



NOTICE OF THE FINANCE & ADMINISTRATION COMMITTEE MEETING/SPECIAL MEETING OF THE BOARD OF DIRECTORS

Thursday, November 21, 2024 at 9:30 AM

AGENDA

LOCATIONS:

Open Session to start at or after 9:30 a.m.

Marin Water Board Room – 220 Nellen Avenue, Corte Madera, CA 94925

Outside location for Director Larry Russell – Venetian Hotel, Business Center, 3355 S. Las Vegas Blvd., Las Vegas, NV 89109

Public Participation:

The public may attend this meeting in-person or remotely using the following methods:

On a computer or smart device, go to: <https://marinwater.zoom.us/j/81110533069>

By phone, dial: **1-669-444-9171** and use Webinar ID: **811 1053 3069**

HOW TO PROVIDE PUBLIC COMMENT:

During the Meeting: Typically, you will have 3 minutes to make your public comment, however, the board president may shorten the amount of time for public comment due to a large number of attendees. Furthermore, pursuant to Government Code, section 54954.2 (the Brown Act), the Board may not take action or discuss any item that does not appear on the agenda.

-- **In-Person Attendee:** Fill out a speaker card and provide to the board secretary. List the number/letter (ex: 6a) of the agenda item(s), for which you would like to provide a comment. Once you're called, proceed to the lectern to make your comment.

-- **Remote Attendee:** Use the "raise hand" button on the bottom of the Zoom screen. If you are joining by phone and would like to comment, press *9. The board secretary will use the last four digits of your phone number to call on you (dial *6 to mute/unmute).

In Advance of the Meeting: Submit your comments by email in advance of the meeting to boardcomment@marinwater.org. To ensure that your comment is provided to the Board of Directors prior to the meeting, please email your comment 24 hours in advance of the meeting start time. Comments received after this cut off time will be sent to the Board after the meeting. Please do not include personal information in your comment such as phone numbers and home addresses.

AGENDA ITEMS:

1. Call to Order and Roll Call

2. Adoption of Agenda

3. Public Comment on Non-Agenda Matters

This is the time when any person may address the Board of Directors on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Board.

4. Regular Items (9:35 a.m. – Time Approximate)

a. Minutes of the Finance & Administration Committee Meeting/Special Meeting of the Board of Directors on October 24, 2024

RECOMMENDATION: Approve the minutes

b. Monthly Financial Update

RECOMMENDATION: Review the Monthly Financial Update

c. Quarterly Investment Report

RECOMMENDATION: Receive update on the District's investment portfolio

5. Public Hearing Items (9:35 a.m. – Time Approximate)

a. Public Hearing for Adoption of Ordinance No. 468 to Increase the Board Compensation Per Diem Amount

RECOMMENDATION: Hold a public hearing and adopt Ordinance No. 468 increasing the per diem amount based on the regional Consumer Price Index

6. Upcoming Meeting

The next Finance & Administration Committee Meeting/Special Meeting of the Board of Directors is tentatively scheduled for January 23, 2025.

7. Adjournment (11:00 a.m. – Time Approximate)

ADA NOTICE AND HEARING-IMPAIRED PROVISIONS

In accordance with the Americans with Disabilities Act (ADA) and California Law, it is Marin Water's policy to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are an individual with a disability and require a copy of a public hearing notice, an agenda, and/or agenda packet in an appropriate alternative format, or if you require other accommodations, please contact the Board Secretary/ADA Coordinator at 415.945.1448, at least two business days in advance of the meeting. Advance notification will enable Marin Water to make reasonable arrangements to ensure accessibility.

Information agendas are available for review at the Civic Center Library, Corte Madera Library, Fairfax Library, Mill Valley Library, Marin Water Administration Building, and marinwater.org.

Posted: 11-15-2024



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Minutes of the Finance & Administration Committee Meeting/Special Meeting of the Board of Directors on October 24, 2024
From: Terrie Gillen, Board Secretary
Through: Ben Horenstein, General Manager
Meeting Date: November 21, 2024

TYPE OF ACTION: X Action Information Review and Refer

RECOMMENDATION: Approve the minutes

SUMMARY: The Finance & Administration Committee/Board of Directors held a meeting on October 24, 2024. The minutes of that meeting are attached.

DISCUSSION: None.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

1. Draft October 24, 2024 Minutes of the Finance & Administration Committee Meeting/Special Meeting of the Board of Directors

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Communications & Public Affairs Department	 Terrie Gillen Board Secretary	 Ben Horenstein General Manager



NOTICE OF THE FINANCE & ADMINISTRATION COMMITTEE MEETING/SPECIAL MEETING OF THE BOARD OF DIRECTORS

Thursday, October 24, 2024 at 9:30 AM

MINUTES

LOCATIONS:

Open Session to start at or after 9:30 a.m.

Marin Water Board Room – 220 Nellen Avenue, Corte Madera, CA 94925

Outside location for Director Larry Russell - Contractors State License Board, First Floor Lobby, 9821 Business Park Drive, Sacramento, CA 95827

Public Participation:

The public attended this meeting in-person or remotely using the following methods:

on a computer or smart device, <https://marinwater.zoom.us/j/81110533069>, or by phone, 1-669-444-9171 using Webinar ID #: 811 1053 3069.

AGENDA ITEMS:

1. Call to Order and Roll Call

Chair Jed Smith called the meeting to order at 9:31 a.m.

DIRECTORS PRESENT

Ranjiv Khush

Larry Russell (*arrived 9:23 a.m.*)

Monty Schmitt

Jed Smith

DIRECTOR ABSENT

Matt Samson

2. Adoption of Agenda

Director Khush made the motion to adopt the agenda. Vice Chair Schmitt seconded the motion.

There were no public comments.

Voting Yea: Directors Khush, Schmitt, and Smith

Absent: Directors Russell and Samson

3. Public Comment on Non-Agenda Matters

There were no public comments on items not on the agenda.

4. Regular Items

- a. Minutes of the Finance & Administration Committee Meeting/Special Meeting of the Board of Directors on August 22, 2024 and Finance & Administration Committee Meeting on September 26, 2024

RECOMMENDATION: Approve the minutes

Vice Chair Schmitt made the motion to adopt the minutes. Director Khush seconded the motion.

There were no public comments.

Voting Yea: Directors Khush, Schmitt, and Smith

Absent: Directors Russell and Samson

- b. Monthly Financial Update

RECOMMENDATION: Review the Monthly Financial Update

Finance Director Bret Uppendahl provided the update.

There was discussion throughout his presentation.

There was one public comment.

This was an information item. No formal action was taken.

- c. Capacity Charge Study Update

RECOMMENDATION: Receive an update on the District’s Capacity Charge Study

Finance Director also presented this item along with Engineering Services Manager Joseph Eischens and consultants with Bartle Wells.

Discussion ensued.

There were no public comments.

This was an information item. No formal action was taken.

d. Enterprise Resource Planning (ERP) Software Modernization

RECOMMENDATION: Review and refer to a future regularly scheduled Board meeting the proposed Subscription Agreement with SAP SuccessFactors for software entitlements required to modernize the District’s Enterprise Resource Planning software

Finance Director introduced Information Technology Manager Brad Taylor, who provided a presentation.

Discussion followed.

There were no public comments.

Vice Chair Schmitt made the motion to refer this item to the Board to be consider for approval at a future meeting. Director Khush seconded the motion.

e. Review of Sections 5 and 6 of Board of Directors’ Policy No. 1 – Marin Municipal Water District Board of Directors Handbook

RECOMMENDATION: Receive a staff presentation to review Sections 5 – Compensation/Benefits and 6 – Other Related Information, of the Board of Directors Handbook (Handbook) and proposed updates to these sections; Review and refer the revised Handbook for consideration of approval to a future regularly scheduled Board meeting

General Counsel Molly MacLean provided a presentation. There was discussion throughout.

There were no public comments.

Director Khush made the motion to refer this item to the Board to consider for approval at a future meeting. Vice Chair Schmitt seconded the motion.

5. Upcoming Meeting

The Board Secretary announced that the next FAC Meeting/Special Meeting of the Board of Directors was scheduled for November 21, 2024.

6. Adjournment

There being no further business, the Fiance & Administration Committee Meeting/Special Meeting of the Board of Directors adjourned on October 24, 2024 at 11:14 a.m.

Board Secretary



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director *BU*
Through: Ben Horenstein, General Manager *BH*
Meeting Date: November 21, 2024

TYPE OF ACTION: Action X Information Review and Refer

RECOMMENDATION: Review the Monthly Financial Update

SUMMARY: The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of October 31, 2024, District operating and capital revenue is \$65.6 million, which is 41% of budgeted revenue for the year. Total expenditures including encumbrances are \$61.6 million, or 35% of annual budget. Water sales, excluding fixed charges, are \$56.1 million, which is 42% of the annual budget.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2024/25 as of October 31, 2024. The budget to actual comparison is prepared by fund and includes revenues and expenditures. For reference, if revenues and expenses tracked linearly, they would be expected to be at 33% of the fiscal year budget at the end of October. Water sales, which have seasonal variability, would be expected to be at 44% of the fiscal year budget.

For the Operating Fund, total revenues as of October 31, 2024 are \$57.7 million, or 42% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$32.1 million, or 29% of budget. For the Capital Fund, total revenues are \$7.9 million, which is 34% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$5.6 million, which are at 31% of the budget. Total Capital Improvement Program (CIP) expenditures are \$13.1 million, or 20% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$16.4 million is encumbered, bringing total expenditures with encumbrances to \$29.5 million, or 45% of budget.

The fiscal year to date billed water sales through October 31, 2024 were \$45.4 million, which is 44% of the annual water sales forecast, and 99.7% of the expected revenue through the first quarter of the year. Billed water consumption through October 31, 2024 was 9,372 AF, which is 5% higher than this time last year.

Year-to-date total water sales and fees (service charges, watershed fees and capital maintenance fees) through October 31, 2024 were \$61.7 million, which is 41% of the total annual rate revenue forecast of \$151.5 million (\$133.5 million operating and \$18.0 million capital). Compared to the same period for the previous fiscal year water sales and fees increased by \$15 million, or 32%.

FY 2023-24 Year-End Summary

Staff has been working with the District’s independent financial auditor to prepare the Annual Comprehensive Financial Report. The report will be complete in December and staff will present the report to the Finance and Administration Committee in January. Initial findings are positive, showing that the District’s total net position increased from \$266.9 million in FY 23 to \$307.4 million in FY 24. Net operating income increased from \$5.3 million in FY 23 to \$30.5 million in FY 24, driven by increased operating revenues of \$28.3 million and offset by increased operating expenditures of \$3.0 million. The District’s total cash and investments increased from \$66.3 million in FY 23 to \$87.5 million in FY 24.

ENVIRONMENTAL REVIEW: Not Applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

- 1. Total Water Sales and Fixed Charges & Fees FY 2023/24 – 2024/25
- 2. Billed Water Consumption in AF FY 2014/15 to FY 2024/25
- 3. Budget to Actual Comparison for FY 2024/25
- 4. CIP Budget to Actual Comparison for FY 2024/25

Attachment 1

Total Water Sales and Fixed Charges & Fees Fiscal Years 2023/24 - 2024/25

Section 4. Item #b.

OPERATING FUND

CAPITAL FUND

Month	Water Sales			Service Charge			Watershed Fee			Capital Maintenance Fee			Total Water Sales and Charges		
	23/24 Actual	24/25 Budget	24/25 Actual	23/24 Actual	24/25 Budget	24/25 Actual	23/24 Actual	24/25 Budget	24/25 Actual	23/24 Actual	24/25 Budget	24/25 Actual	23/24 Actual	24/25 Budget	24/25 Actual
July	\$ 4,473,261	\$ 8,080,444	\$ 7,743,761	\$ 1,552,115	\$ 1,671,840	\$ 1,638,745	\$ 361,127	\$ 454,473	\$ 441,637	\$ 1,167,529	\$ 1,267,679	\$ 1,107,901	\$ 7,554,033	\$ 11,474,437	\$ 10,932,044
August	7,029,300	11,359,007	13,177,298	2,246,052	2,419,306	2,387,119	492,230	771,211	798,805	1,688,699	1,833,554	1,634,811	11,456,282	16,383,078	17,998,034
September	8,572,991	11,197,816	10,537,001	1,636,225	1,762,438	1,707,764	481,127	534,484	487,440	1,119,131	1,215,129	1,159,561	11,809,473	14,709,867	13,891,766
October	11,408,450	14,953,082	13,990,543	2,376,242	2,559,538	2,488,416	700,462	777,596	737,637	1,632,508	1,772,543	1,701,818	16,117,662	20,062,758	18,918,415
November	6,127,917	8,078,518		1,611,361	1,735,657		368,368	399,978		1,104,486	1,199,228		9,212,133	11,413,380	
December	6,988,546	8,997,320		2,363,812	2,546,149		456,360	485,987		1,620,621	1,759,636		11,429,339	13,789,093	
January	3,724,261	5,110,880		1,627,243	1,752,763		260,777	286,371		1,118,400	1,214,336		6,730,681	8,364,350	
February	5,431,133	7,120,998		2,376,079	2,559,362		370,566	400,780		1,629,369	1,769,134		9,807,146	11,850,274	
March	2,847,557	3,965,017		1,596,975	1,720,160		204,970	226,294		1,096,811	1,190,894		5,746,313	7,102,366	
April	5,512,049	7,165,888		2,374,334	2,557,483		367,484	396,629		1,639,236	1,779,848		9,893,103	11,899,848	
May	3,675,032	5,026,540		1,637,410	1,763,715		266,231	292,588		1,108,825	1,203,939		6,687,498	8,286,781	
June	8,920,450	11,247,454		2,358,669	2,540,609		590,733	629,303		1,628,980	1,768,713		13,498,832	16,186,079	
TOTAL	\$ 74,710,946	\$ 102,302,963	\$ 45,448,603	\$ 23,756,517	\$ 25,589,019	\$ 8,222,045	\$ 4,920,436	\$ 5,655,695	\$ 2,465,520	\$ 16,554,595	\$ 17,974,633	\$ 5,604,092	\$ 119,942,494	\$ 151,522,310	\$ 61,740,259

Monthly Budget to Actual: 99.7%	Monthly Budget to Actual: 97.7%	Monthly Budget to Actual: 97.2%	Monthly Budget to Actual: 92.0%
% of Annual Budget: 44.4%	% of Annual Budget: 32.1%	% of Annual Budget: 43.6%	% of Annual Budget: 31.2%
Actual to Actual: 144.4%	Actual to Actual: 105.3%	Actual to Actual: 121.2%	Actual to Actual: 99.9%
			Actual to Actual: 131.5%

Attachment 2

Section 4. Item #b.

Billed Water Consumption In AF
Fiscal Year 2014/15 - 2024/25

Month	14/15 Actual	15/16 Actual	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Actual	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Budget	24/25 Actual	Monthly Budget Variance	Actual to Actual % Change
July	1,969	1,628	1,876	1,931	1,975	1,834	2,022	1,642	1,562	1,674	1,690	1,690	0.00%	0.97%
August	3,186	2,620	3,012	3,206	3,245	3,112	3,215	2,500	2,476	2,697	2,869	3,052	6.40%	13.17%
September	1,973	1,775	1,939	2,027	2,145	2,112	2,205	1,604	1,881	1,866	1,956	1,851	-5.38%	-0.79%
October	2,778	2,583	2,767	3,140	2,951	3,058	3,124	2,293	2,498	2,673	2,846	2,779	-2.34%	3.97%
November	1,454	1,490	1,340	1,705	1,664	1,837	1,882	1,153	1,329	1,409	1,464			
December	1,984	1,935	1,646	1,914	2,169	2,295	2,418	1,439	1,795	1,749	1,778			
January	1,065	991	910	942	993	1,186	1,157	735	984	1,013	1,048			
February	1,651	1,450	1,392	1,754	1,525	1,556	1,625	1,646	1,385	1,431	1,467			
March	1,048	832	846	992	879	1,105	970	948	830	805	828			
April	1,910	1,467	1,375	1,612	1,427	1,883	1,775	1,717	1,377	1,419	1,451			
May	1,379	1,067	1,092	1,240	1,224	1,378	1,459	1,209	1,044	1,042	1,071			
June	2,344	2,478	2,416	2,516	2,349	2,711	2,559	2,217	2,119	2,254	2,303			
TOTAL	22,742	20,316	20,611	22,978	22,546	24,065	24,410	19,104	19,279	20,030	20,770	9,372		
<i>Change from prior year:</i>		<i>-10.67%</i>	<i>1.45%</i>	<i>11.49%</i>	<i>-1.88%</i>	<i>6.74%</i>	<i>1.43%</i>	<i>-21.74%</i>	<i>0.92%</i>	<i>3.90%</i>				

Budget-to-Actual Basis 0.1%
Actual-to-Actual Basis 5.2%
% of Total Budget 45.1%

Marin Municipal Water District
FY 2024/25 Budget to Actual Comparison
Preliminary Unaudited

Operating Fund	FY 2025	Actual as of	% of	Actual as of
Revenues and Expenditures	Budget	Oct 31, 2024	Budget	Oct 31, 2023
Revenues:				
Water Sales and Service Charge:				
Water Sales	\$ 102,302,963	\$ 45,448,603	44.4%	\$ 31,491,547
Service Charge	25,589,019	8,222,045	32.1%	7,813,100
Watershed Management Fee	5,655,695	2,465,520	43.6%	2,035,482
Total Water Sales and Service Charge	<u>133,547,677</u>	<u>56,136,168</u>	42.0%	<u>41,340,128</u>
Other Revenues:				
Rents and Royalties	2,014,349	594,165	29.5%	618,128
Grants	-	-	-	-
Permits and Fees	365,120	113,438	31.1%	114,274
Late Payments & Charges	120,133	111,406	92.7%	104,866
Interest	506,250	685,300	135.4%	462,693
Miscellaneous	286,804	69,896	24.4%	69,680
Total Other Revenues	<u>3,292,656</u>	<u>1,574,206</u>	<u>47.8%</u>	<u>1,369,641</u>
Total Operating Revenues	<u>136,840,333</u>	<u>57,710,374</u>	<u>42.2%</u>	<u>42,709,769</u>
Expenditures:				
Personnel services	59,527,914	17,306,625	29.1%	15,452,566
Materials and supplies	4,681,622	1,180,976	25.2%	879,670
Operations	12,972,318	1,980,287	15.3%	2,067,114
Water conservation rebate program	639,773	70,707	11.1%	41,397
Electrical power	5,775,000	2,679,889	46.4%	2,368,141
Water purchased	13,212,000	5,565,946	42.1%	7,107,216
Insurance, including claims	2,921,133	741,126	25.4%	740,977
General and administrative	6,148,281	1,189,052	19.3%	1,018,610
Debt service - interest and principal	9,391,967	3,130,656	33.3%	3,175,764
Overhead cost allocated to capital	(4,700,000)	(1,726,441)	36.7%	(1,358,908)
Total Operating Expenditures	<u>110,570,008</u>	<u>32,118,824</u>	<u>29.0%</u>	<u>31,492,546</u>
Transfer out to Capital Fund	21,944,492	9,748,950	44.4%	3,185,656
Transfer out to Reserves	5,000,000	1,666,667	33.3%	1,666,666.67
Net Operating Fund Increase/(Decrease)	<u>\$ (674,167)</u>	<u>\$ 14,175,933</u>		<u>\$ 6,364,900</u>

**Marin Municipal Water District
FY 2024/25 Budget to Actual Comparison
Preliminary Unaudited**

Capital Fund

Revenues and Expenditures	FY 2025 Budget	Actual as of Oct 31, 2024	% of Budget	Actual as of Oct 31, 2023
Revenues:				
Capital Maintenance Fee	\$ 17,974,633	\$ 5,604,092	31.2%	\$ 5,609,802
Capital Connection Fee	100,000	110,476	110.5%	80,294
Capital Grants & Contribution	4,400,000	1,785,415	40.6%	1,225,292
Customer Reimbursement Project	500,000	197,069	39.4%	292,250
Interest Income	31,875	167,205	524.6%	43,428
Total Capital Revenues	23,006,508	7,864,258	34.2%	7,251,067
Transfer-in from Operating Fund	21,944,492	9,748,950		3,185,656
Capital Expenditures:				
Capital Improvement Projects	63,586,476	12,693,998	20.0%	4,562,336
Capital Equipment Purchases	1,748,577	396,488	22.7%	88,299
Total Capital Expenditures	65,335,053	13,090,486	20.0%	4,650,635
Net Capital Fund Increase/(Decrease)	\$ (20,384,053)	\$ 4,522,722		\$ 5,786,088

Marin Municipal Water District
FY 2024/25 Budget to Actual Comparison
Preliminary Unaudited

Section 4. Item #b.

Fire Flow Fund

Revenues and Expenditures	FY 2025 Budget	Actual as of Oct 31, 2024	% of Budget	Actual as of Oct 31, 2023
Revenues:				
Fire Flow	4,500,000	45,062	1.0%	22,333
Interest Income	-	84,713		42,890
Total Revenues	4,500,000	129,775	2.9%	65,223
Expenditures:				
Capital Projects - Fire Flow	6,717,982	880,736	13.1%	484,048
Net Fire Flow Fund Increase/(Decrease)	\$ (2,217,982)	\$ (750,960)		\$ (418,825)

Attachment 4

Section 4. Item #b.

CIP Projects	FY 2025		Capital Projects	Encumbered for		Fire Flow		
	Budget		Actual as of	Actual as of	Actual as of	Actual as of		
			Oct 31, 2024	Oct 31, 2024		Oct 31, 2024		
District Pipeline Replacement	\$	12,802,342	\$	6,438,082	\$	4,257,940	\$	10,696,022
Tank Maintenance & Replacement		7,295,522		2,402,579		1,704,365		4,106,944
Treatment Plant Facilities		2,871,290		275,472		205,285		480,756
Dam/Pump/Control System/Meters		14,488,704		738,779		6,333,371		7,072,150
Asset Mangement		3,421,518		422,801		1,000,698		1,423,499
Watershed - Natural Resource Project		2,106,367		252,328		785,367		1,037,695
Watershed - Other		2,266,137		110,462		337,934		448,396
Information Technology		4,938,000		-		40,000		40,000
Fire Flow Replacement		6,717,982		880,736		3,408,279		4,289,014
Reimbursable Grant Projects		12,651,783		1,748,705		1,607,110		3,355,814
Reimbursable Customer Projects		744,814		304,790		-		304,790
Capital Equipment Purchases		1,748,577		396,488		129,243		525,732
Total Capital Projects	\$	72,053,035	\$	13,971,222	\$	19,809,591	\$	33,780,813



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Quarterly Investment Report
From: Bret Uppendahl, Finance Director *BU*
Through: Ben Horenstein, General Manager *BH*
Meeting Date: November 21, 2024

TYPE OF ACTION: Action X Information Review and Refer

RECOMMENDATION: Receive update on the District’s investment portfolio

SUMMARY: Pursuant to District Investment Policy No. 33, the quarterly investment report is submitted to the Board for the quarter ending September 30, 2024.

DISCUSSION: The District’s investment portfolio (pooled cash) carried a market value of \$85.6 million as of the end of September. The investments held included \$73.1 million on deposit in the Local Agency Investment Fund (LAIF), \$7.8 million on deposit in the Fidelity Government Money Market Fund, and \$4.7 million in the District’s general checking account. Fiscal year to date interest earned as of September on the District’s portfolio totaled \$913,152. The average annual effective yield for LAIF investments for the first quarter of the fiscal year 2025 was 4.56 percent, compared to 3.42 percent average effective yield for the first quarter of Fiscal Year 2023. The increased yield is largely driven by increased interest rates for US Treasuries as they comprise approximately 65 percent of the LAIF portfolio.

Pursuant to subsection (b) (2) of California Government Code section 53646, the District portfolio complies with the District’s investment policy. Pursuant to subsection (b) (3) of California Government code section 53646, the District establishes that it is able to meet its pooled expenditure requirements for the next six months.

ENVIRONMENTAL REVIEW: Not Applicable.

FISCAL IMPACT: None.

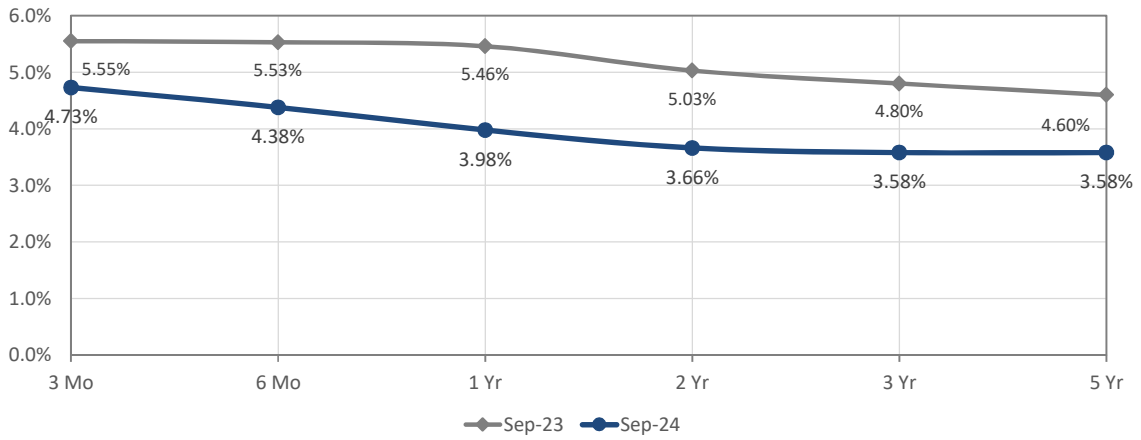
ATTACHMENT(S):

1. Schedule of Investment and Yield Curve as of September 30, 2024

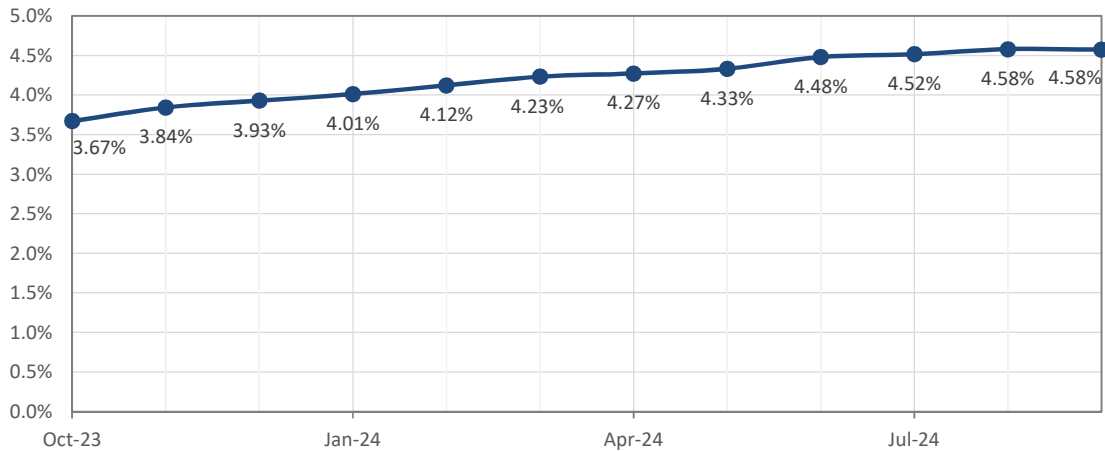
Marin Municipal Water District
 FY 2024 Schedule of Investments
 As of September 30, 2024

	Beginning Balance	Purchases / Deposits	Investment Income/(Loss)	Withdrawals	Ending Balance
DISTRICT INVESTMENTS:					
Local Agency Investment Fund	72,227,111	-	856,537	-	73,083,648
Fidelity Gov't Money Market Fund	3,776,331	4,000,000	49,749		7,826,080
Corporate Obligations	300		200		500
US Bank Checking Account	11,559,952	42,248,469	6,666	(49,097,365)	4,717,721
TOTAL INVESTMENTS	87,563,694	46,248,469	913,152	(49,097,365)	85,627,949

US Treasury Par Yield Curve
 Sep 23 vs Sep 24



LAIF Average Monthly Effective Yield
 Oct 23 to Sep 24





STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors

Title: Public Hearing for Adoption of Ordinance No. 468 to Increase the Board Compensation Per Diem Amount

From: Molly MacLean, General Counsel

Through: Ben Horenstein, General Manager

Meeting Date: November 21, 2024

TYPE OF ACTION: X Action Information Review and Refer

RECOMMENDATION: Hold a public hearing and adopt Ordinance No. 468 increasing the per diem amount based on the regional Consumer Price Index

SUMMARY: Staff is proposing that the Board consider an adjustment to the Board Compensation per diem amount to \$250 based on the regional Consumer Price Index to keep pace with inflation.

DISCUSSION: Board Member Compensation is governed by the applicable provisions of the California Water Code, specifically sections 20200 et seq. State law also governs the amount and the manner of compensation for municipal water district directors and requires that district director compensation be paid on a per diem basis, which rules out the adoption of a fixed month stipend. California Water Code section 20202 provides that the per diem compensation may be increased each calendar year by not more than five percent (5%). Staff is proposing that the Board consider increasing the per diem amount, which has not been adjusted since 2017, by the San Francisco Bay Area Consumer Price Index, which is the index used for District employee compensation adjustments. Using the increase in this index from February 2017 to August 2024 (the most recent data available) would result in an increase to the per diem amount from \$200 to \$252.70, or approximately three percent (3%) per year. Based on this, staff is proposing a new per diem amount of \$250. The per diem amount increase is proposed to (1) keep pace with inflation, (2) recognize the time dedicated by each Board Member to the work of the District, (3) help to offset loss of income incurred by Board Members in dedicating time to District work, and (4) encourage members of the community to consider participation in this public service.

State law requires an increase in Board Member compensation be done by ordinance at a public hearing noticed pursuant to California Government Code section 6066, which requires publication twice in a two week period. Staff published notice of this in accordance with those requirements. If the Board elects to proceed with the adoption of Ordinance No. 468, the per diem compensation amount would be increased to \$250 effective 60 days following adoption, pursuant to Water Code section 20204.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: Negligible. Board member compensation amounts vary from month to month but as proposed would not exceed \$2,500 per month, which would be a very minor piece of the District’s overall budget.

ATTACHMENT(S):

- 1. Proposed Ordinance No. 468

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
General Counsel’s Office	 Molly MacLean General Counsel	 Ben Horenstein General Manager

**MARIN MUNICIPAL WATER DISTRICT
ORDINANCE NO. 468**

**AN ORDINANCE AMENDING CHAPTER 2.10 OF TITLE 2 OF THE MARIN
MUNICIPAL WATER DISTRICT CODE SETTING THE AMOUNT OF
COMPENSATION FOR DIRECTORS OF THE MARIN MUNICIPAL WATER
DISTRICT BOARD OF DIRECTORS**

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE MARIN MUNICIPAL WATER DISTRICT AS FOLLOWS:

SECTION 1. Purpose: The purpose of this Ordinance is to amend District Code section 2.10.060 setting the per diem compensation of the District Board Members. The last adjustment to the Board Member Compensation was made in December 20, 2016, which action set the per diem amount at two hundred dollars (\$200) effective February 19, 2017. California Water Code sections 20201 and 20202 authorize an increase of up to five percent each calendar year. This Ordinance will adjust the per diem compensation amount payable to District Board Members set forth in Marin Municipal Water District Code section 2.10.060 to account for annual inflation since the compensation amount was last adopted by the Board of Directors in 2017. This Ordinance is adopted in accordance with California Water Code section 20200, et seq.

SECTION 2. Section 2.10.060 of the Marin Municipal Water District Code is hereby amended to read as follows:

Section 2.10.060 Compensation.

Each director shall receive as compensation two hundred fifty dollars per day for each day's attendance at meetings of the board or for each day's service rendered as a member of the board by request of the board. No director may receive compensation for more than 10 days in any calendar month.

SECTION 3. Severability: If any section, subsection, sentence, clause, phrase, portion or part of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such section shall not affect the validity of the remaining portions of this code. The Board of Directors hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections subsections, sentences, clauses, phrases, parts or portions be declared invalid or unconstitutional and, to that end, declares the provisions of this ordinance severable from one another.

SECTION 4. Effective Date: This ordinance shall be effective 60 days following its adoption pursuant to California Water Code section 20204.

PASSED AND ADOPTED this 21, November 2024, by the following vote of the Board of Directors:

AYES:

NOES:

ABSENT:

Ranjiv Khush
President, Board of Directors

ATTEST:

Terrie Gillen
Board Secretary