605	63,589,878	76,375
2023	4.1%	825,906	64,642,365 ¹	78,268
2024	4.5%	819,262	65,712,272 ¹	80,209



Notes:

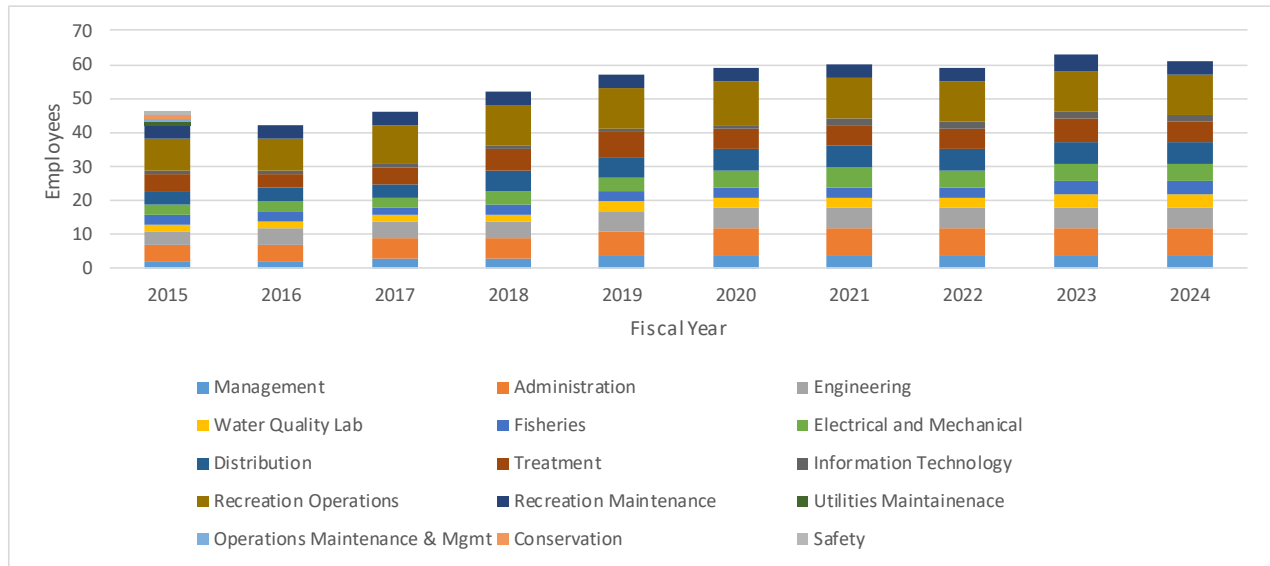
Only County data is updated annually. Therefore, the District has chose to use its data since the District believes that the County data is representative of the conditions and experience of the District.

(1) Estimated using percentage change year of year from 2021 to 2022

Sources: California Department of Finance & Bureau of Economic Analysis
California Labor Market Info as of June 1st

CASITAS MUNICIPAL WATER DISTRICT OPERATING AND CAPACITY INDICATORS – EMPLOYEES LAST 10 FISCAL YEARS

Full Time Employees										
Department	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Management	2	2	3	3	4	4	4	4	4	4
Safety	1	1	1	1	1	1	1	1	1	1
Administration	5	5	6	6	7	8	8	8	8	8
Engineering	4	5	5	5	6	6	6	6	6	6
Water Quality Lab	2	2	2	2	3	3	3	3	4	4
Fisheries	3	3	2	3	3	3	3	3	4	4
Electrical and Mechanical	3	3	3	4	4	5	6	5	5	5
Distribution	4	4	4	6	6	6	6	6	6	6
Treatment	5	4	5	6	7	6	6	6	7	6
Utilities Maintainence	2	2	4	5	5	5	5	5	5	5
Operations Maintenance & Mgmt	4	4	4	4	5	6	6	7	7	7
Conservation	2	3	3	3	4	4	4	3	3	3
Information Technology	1	1	1	1	1	1	2	2	2	2
Recreation Operations	9	9	11	12	12	13	12	12	12	12
Recreation Maintenance	4	4	4	4	4	4	4	4	5	4
Total	51	52	58	65	72	75	76	75	79	77



Note: Number of full time employees as of June 30th of fiscal year
Source: Casitas Municipal Water District Administration Department

**CASITAS MUNICIPAL WATER DISTRICT
OPERATING AND CAPACITY INDICATORS – OPERATIONS
LAST 10 FISCAL YEARS**

Other Operating and Capacity Indicators

Fiscal Year	Miles of Pipeline	Lake Storage Capacity (AF)	Lake Level at Year-End (AF)	Percentage of Lake Capacity	Daily System Capacity (MGD)
2014	118	254,000	145,253	57.2%	65
2015	118	254,000	122,050	48.1%	65
2016	118	254,000	100,696	39.6%	65
2017	163.4	237,761 ⁽¹⁾	106,322	44.7%	65
2018	163.4	237,761	80,996	34.1%	65
2019	163.4	237,761	106,552	44.8%	65
2020	163.4	237,761	103,795	43.7%	65
2021	163.4	237,761	86,711	36.5%	65
2022	163.4	237,761	78,313	32.9%	65
2023	163.4	237,761	176,082	74.1%	65
2024	163.4	237,761	237,253	99.8%	65

AF - Acre Feet

MGD - Millions of Gallons per Day

(1) Lake Storage Capacity Updated in 2017 from a Bathymetric Survey

Source: Casitas Municipal Water District Administration Department

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GOVERNMENT AUDITING STANDARDS REPORT

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Casitas Municipal Water District
Oak View, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Casitas Municipal Water District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated October 23, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Irvine, California
October 23, 2024