



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

1/8/26 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

This meeting is conducted in a hybrid setting.

Public participation is encouraged. Members of the public may attend in person or remotely through this link <https://us06web.zoom.us/j/86757235890> or by phone: 253-215-8782 Meeting ID: 867 5723 5890.

The public has opportunities to make comments throughout the meeting: to comment online, use the raise hand option, by phone press *9.

BOARD OF DIRECTORS

Ruth Stiles, President
Bill Ekwall, Vice President
Wade Leishman, Director
Chris Perri, Director
Danny Reber, Director

David McNair, General Manager

Water Industry Acronyms

AF – Acre Foot	RWMF – Regional Water Management Foundation
AFY – Acre Foot per Year	RFP – Request for Proposals
ACWA – Association of California Water Agencies	ROW – Right-of-way
ACWA JPIA – ACWA Joint Powers Insurance Authority	RWQCB – Regional Water Quality Control Board
AWWA – American Water Works Association	SCWD – Santa Cruz Water Department (City of)
BMP – Best Management Practices	SDWA – Safe Drinking Water Act
CCR – Consumer Confidence Report	SGMA – Sustainable Groundwater Management Act
CD – Certificate of Deposit	SLVWD – San Lorenzo Valley Water District
CEQA - California Environmental Quality Act	SMGWA – Santa Margarita Groundwater Agency
CSDA – California Special District Association	SqCWD – Soquel Creek Water District
DHS – Department of Health Services	SWRCB – State Water Resources Control Board
DWR – Department of Water Resources	TP – Treatment Plant
EIR – Environmental Impact Report	WY – Water Year
EPA – Environmental Protection Agency	
FY – Fiscal Year	
GASB – Governmental Accounting Standards Board	
IRWM – Integrated Regional Water Management	
JPA – Joint Powers Agreement	
LAIF – Local Agency Investment Fund	
LAFCO – Local Agency Formation Commission	
LID – Low Impact Development	
MCL – Maximum Containment Level	
MGD – Million Gallons per Day	
MGY – Million Gallons per Year	
MOU – Memorandum of Understanding	
O&M – Operations and Maintenance	
PERS – Public Employees Retirement System	
PHG – Public Health Goal	
PPB – Parts Per Billion	
PRV – Pressure Relief Valve	
PVC Pipe – Polyvinyl Chloride Pipe	



SCOTTS VALLEY WATER DISTRICT

BOARD OF DIRECTORS
PRESIDENT Ruth Stiles
VICE PRESIDENT Bill Ekwall
Wade Leishman
Chris Perri
Danny Reber
GENERAL MANAGER
David McNair

Board of Director

Regular Meeting

1/8/26 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

Agenda

This meeting is conducted in a hybrid setting. Public participation is encouraged, members of the public may attend in person, remotely through this link

<https://us06web.zoom.us/j/86757235890> or by phone: 253-215-8782 Meeting ID: 867 5723 5890. The public has opportunities to make comments throughout the meeting. To comment online, use the raise hand option, by phone press *9. If experiencing technological difficulties online, join the meeting via phone.

1. Convene

- 1.1. Call to Order and Roll Call
- 1.2. Pledge of Allegiance and Invocation
- 1.3. Closed Session Report
- 1.4. Additions/Deletions to the Agenda
- 1.5. Oral Communications

2. Presentation (None)

3. Administrative

Items are informational in nature and do not include an agenda report.

3.1. Committee and Other Agency Meeting Reports

Engineering & Water Resource Committee - None
Finance & Personnel Committee 12/17/25
Executive & Public Affairs Committee - None
Santa Margarita Groundwater Agency Board – None

3.2. Committee Appointments

4. Consent

Items are routine in nature, may include agenda reports and be approved by one motion.

4.1. [Approval of Minutes – Regular Board Meeting 12/11/25](#)

Recommendation: Approve the minutes of the 12/11/25 Regular Board Meeting.

5. **Public Hearings** (None)

Items include an agenda report with recommendations, an oral staff report or presentation.

6. **Business** (None)

Items are complex in nature, considered individually, and each item includes an agenda report with a recommendation, and an oral staff report or presentation.

6.1. [Community Members on Committees](#)

Recommendation: Consider making Community member appointments to the Engineering and Water Resources Committee, and the Finance and Personnel Committee.

6.2. [Junior Associate Board Members](#)

Recommendation: Consider selecting the most qualified candidates and appointing them to the Board as Junior Associate members.

6.3. [Accept Comprehensive Financial Reports](#)

Recommendation: Accept the Scotts Valley Water District Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2025 as presented.

7. **Staff Reports**

7.1. Legal

District Counsel

7.2. Administrative

General Manager – oral

7.3. [Finance](#)

Finance Manager – oral

Financial Report 07.01.25 – 11.30.25

7.4. Operations

Operations Report – oral

Production, Demand & Rainfall

8. **Director's Reports**

9. **Written Correspondence**

[JPJA Recognition Award](#)

10. **Community Relations**

[December Newsletter](#)

11. Closed Session (None)

11. Report on Closed Session and Additional Items (None)

12. Future Items

District Project Status Update

Validated Water Loss Report

14. Meetings and Event Calendar

Board Meetings

2/12/26

3/12/26

4/9/26

Committee Meetings

1/28/26 Finance and Personnel

1/26/26 Engineering and Water Resources

1/28/26 Executive and Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 1/29/26

15. Events (None)

16. Adjourn

AVAILABILITY OF PUBLIC RECORDS PROVIDED TO THE BOARD OF DIRECTORS: THE DISTRICT MAKES ANY PUBLIC RECORD PROVIDED TO THE BOARD OF DIRECTORS AVAILABLE FOR PUBLIC REVIEW AT **WWW.SVWD.ORG AND AT THE DISTRICT OFFICE DURING NORMAL BUSINESS HOURS** AT THE SAME TIME IT IS PROVIDED TO THE BOARD OF DIRECTORS.

PUBLIC ACCESS – ACCOMMODATIONS UNDER THE ADA: PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT OF 1990, THE DISTRICT REQUESTS THAT ANY PERSON IN NEED OF ANY TYPE OF SPECIAL EQUIPMENT, ASSISTANCE OR ACCOMMODATION(S) IN ORDER TO EFFECTIVELY COMMUNICATE AT THIS MEETING MAKE A REQUEST AT THE ABOVE ADDRESS OR BY CALLING (831) 438-2363 AT LEAST THREE (3) WORKING DAYS BEFORE THE MEETING TO ALLOW TIME TO MAKE ARRANGEMENTS.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Finance and Personnel Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
12/17/25 11:00 a.m.
Meeting Report

1. Convene

The meeting convened at 11:02 a.m. in the District Conference Room. It was conducted in a hybrid setting. Director Perri is video/teleconferencing from 1018 N. Corbin Lane, Spokane Valley, WA, with notice.

Present: Committee Members Perri, Corstorphine and Hunt

Staff: General Manager McNair, Customer Service & Finance Manager Dillon, and Executive Assistant/Board Clerk Jensen

Guest: Jared Solmonsens

2. Oral Communications

None.

3. Action Items

4. Discussion Items

Item 4.2 was presented first.

4.1. Financials 07.01.25 – 11.30.25

Following the presentation of item 4.2 Finance & Customer Service Manager Dillon presented the financials. The committee received information.

4.2. Draft Annual Financial Report for FYE 06.30.25

General Manager McNair introduced the item. Solmonsens with Nigro&Nigro provided a summary of the Annual Financial Report audit process and findings. The committee received information.

5. District Updates

None.

6. Reports or Information from Committee Members

None.

7. Future Agenda Items

8. Adjourn

The meeting adjourned at 11:26 a.m.

Board of Directors

Regular Meeting

12/11/25 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

Minutes

1. Convene

1.1. Call to Order and Roll Call

President Reber called the meeting to order at 6:00 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting.

Directors

Bill Ekwall

Wade Leishman

Ruth Stiles (arrived at 6:04)

Chris Perri

Danny Reber

Junior Board

Alex Schulz

Jasmin Schulz

Staff

Terry Rein, Legal Counsel

Nate Gillespie, Operations Manager

John Dillon, Finance & Customer Service Manager

David McNair, General Manager

Rahni Jensen, Executive Assistant/Board Clerk

1.2. Pledge of Allegiance and Invocation

Director Perri led the pledge, and Director Leishman led the invocation.

1.3. Closed Session Report

None.

1.4. Additions/Deletions to the Agenda

None.

1.5. Oral Communications

None.

2. Presentation (None)

3. Administrative

Items are informational in nature and do not include an agenda report.

3.1. Committee and Other Agency Meeting Reports

Engineering & Water Resource Committee (None)

Finance & Personnel Committee 11/24/25

Nothing to add to the written report. Director Perri provided a verbal summary, the Board

discussed.

Executive & Public Affairs Committee (None)

Santa Margarita Groundwater Agency Board (None)

4. Consent

Items are routine in nature, may include agenda reports and be approved by one motion.

4.1. Approval of Minutes – Special Board Meeting 11/13/25

Approved the minutes of the 11/13/25 Special Board Meeting

4.2. Approval of Minutes – Regular Board Meeting 11/13/25

Approved the minutes of the 11/13/25 Regular Board Meeting.

MOTION Leishman/Stiles, carried to approve consent agenda by unanimous voice vote.

5. Public Hearings (None)

Items include an agenda report with recommendation, an oral staff report or presentation.

6. Business (None)

Items are complex in nature, considered individually, and each item includes an agenda report with recommendation and an oral staff report or presentation.

7. Staff Reports

7.1. Legal

Legal Council Rein provided an update on Brown Act updates for 2026 regarding SB707.

7.2. Administrative

McNair provided an update regarding recent attendance at the ACWA Fall Conference, and communications with SLVWD.

7.3. Finance

Financial Report 7/1/25 – 10/31/25

Dillon provided an update investments, and a recent award from the Government Finance Officers Association.

7.4. Operations

Operations Report

Production, Demand & Rainfall

Gillespie provided updates regarding Grace Way Well, Intertie-1, glass lined tank resealing project, recent production, and rainfall.

8. Directors Reports

8.1. Election of Officers

President Reber opened the floor for nominations. MOTION Perri/Leishman carried to nominate Stiles as President by unanimous voice vote. MOTION Stiles/Leishman carried to nominate Ekwall as Vice President by unanimous voice vote.

Director Perri discussed his attendance of the ACWA Fall Conference.

9. Written Correspondence

Santa Cruz Sentinel Sucinto Well Article

Lookout Sucinto Well Article

10. Community Relations

November Newsletter

11. Closed Session (None)

12. Report on Closed Session and Additional Items (None)

13. Future Items

14. Meetings and Event Calendar

Board Meetings

1/8/26

2/12/26

3/12/26

Committee Meetings

12/17/25 Finance & Personal

1/26/26 Engineering & Water Resource

1/28/26 Executive & Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 1/29/26

15. Events (None)

16. Adjourn

The meeting adjourned at 6:54 p.m

Approved:

Attest:

Ruth Stiles, Board President

David McNair, Board Secretary

AGENDA REPORT

Scotts Valley Water District

Date: 1/8/26

To: Board of Directors

Item: Business 6.1

Subject: **Committee Members**

Reason: Supports Strategic Goal No. 4 Public Outreach: Foster relationships and communications with District's stakeholders and the community.

SUMMARY

Recommendation: Consider selecting the most qualified candidates and appointing them to the Water Resources and Engineering Committee, or to the Finance and Personnel Committee.

Fiscal Impact: There is no fiscal impact associated with this action.

Previous Related Action: On 9/12/19 the Board approved the Junior Associate Board Member Pilot Program and the Community Members on Committees Pilot Program.

BACKGROUND

The District is continually looking for ways to increase awareness about its activities, engage the community and include diversity of opinions in the decision-making process. One way to achieve this is involving community representatives in the board activities. The board approved Junior Associate Board Member Pilot Program and Community Members on Committees Pilot Program in the Fall of 2019 conducted a recruitment and appointed members of the public to serve on the Board of Directors, Engineering and Water Resources Committee, and Finance and Personnel Committee effective 1/1/20.

In the Fall of 2021, the staff and the board conducted an evaluation of the pilot and instituted changes that are geared towards increasing the engagement of public members, enhancing the diversity and keeping administrative burden to the minimum.

DISCUSSION

The application period for Community Members on Board Committees opened on 11/14/25 and closed on 12/16/25. All District's media channels (website, Facebook, Instagram, Nextdoor, e-news, newspaper ads) were utilized to promote the positions. We received four applications for the Community Committee member positions. All eligible applicants have received an invitation to the Board meeting on 1/8/26 to be considered for the respective seats.

Submitted,

David McNair
General Manager

Enclosed: Community Committee Member candidate submittals by:
Corstorphine
Flint
Hunt
Jager

From: no-reply@services.evo.cloud
Sent: Sunday, November 16, 2025 10:46 AM
To: Admin
Subject: Community Member Application
Attachments: resume_c_corstorphine_2025.pdf

You don't often get email from no-reply@services.evo.cloud. [Learn why this is important](#)

A new submission has been received for Community Committee Member at 11/16/2025 10:46 AM

First Name: Colin
Last Name: Corstorphine
Email: colin.corstorphine@gmail.com
Phone: 6506468099
Address: 210 Weible Dr
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on a Committee?: I have enjoyed the last two years of learning how the Water District operates with integrity and the best interests of the community at heart. I'd like the opportunity to continue contributing perspectives from the community and working with the SVWD team.

How will the Scotts Valley Water District benefit from your participation?: During the last two years, I've been able to share a better understanding of how the SVWD operates with my friends and family. There can be misunderstandings over rates, projects, wells, etc. that I'm equipped to clear up with the facts based on my participation on the committee.

I am at least 18 years old: I am at least 18 years old

I reside or work within the Service Area: I reside or work within the Service Area

I am available to attend Committee Meetings: I am available to attend Committee Meetings

Upload Resume: resume_c_corstorphine_2025.pdf



COLIN CORSTORPHINE

PROFESSIONAL EXPERIENCE

Clumio (acquired by Commvault)

Santa Clara, CA Feb 2024 – Oct 2024

VP, Commercial Sales: *Building the foundation for the corporate growth engine.*

- Developed team of commercial account executives
 - Inherited team of junior reps and hired additional reps to fill team
 - Assessed knowledge and deficiencies and built detailed plan to address
 - Recruited Director to provide deal and PG oversight
 - Nurtured early-stage opportunities and leveraged for team-wide learnings
- Restart of SDR function
 - Previously operated on a spray-and-pray approach
 - Moved to an ICP-focused model with emphasis on research and pain hypothesis
- Marketing Liaison
 - Due to 100% turnover in Marketing, assumed responsibility for MQL and pre-MQL lead development
 - Served as primary Sales contact responsible for bringing new Marketing team up to speed on prior efforts and engagements
 - Ensured that Marketing activities were leveraged for maximum impact by global Sales team

Cycode

Tel Aviv, Israel Sep 2022 - July 2023

VP, Sales: *Aligning GTM functions to support accelerated growth.*

- Developed structure for maximizing effectiveness of our GTM activities.
 - Implemented ABM approach through adoption of processes and technology that aligned Sales and SDR teams
 - Placed Sales Engineers at the top of the sales funnel to ensure customer pain was developed and integrated into the entire sales cycle
 - Invested in a channel-first approach to developing and nurturing new opportunities while bringing current renewals to focus partners
 - Integrated engagement advocacy for references and referrals into the customer journey
- Instituted regionalized pipeline generation activities with RSM's, channel partners, and complementary cybersecurity firms.
- Collaborated with Marketing to drive pipeline generation through tradeshows, conferences, and networking events.
- Closed \$1M+ deals with US auto manufacturer and international financial institution.

CrowdStrike

Sunnyvale, CA

Feb 2017 - Sep 2022

Vice President, Customer Sales: Driving revenue growth across the customer base.

- Created, executed, and continuously refining a process to generate pipeline within customer accounts through strategic messaging of forecasted and realized value.
- Developing the skills of Customer Sales Executives to best serve our customer needs and grow into future leaders.
- Maintaining a Net Retention Rate of 120+% through maximizing add-on revenue and a specialized resources focused on securing maximum renewal ACV.
- Grew the team from one to over fifty individual contributors with minimal attrition and greater than 90% of the team exceeding their quota.
- President's Club award winner four consecutive years.

SumoLogic, Inc.

Redwood City, CA

Jun 2014 – Oct 2016

Director, Sales & Technical Operations: Ensuring sales is equipped to build sustainable revenue.

- Managed a team of Account Executives to exceed plan in midst of unplanned attrition.
- Oversaw significant upgrades across strategic customers.
 - Identified account whitespace
 - Designed value-based selling plan with Account Executive
 - Provided executive coverage to ensure smooth procurement process
- Aligned Marketing strategy with product capabilities to accelerate an effective POC process.
- Served as primary point of escalation on technical sales issues across sales organization.

Manager, Corporate Sales Engineering: Relentlessly tuning the SaaS sales machine.

- Recruited and developed a high-performing team with a diverse skill set.
 - Grew the team 4x in 9 months.
 - Instituted an onboarding plan for reducing ramp time and improving consistency between players.
 - Developed coverage model to balance flexibility with standardization for 1:6 SE/AE ratio.
- Achieved a 10-point increase in conversion rate in midst of rapid salesforce growth. This involved pulling Customer Success principles into the sales cycle, instituting engagement guidelines, and iterating our best practices for POC execution.
- Redefined metrics to align with SaaS industry norms. Used these metrics to identify areas of individual and team growth and create personal action plans.
- Created criterium for technically qualifying accounts so focus could be directed at high win rate opportunities.
- Extended our existing demo scenarios to increase modularity and applicability across our lead base.
- Consolidated customer feedback into feature requests for prioritization with Product Management.

Customer Success Manager: Rabidly focused on ensuring customers realize the value they expect.

- Developed holistic view of customer health by trending multiple metrics of activity and engagement.

- Utilized health score to pro-actively reach out to strategic customers with best practices and technical assistance prior to any expressed dissatisfaction.
- Designed onboarding path for ensuring new customers are properly equipped to utilize basic service features.
- Evaluated competing Customer Success Platforms for best fit with our customer demographic. Responsible for technical implementation and playbook development following vendor selection
- Consulted with customers in POC stage to develop and map use cases to implementation plans.

NICE Systems (acquired Merced Systems February 2012) Redwood Shores, CA 2010 – 2014

Solutions Engineering, Team Lead: *Driving and managing the evaluation stage of the sales process as the key product advocate and technical advisor.*

- Coordinated technical resources across the product suite to create compelling, customer centric presentations and live demos by connecting product features to customer's business initiatives.
- Developed business cases, ROI models, and service estimates for delivery.
- Defined scope and executed successful proof of concepts (POC) resulting in acquisition of high-value clients.

Professional Services: *Managed the delivery of configured software solutions while adhering to aggressive timelines and budget.*

- Led the sales effort and subsequent delivery of services for major accounts across diverse verticals.
 - Banking – Sold new business to additional LOBs after successful pilot project
 - Health Insurance – Extended contract after deployments with high customer satisfaction
 - Public Utility – Managed initial engagement leading to expanded services contract
 - Travel/Leisure – Delivered solution to EMEA branch followed by CALA services commitment
- Conducted discovery sessions employing analytical skills and prescriptive methodologies to design solutions that maximized the customer's ROI.

EDUCATION

California Polytechnic State University

San Luis Obispo, CA

B.S. Business Administration, Concentration: Management Information Systems

- Magna Cum Laude; PeopleSoft MIS Technology Award for academic achievement
- Undergraduate Project: EDAPTS (Efficient Deployment of Advanced Public Transportation Systems) sponsored by CalTrans and the State of California; performed a functional analysis of transportation software being developed by the Cal Poly research department.

From: no-reply@services.evo.cloud
Sent: Saturday, November 29, 2025 7:40 PM
To: Admin
Subject: Community Member Application
Attachments: Jonathan Flint Resume SVWD.pdf

A new submission has been received for Community Committee Member at 11/29/2025 7:39 PM

First Name: Jonathan
Last Name: Flint
Email: jon.j.flint@gmail.com
Phone: 8025351899
Address: 268 Bluebonnet Ln Unit 225
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on a Committee?:

My primary interest in serving as a Community Member on the Finance and Personnel Committee is to contribute directly to the fiscal health and effective administrative management of the Scotts Valley community's most vital resource—water. I am deeply committed to the ideal of public service, ensuring financial transparency and stewardship for all ratepayers, and supporting the long-term sustainability of the District. My background in rigorous financial stewardship, data-driven analysis, and complex administrative oversight in public service and non-profit settings provides the practical expertise required for this role. My expertise will offer immediate value in reviewing policies related to the District's operating budget and personnel matters.

How will the Scotts Valley Water District benefit from your participation?:

Alignment with Financial Duties My previous non-profit and current State experience provides a strong foundation for reviewing fiscal policies, financial reporting, and rates: * Quantified Fiscal Health: In management roles, I tracked a budget that grew from \$1.6M to \$2.5M. More critically, my involvement helped increase net operating income from \$238,000 to \$584,000, cut total liabilities by 16%, and grow net assets by over \$2 million (30%). * Budgeting & Forecasting: I developed and implemented a proprietary forecasting tool that served as a reliable annual budget model with less than 5% annual variance. This expertise in budget planning, development, and evaluation will directly benefit the Committee's oversight of the District's fiscal planning. * Audits & Controls: I established internal controls, implemented noncompliance procedures, and routinely led audit preparation and responded to auditor inquiries, ensuring procedural compliance and minimizing risk. Alignment with Personnel Duties My administrative experience directly addresses the committee's personnel responsibilities regarding policies, compensation, and oversight: * Personnel Oversight: I successfully supervised and retained a team of six

facilitators and program managers, focusing on continuous quality improvement and team efficiency over a five-year period. * Benefits and Risk Management: I managed organizational insurance policies, including workers' compensation, commercial liability, and health insurance, providing direct experience evaluating organizational risk related to employee compensation and benefits. My combined experience in fiscal management and personnel administration makes me uniquely suited to the Committee's mandate of ensuring prudent financial and administrative stewardship for the Scotts Valley Water District. I am eager to leverage my skills to support the District's mission and the well-being of the Scotts Valley community.

I am at least 18 years old:	I am at least 18 years old
I reside or work within the Service Area:	I reside or work within the Service Area
I am available to attend Committee Meetings:	I am available to attend Committee Meetings
Upload Resume:	Jonathan Flint Resume SVWD.pdf



Jonathan Flint
Jon.j.flint@gmail.com

Phone
(802) 535-1899

Scotts Valley, CA, USA
[linkedin.com/in/jonjflint/](https://www.linkedin.com/in/jonjflint/)

Roles: Associate Director, Finance Operations, Customer Experience, Data Collection

Knowledge: Business administration, Public administration, Microsoft Office Suite

Competencies: Teamwork, Customer service, Report preparation, Record keeping, Financial analysis, Budget development, Business mathematics, Analytical thinking

WORK EXPERIENCE

State of California, Department of Forestry and Fire Protection *June 2025 - Present*

Associate Governmental Program Analyst (Finance) for the San Mateo–Santa Cruz Unit (CZU)

- Provide subject matter expertise to field personnel complying with state procurement rules
- Create Purchase Orders (FI\$Cal), report on operating expenses, and identify cost savings
- Enhance adoption of DocuSign, SharePoint, and CoPilot AI to improve workflow efficiency

Camphill Communities California (Soquel, Ca.) www.camphillca.org *May 2020 - June 2024*

Associate Director of Business Operations, Program Delivery, and Quality Assurance

- Managed \$2.5M income budget for adults with intellectual and developmental disabilities
- Evaluated commercial auto, property and liability insurance, and workers' comp. policies
- Oversaw maintenance budget for nine homes serving 56 community members of all ages
- Analyzed account billing for 22 clients annually, facilitating improvements in payroll, audit, and professional accounting, budget procedures, customer service, and billing outcomes

Camphill Communities California (Soquel, Ca.) *October 2016 - May 2020*

Supported Living Program Manager and Certified Administrator

- Grew annual program income by 15% and led negotiations for a new billing service code
- Implemented integrated document management system improving collaboration and filing

Heartbeet Lifesharing (Hardwick, Vt.) www.heartbeet.org *August 2013 - September 2016*

AmeriCorps Volunteer, Event Coordinator, Direct Support Professional

EDUCATION

San Jose State University (San Jose, Ca.) www.sjsu.edu *January 2022 - May 2024*

Master's in Public Administration, *Pi Alpha Alpha*

Muhlenberg College (Allentown, Pa.) www.muhlenberg.edu *September 2009 - May 2013*

B.A. in Business Administration, Media and Communication, *cum laude*

Concentration in Management and Organizational Behavior

PROFESSIONAL GROWTH, ADVISORY BOARDS, RECOGNITION

Treasurer, Bluebonnet Towncenter Homeowners Association (2022–24 & 2025–present); National Leadership Consortium on Developmental Disabilities (2016 & 2022); Upper Fairway Firewise Neighborhood (2021–24); Independent Facilitator, Medicaid HCBS Waiver Self-Determination Program (2019–Present); HCBS Final Rule Advisory Board for San Andreas Regional Center (2019–24); Person-Centered Thinking Training (2020); Eagle Scout (2009)

From: no-reply@services.evo.cloud
Sent: Thursday, December 11, 2025 10:09 AM
To: Admin
Subject: Community Member Application
Attachments: Resume 2024.docx

A new submission has been received for Community Committee Member at 12/11/2025 10:08 AM

First Name: Suzy
Last Name: Hunt
Email: shunt95066@sbcglobal.net
Phone: 831-332-0945
Address: 552 BEAN CREEK RD SPC 57
City: SCOTTS VALLEY
State/Province: CA
Postal Code: 95066

Why are you interested in serving on a Committee?: I've been a long time local water consumer (my former 30 year business on SV Drive) and former well user in the Santa Margarita Basin water system. As such over all these years I've been interested and concerned about water availability to our community, especially now that the state has required more housing thus increasing water demand.

How will the Scotts Valley Water District benefit from your participation?: I'm interested, I know a lot of people in the area, and I live in a large 55+ community with its own unique water needs/concerns.

I am at least 18 years old: I am at least 18 years old

I reside or work within the Service Area: I reside or work within the Service Area

I am available to attend Committee Meetings: I am available to attend Committee Meetings

Upload Resume: Resume 2024.docx



RÉSUMÉ

SUZY S. HUNT

552 Bean Creek Road #57, Scotts Valley, CA 95066

Phone: (831) 332-0945 Email: shunt95066@sbcglobal.net

EMPLOYMENT HISTORY (doesn't include artistic endeavors):

8/2019 - present: **Newsletter writer and promotions** for Santa Cruz Boxing

10/1991 - 4/2022: Part-time certified therapeutic massage practitioner. Providing hundreds of people relief of stress and body aches.

7/08-4/14: **DEVELOPMENT DIRECTOR**

Pajaro Valley Shelter Services, 115 Brennan Street, Watsonville, CA 95076

Responsibilities and accomplishments: Coordinate the annual donor recognition event, coordinate the annual Mother's Day Run (10K, 5K, 1K run/walk) fundraiser which generates over \$50,000, provide oversight on the development of new website and keep this updated, write and manage publishing and mailing of the agency newsletter; write and manage agency promotions on SCCTV, local radio and news media; engage the agency, Board members and donors in the Birdies For Charity fundraising event, (won the Shoot Out in 2010, was the highest earning charity qualifying for a booth at the AT&T Pebble Beach Pro Am in 2011 and 2012); wrote awarded grant applications: Santa Cruz Community Foundation, Packard Foundation, Mercury Wish Book, Knights of Malta, Payless Shoe Source, Nicholson Foundation; developed and coordinate annual "Silver Circle" major gift sustainability donor campaign; requested Santa Cruz County for a used van for the shelter (awarded for \$1.00); staff the Development Committee, develop materials for and lead Board of Directors in various fundraising campaigns including Fall Campaign; manage donor database and assure donors are thanked; cultivate donor relations through the newsletter, by phone and in writing;

1/04 – 9/07: **FUND DEVELOPMENT COORDINATOR**

Mountain Community Resources, 231 Main Street, Ben Lomond, CA 95005

Developed and implemented fundraising events and activities, researched and drafted grant proposals, generated publicity for the agency, including press releases, news articles, outreach publications, identified speaking opportunities for Board volunteers.

Accomplishments: Generated an average of one press item published weekly; met the annual fundraising goals, all of which were in "new dollars"; created two new successful fundraising events (*Italian Affaire* and *Ten Terrific Trunks of Treasure*); and increased the contact database by over 400 names and roughly 120 new donors. Personally raised \$1800 for the Human Race in 2007, the second highest amount for an individual. During the 2006/07 fiscal year, raised approximately \$75,000 for the agency through a variety of events and activities.

8/04 – 7/05: **CONTRACT NEWS WRITER**

Special Parents Information Network (SPIN), P.O. Box 2367, Santa Cruz, CA 95063

Generated press releases for the agency on a "pay per published" basis in local media; provided follow-up with press.

Accomplishments: All press releases were published at least in one paper, usually in more than one publication and occasionally aired on the radio.

3/99 – 11/03: **ADMINISTRATIVE ANALYST**

County of Santa Cruz, Board of Supervisors, 701 Ocean St., Santa Cruz, CA 95060

Provided administrative support to Fifth District Supervisor Jeff Almquist, represented the Fifth District office interfacing with constituents by phone and in person, worked as liaison in assisting constituents in problem solving, contributed writing skills including drafting departmental memos, letters to constituents, Board letters, proclamations, press releases; designed and maintained constituent database.

Accomplishments: Developed an effective constituent database used for informing and collaborating on issues of concern; drafted many news releases keeping the Fifth District successes in the news; developed long-term relationships with community leaders; improved the network between County staff and constituents as a result of my follow-up with concerns and issues.

12/93-8/97: **OFFICE ASSISTANT- PLANNING DEPARTMENT**

City of Scotts Valley, Scotts Valley, CA 95066

Handled building permit counter interfacing with the public; received, logged, tracked and issued permits.

Accomplishments: Took the hard copy permit process to an electronic process; created various public information pieces; drafted a community organization approach for the issue of local tax; various other management contributions.

1/91-8/93: **FREELANCE ARTIST AND TRADESHOW COORDINATOR**

Tiger Lily, Inc., Santa Cruz, CA

Created designs for new product and oversaw staff in designing and coordinating trade show and national sales force product sample boards.

Accomplishments: Produced nearly 200 whimsical designs for earrings, pins and magnets.

7/90-1/91: **Resided in Ireland with family, taught Art Classes**

Accomplishments: Provided art classes to local children, developed long-term friendships.

12/86-7/89: **EXECUTIVE DIRECTOR**

Santa Cruz County Child Care Council

Developed the entire organization from scratch with broad base of community support and participation with purpose of providing programs of economic and advocacy support to childcare programs. Directed all day to day operations, supervised staff, staffed Board of Directors, prepared budgets, wrote reports, grants, oversaw all functions of the organization; developed and implemented long range plans and fund raising strategies.

Accomplishments: Raised community awareness of issues concerning quality child care. Produced the first ever high-end recognition banquet for child care workers, complete with professional entertainment and recognition awards. Created the county-wide Family Play Day event for two years which was a free event for families and involved a variety of activities, exhibits and games for family fun. Encouraged Dominican Hospital to open the first business-run child care program geared to its employees. Raised nearly \$52,000 in new private donations the first year.

1/85-7/87: **EXECUTIVE DIRECTOR**

American Diabetes Association, 321 N. Aviator, Camarillo, CA 93010

Directed all fiscal, supervisory and office activities of the Chapter, staffed Board of Directors, wrote reports, grant proposals, prepared annual budgets and analysis of Chapter goals, conceived and implemented local fundraising events.

Accomplishments: Coordinated the following events: Wine tasting and auction, raised over \$10K (and has grown to \$120K in 2006). Bike Ride and Tyke Ride with Ed Begley, Jr., raised over \$60K; Frontier

tribute Annual meeting and dinner event to honor volunteers, La Bella Notte dinner, dance and auction - raised \$14K, the "Romance Ball" special event raised \$14K; Celebrity Luncheon with guest waiters with Max Gail, Stuart Damon and Gary Owens; Anniversary and Celebration Dinner, thank you party for bike ride volunteers, telepledge event, motorcycle rally fundraiser with Sam Elliott raised \$20,000. Provided education classes and workshops for people with diabetes and support groups for parents with diabetic children.

EDUCATION:

University of California at Santa Cruz Extension: several management courses

Iowa State University: Graduate work in Public Administration

Tarkio College: BA in Art Education, credentialed for K-12

Marymount College: One year of undergraduate work in Art Education

Pratt Institute: Three years undergraduate work in Graphic and Fine Art

From: no-reply@services.evo.cloud
Sent: Wednesday, November 26, 2025 3:38 PM
To: Admin
Subject: Community Member Application
Attachments: William Jager resume 11-19.pdf

You don't often get email from no-reply@services.evo.cloud. [Learn why this is important](#)

A new submission has been received for Community Committee Member at 11/26/2025 3:37 PM

First Name: Bill
Last Name: Jager
Email: wsjager@aol.com
Phone: 4088582558
Address: 115 Lucia Ln
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on a Committee?: It is time to assist in the community development after being a Scotts Valley residence for 35 years. I believe my education and professional experience would be an asset to the SV Water Dept.

How will the Scotts Valley Water District benefit from your participation?: I believe my professional background in engineering as a retired Executive responsible for product development, introduction to market and customer service would be beneficial in reviewing, assessing , and providing engineering expertise. Along with 35 years in the high tech industry , I have over 5 years in well water treatment removing toxic chemicals from well water. As the Technical Director of Sales I had the opportunity to meet with approximately 50 water well owners in CA from small 25 gpm wells to 3000 gpm well sites. I still have documentation on each well owner , management team I met with. Not that it maybe beneficial to the committee.

I am at least 18 years old: I am at least 18 years old

I reside or work within the Service Area: I reside or work within the Service Area

I am available to attend Committee Meetings: I am available to attend Committee Meetings

Upload Resume: William Jager resume 11-19.pdf



William S. Jager

115 Lucia Ln, Scotts Valley, CA 95066

Cell: 408-858-2558

Proven executive with experience in General management, Engineering, manufacturing, Product and Program management, capital equipment sales, marketing and Business Development. Expertise in new Product development and global marketing, program management, account management, international business relations, and contract negotiations. Excellent speaker and presenter.

- Domestic and International Sales
- R&D Engineering
- Product Management
- Program Management
- New Product Development
- Wafer Fab Manufacturing

Professional Experience

Ionex SG Limited, Davis, CA

Sep. 2013 – Nov. 2018

Director Business Development

- Responsible for the Business Development for a startup company providing Strong Base Anion (SBA) Ion Exchange (IX) Technology for removal of Hexavalent Chromium and Nitrates from ground water.
- Key contributor for the installation of the first Department of Drinking Water Permitted SBA IX Hexavalent Chromium Production treatment plant in California.
- Supported the Sale of the first 7 SBA IX Hexavalent Chromium treatment plants in the State of California.

Beam Services, Inc., Pleasanton, CA

Oct. 2011 – Aug. 2013

Business Consultant

- Supported the Sales and Service teams for evaluating and determining new OEM Products and Service offerings.

Applied Materials, Inc., Santa Clara, CA

Dec. 2004 – Oct. 2011

Largest supplier of capital equipment to the Semiconductor, Display, Solar, and LED industries.

Global Product Manager, Equipment Products Group

- Managed an R&D engineering team consisting of 5 engineers (two PhDs) supporting Applied's Semiconductor, LED and PV Thin Film groups in optimizing process gas consumption through the analysis of effluents from the process chambers.
- Assisted the LED engineering team in resolving product quality issues due to chamber design and purity of process gases.
- Led a cross functional team of consisting of Product Integration Management, Program Management, and R&D Engineering for supporting the Product development, release and Production ramp of an in-line Remote RF Plasma System for 300mm PFC Etch abatement.
- Developed and released within 18 months a new subFab energy savings integrated pump and abatement platform, providing customers an annual average savings of 20% for a typical 300mm CVD three chamber process tool.

Metron Technology Corporation, Sunnyvale, CA**Jan. 1997 – Dec. 2004**

Largest Global Distributor of Semiconductor process equipment, materials, and supplies.

General Manager, Specialty Products

Business Unit manager for the Sales, Marketing and Service of International OEM capital equipment.

- Reported to the CEO and led a team of 35 personnel supporting the Sales, Marketing and Service for OEM products in N.A., Europe and SEA.
- Increased annual sales from \$15M to \$50M within three years in the Semiconductor mask repair industry.

nCHIP (Flextronics), Milpitas, CA**April 1995 – Dec. 1996; Closure**

Design, fabrication and testing of radiation hardened Multi-Chip-Modules (MCM).

Director of Wafer Fab/ Engineering

Responsible for the operations of a 100mm wafer Fab for fabricating MCMs and passive devices for both the private and government sectors of the aerospace industry.

- Managed a staff of 35 personnel consisting of 10 process engineers, 8 equipment engineers, 2 facilities engineers and 15 manufacturing technicians supporting the operations of the MCM wafer fab.

Silicon Systems (TDK Corporation), Santa Cruz, CA**Dec. 1990 – April 1995**

Leading supplier of disk drive controllers for personal computers, modems and tone-signal generators.

Sr. Engineering Development Manager

- Led a cross-functional team of Marketing, Design, Process Integration, and Process Development engineers defining the Company's Process Technology Roadmap for the 0.5 micron BiCMOS process.

National Semiconductor Corporation, West Jordan, UT**Oct. 1988 – Nov. 1990**

World leader in semiconductor analog devices for power management technology and energy-efficient, easy to use products.

Sr. Engineering Development Manager

- Directed a team of Process Development Engineers supporting back-end development and process enhancements for a 150mm EPROM wafer fab.

California Devices, Inc., Boulder, CO**Aug. 1986 – Sept. 1988**

Privately owned company for the design and fabrication of gate array logic devices, such as RFIDs.

Engineering Manager, Diffusion and Thin Films

- Directed a team of 5 process engineers supporting the Thin Film and Diffusion areas of a 125mm logic gate array wafer fab.

Intel Corporation, Portland, OR**Aug. 1984 – Aug. 1986**

The world's largest semiconductor microprocessor chip manufacturer.

Sr. Process Development Engineer, Thin Films

- Managed 4 Engineering Technicians responsible for sustaining, process enhancements and development for 125mm PECVD, LPCVD and PVD processes.

Education

M.S. Chemical Engineering, with minor in Material Science - Washington State University

B.S. Chemical Engineering - University of Colorado at Boulder

B.A. Chemistry – University of Northern Colorado, with additional 1 year of graduate classes and lab research.

AGENDA REPORT
Scotts Valley Water District

Date: 1/8/26

To: Board of Directors

Item: Business 6.2

Subject: **Junior Associate Board Members**

Reason: Supports Strategic Goal No. 4 Public Outreach: Foster relationships and communications with District's stakeholders and the community.

SUMMARY

Recommendation: Consider selecting the most qualified candidates and appointing them to the Board as Junior Associate Members.

Fiscal Impact: There is no fiscal impact associated with this action.

Previous Related Action: On 9/12/19 the Board approved the Junior Associate Board Member Pilot Program and the Community Members on Committees Pilot Program.

BACKGROUND

The District is continually looking for ways to increase awareness about its activities, engage the community and include diversity of opinions in the decision-making process. One way to achieve this is involving community representatives in the board activities. The board approved Junior Associate Board Member Pilot Program and Community Members on Committees Pilot Program in the Fall of 2019 conducted a recruitment and appointed members of the public to serve on the Board of Directors, Engineering and Water Resources Committee, and Finance and Personnel Committee effective 1/1/20.

In the Fall of 2021, the staff and the board conducted an evaluation of the pilot and instituted changes that are geared towards increasing the engagement of public members, enhancing the diversity and keeping administrative burden to the minimum.

DISCUSSION

The application period for Junior Associate Board Members opened on 11/14/25 and closed on 12/16/25. All District's media channels (website, Facebook, Instagram, Next-door, e-news, newspaper ads) were utilized to promote the positions. We received 4 applications for the Junior Associate Board member positions. All eligible applicants received an invitation to the Board meeting on 1/8/26 to be considered for the respective seats.

Submitted,

David McNair
General Manager

Enclosed: Junior Associate Board Member candidate submittals by
Corstorphine
Denger
Osorio
Vavaroutsos

From: no-reply@services.evo.cloud
Sent: Thursday, December 11, 2025 11:39 PM
To: Admin
Subject: Junior Associate Board Member
Attachments: AdobeColor-resume.pdf

A new submission has been received for Junior Associate Board Member at 12/11/2025 11:38 PM

First Name: Lise
Last Name: Corstorphine
Email: clise8393@gmail.com
Phone: 8314006209
Address: 210 Weible Drive
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on the Board of Directors?:

I am interested in serving on the Board of Directors because I want to see how decisions get made in this town and be about to represent the younger population. I also want to learn more about what goes on behind the scenes of our city.

How will the Scotts Valley Water District benefit from your participation?:

I am very passionate about my opinions and my values. If I feel something is not right or I don't understand something, I will do my best to learn about it and try to bring positive improvements to whatever said thing is.

I am between 16 and 30 years old:

I am between 16 and 30 years old

I live, work or attend school in the Service Area:

I live, work or attend school in the Service Area

I am available to attend Board Meetings:

I am available to attend Board Meetings

Upload Resume:

AdobeColor-resume.pdf



Lise Corstorphine

IIHS 2023

SKILLS

Illustrator
Photoshop
Google
Problem Solving
Analytical
Efficient
Leader
On-task

ACHIEVEMENTS

- 2-Time Rotary Academic Achievement Award
- AVP Junior Nationals Competer
- Non-profit business selling cookies for people who lost their homes in fires



831-400-6209



clise8393@gmail.com



210 Weible Dr



Scotts Valley Ca.

EDUCATION

4.0 GPA
Graphic Design CTE
English 1
Math 2
Spanish 1

EXPERIENCE- Scotts Valley/San Lorenzo Valley Soccer Referee 22-25

SPORTS

JV Indoor Volleyball
JV Soccer
Varsity Beach Volleyball
Breakers Soccer-
2019-2024

VOLUNTEER

Homeless feeding at Community Covenant Church
Trash picking up at San Lorenzo River
Volleyball helping with scoreboard
Counselor for Community Covenant
Vacation Bible Camp 2022-2024
Scotts Valley Little League Snack Shack Worker

ABOUT ME

I am a hardworker, efficient, and good at math. I can be friendly and I am very competitive. I always strive to be better, whether in school, friendships, or sports



From: no-reply@services.evo.cloud
Sent: Tuesday, December 9, 2025 8:39 PM
To: Admin
Subject: Junior Associate Board Member
Attachments: Resume.pdf

A new submission has been received for Junior Associate Board Member at 12/09/2025 8:38 PM

First Name: Analisa
Last Name: Denger
Email: adenger054@gmail.com
Phone: 8313329281
Address: 42 Deerfield
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on the Board of Directors?: I'm interested in better understanding the city government and advancing my political comprehension.

How will the Scotts Valley Student Government and have for the past 3 years, so I am experienced in a leadership role. I will be able to collaborate with other board members and bring in new ideas making me an extremely beneficial asset to Scotts Valley Water District benefit from your participation?: I am very creative, driven, and well spoken. I currently serve in my schools Water District.

I am between 16 and 30 years old: I am between 16 and 30 years old

I live, work or attend school in the Service Area: I live, work or attend school in the Service Area

I am available to attend Board Meetings: I am available to attend Board Meetings

Upload Resume: Resume.pdf



Analisa Denger

42 Deerfield Dr
Scotts Valley, Ca 95066
(831) 332-9281
adenger054@gmsil.com

EXPERIENCE

Valley United Soccer Club, Sky Park Soccer Complex — *Field Marshal/ Reff*

August 2021 - November 2024

Field marshaling for coaches by helping run multiple practices for U6 and U8 soccer teams. Helping problem solve when there were any issues. Reffing Sundays for U6 and U8 soccer games.

Fridays at 5, Baymonte — *Bagger*

October 2021 - 2022

I bagged canned goods, fresh produce, and breads to be then distributed to people in need of food.

Girl Scout Camp, Henry Cowells — *Counselor*

June 2025 - June 2025

I served as a counselor for a camp. I watched kids games 5-12, entertaining them throughout the day. I was also able to exercise my problem solving, management, and leadership skills. We did various activities like crafts, cooking, nature education, and more.

Real Estate Internship, Keller Williams - *Intern*

June 2025 - July 2025

I was an intern with Robert Aldana. We went to house showings and learned how marketing videos were made. We also staged numerous houses and learned about the overall real estate process.

EDUCATION

Scotts Valley High School, Scotts Valley — *Junior*

August 2023 - Present

I am currently a Junior at Scotts Valley High School. I am an IB diploma candidate. I've also participated in Student Government all through high school. I held the position of class representative in ASB freshman year. Sophomore year I was class president. I now currently hold the position of ASB Academics.

SKILLS

Strong attention to detail

Hard working

Customer service

Fast learner

LANGUAGES

English

From: no-reply@services.evo.cloud
Sent: Thursday, December 11, 2025 7:49 PM
To: Admin
Subject: Junior Associate Board Member
Attachments: DominicOsorio.pdf

A new submission has been received for Junior Associate Board Member at 12/11/2025 7:48 PM

First Name: Dominic
Last Name: Osorio
Email: Domosor18@gmail.com
Phone: 8314196040
Address: 13 York Road
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on the Board of Directors?:

I am looking for positions that can help me get my dream job: civil engineer/city planner. This is a perfect opportunity to meet local leaders and network with experienced engineers. I would like to meet other people and get their input on local issues.

How will the Scotts Valley Water District benefit from your participation?:

I am an aspiring engineer. I would like to help wherever needed and serve under a expert engineer. I am great at writing reports to the specifications that I am given, and I like to keep my writings clear and avoid filler. I am more interested in the operational/engineering side than the government/political side. I would love to write up proposals and research solutions to practical problems.

I am between 16 and 30 years old:

I am between 16 and 30 years old

I live, work or attend school in the Service Area:

I live, work or attend school in the Service Area

I am available to attend Board Meetings:

I am available to attend Board Meetings

Upload Resume:

DominicOsorio.pdf



Dominic Osorio

13 York Road
Scotts Valley CA, 95066
(831) 419 6040
Domosor18@gmail.com

OBJECTIVE

Engineering Experience

Looking for engineering experience. I am very eager to learn. I would prefer odd jobs and tasks. I love to help wherever needed so I can learn new skills. I'd like to meet and serve experts of different disciplines. I aspire to be a civil engineer or physicist.

SKILLS

Introductory Python

AUTOCAD Drafting and
annotating

WORK EXPERIENCE

La Madrona Athletic Club — Maintenance

SEP 2024 - PRESENT

I am tasked to maintain the cleanliness of the entire club. I address complaints from members, solve problems that require small creative fixes, and maintain great communication with my superiors.

EDUCATION

Cabrillo College — Civil Engineering

FALL 2024 - PRESENT

Completed Calculus II and Chemistry 3. Enrolled in Calculus III, Physics I, and Chemistry 1 for fall semester

Scotts Valley High — Class of 2024

Taken Honors and IB physics.

From: no-reply@services.evo.cloud
Sent: Tuesday, December 16, 2025 10:59 AM
To: Admin
Subject: Junior Associate Board Member
Attachments: Resume Oct 19, 2025.pdf

A new submission has been received for Junior Associate Board Member at 12/16/2025 10:58 AM

First Name: Demitri
Last Name: Vavaroutsos
Email: demitri.vavaroutsos@gmail.com
Phone: 4087990580
Address: 104 Falcon Ridge Road
City: Scotts Valley
State/Province: CA
Postal Code: 95066

Why are you interested in serving on the Board of Directors?:

I am currently pursuing an entry level officer position for the SCPD. I believe learning about how the board operates, and developing a full understanding of my local cities needs, and demands will benefit me greatly in my career path.

How will the Scotts Valley Water District benefit from your participation?:

I bring a blank slate, ready to be coached on the standards of water management. I am a local who grew up in Scotts Valley with a dedication to the people, willing to find solutions to their problems. As a recent graduate I believe I can utilize modern tools to tackle various problems. I was an advocate for smart irrigation timers in Arizona in my previous line of work, meeting with various sales reps from different manufacturers; and studied their technology vigorously to ensure our clients could prevent extreme water usage. I have mechanical engineering studies, with a focus on sustainable systems, and hold a bachelors in business which has taught me how to leverage technology to create accurate data forecasting.

I am between 16 and 30 years old:

I am between 16 and 30 years old

I live, work or attend school in the Service Area:

I live, work or attend school in the Service Area

I am available to attend Board Meetings:

I am available to attend Board Meetings

Upload Resume:

Resume Oct 19, 2025.pdf



Demitri Vavaroutsos

104 Falcon Ridge Rd, Scotts

Valley, CA, 95066

(408) 799-0580

Demitri.vavaroutsos@gmail.com

EXPERIENCE

Sun Control Landscapes, Phoenix, AZ — CRM/Web Designer/Marketing

February 2025 - July 2025

- Enhanced professional appearance and system integration by configuring and launching a cohesive digital presence, including a company website and launching advertisements on various platforms on behalf of the company.
- Managed the vendor selection process for an external SEO campaign, vetting multiple companies to identify the one whose deliverables best aligned with the company's budget and strategic goals.
- Streamlined the customer invoicing process by designing and implementing efficient pricing spreadsheets in Excel, improving calculation accuracy and speed.
- Enhanced client communication, professional appearance, and internal communication by configuring and launching custom work emails using the company domain.

Eagle Ridge Golf Course, Gilroy, CA — Starter/Cart Barn

May 2024 - August 2024

- Created and maintained a centralized filing system for damage liability records, facilitating quick reference for insurance claims and mitigating company risk.
- Oversaw the daily logistics and maintenance for a fleet of operational carts,, establishing a highly efficient staging operation to maximize usable space and readiness.
- Supported successful execution of organized tournaments and daily operations, ensuring all high-value company assets were respected and sustainably maintained.

EDUCATION

W.P. Carey School of Business at ASU, Tempe, AZ — Bachelors: Business Administration

August 2020 - December 2024 AVG GPA 3.13

Relevant Courses: Managing Startup Supply Chains, Business Operations and Planning, Business Risk Management, Multicultural Management, Human Resource Management, Differential Equations, Calculus 2, Finance, Problem Solving and Accounting Analytics.

CORE COMPETENCIES

Financial Forecasting, Budget Management, Vendor Management, Risk Mitigation, Strategic Planning, Logistics Coordination, Professional Communication

LANGUAGES

English

EXTRA CURRICULARS

Project Car Build

Logged and analyzed critical vehicle data to optimize suspension geometry and engine performance (acceleration, braking, and cornering).

Utilized EXCEL to plan and execute a complete drivetrain swap, ensuring an ideal final drive ratio.

LEADERSHIP AND BUDGETING

Treasurer for ASU Club Hockey

Managed a successful cash-to-cash cycle for the club over the course of the season, effectively eliminating all debt and interest expenses. Conducted financial forecasting and budget analysis using historical data to strategically time large purchases (flights, hotels, rentals), minimizing costs. Maintained meticulous financial records in Excel for all financial transactions, ensuring full transparency and readiness for external audits.

AGENDA REPORT

Scotts Valley Water District

Date: 01/08/26

To: Board of Directors

Item: Business 6.3

Subject: **Annual Comprehensive Financial Report**

Reason: Complies with Government Auditing Standards

SUMMARY

Recommendation: Accept the Scotts Valley Water District Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025 and June 30, 2024.

Fiscal Impact: None from this action.

Previous Related Action: On January 9, 2025 the Board received the Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2024 and June 30, 2023.

BACKGROUND

Generally accepted accounting principles (GAAP) provide the criteria for the development of annual financial reports. GAAP mandates that annual financial reports include a complete set of basic financial statements, including accompanying note disclosures, and certain required supplementary information. The District's Annual Financial Report complies with GAAP, and accounting requirements set by the Governmental Accounting Standards Board. This report was prepared by District staff and audited by an external firm certified by the American Institute of Certified Public Accountants.

DISCUSSION

Enclosed is the Annual Comprehensive Financial Report which includes the Independent Auditors' Report for the fiscal years ended June 30, 2025 and June 30, 2024. Nigro & Nigro PC, the District's auditor, is presenting the report. In the opinion of the Independent Auditor, the financial statements present fairly the financial position, the respective changes in financial position, and cash flows for the subject year in accordance with GAAP.

Submitted,

David McNair
General Manager

Enclosed: Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025 and June 30, 2024



SCOTTS VALLEY
WATER DISTRICT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025 and 2024

Scotts Valley Water District

2 Civic Center Drive
Scotts Valley, CA 95066
831-438-2363
www.svwd.org

David McNair
General Manager



Mission Statement

“The mission of the Scotts Valley Water District is to deliver a sustainable, high quality water supply in an environmentally responsible and sound financial manner while providing outstanding customer service.”

Scotts Valley Water District Board of Directors as of June 30, 2025

<u>Name</u>	<u>Title</u>	<u>Elected/ Appointed</u>	<u>Current Term</u>
Danny Reber	President	Elected	12/24 - 11/28
Ruth Stiles	Vice President	Elected	12/22 - 11/26
Bill Ekwall	Director	Elected	12/22 - 11/26
Wade Leishman	Director	Elected	12/22 - 11/26
Chris Perri	Director	Elected	12/24 - 11/28
Alex Schultz	Junior Associate	-	-
Jasmine Schultz	Junior Associate	-	-

SCOTTS VALLEY WATER DISTRICT

For the Fiscal Years Ended June 30, 2025 and 2024

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Scotts Valley Water District

2 Civic Center Dr Scotts Valley, California 95066

831-438-2363

www.svwd.org

December 17, 2025

To the Board of Directors and Customers of Scotts Valley Water District:

It is my pleasure to submit the Scotts Valley Water District's (District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2025 (FY 2025). The financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP) used in the United States of America and contains information to help readers gain a reasonable understanding of the District's financial position and activities.

The District is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures in this report. District staff believes that the data presented is accurate in all material respects. The management of the District has established an internal controls framework that is designed to protect the District's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP.

The District's financial statements have been audited by Nigro and Nigro, PC, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that states that the District's financial statements for the fiscal year ending June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a 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 following the Independent Auditor's Report.

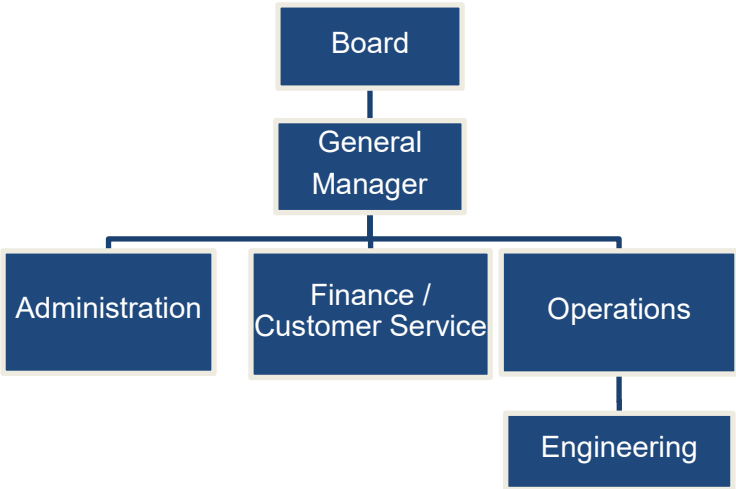
This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Statistical. The Introductory section offers general information about the District's organizational structure and water system, the economic environment, as well as the District's major initiatives and accomplishments. The Financial section includes the Independent Auditor's Report, Management's Discussion and Analysis, and the financial statements with accompanying notes including required supplementary reports. The supplementary report's segment contains selected financial information in greater detail than presented in the financial statements in accordance with the District's internal fund structure. The Statistical section includes additional tables of unaudited data depicting select information about the District.

District Structure and Leadership

Scotts Valley Water District is located six miles north of the City of Santa Cruz, along Highway 17 and covers approximately six square miles including most of the City of Scotts Valley and a portion of the unincorporated area north of the City. The District is an independent special district which operates under the authority of Division 12: County Water District Act of the California Water Code. The District was formed in 1961 and is governed by a five-member Board of Directors, elected at-large from within the District’s service area. The Board of Directors is responsible for setting District policy and establishing long range goals and direction for the District to ensure that its operations continue to run efficiently and effectively, both today and in the decades to come. The District’s Board of Directors meets on the second Thursday of each month. The public is notified of these meetings and is encouraged to attend.

The Board of Directors oversees the appointment of the General Manager. The General Manager administers the day-to-day operations of the District in accordance with policies established by the Board of Directors. The General Manager oversees and manages District staff which includes 18 employees organized in three divisions: Administration, Operations, and Finance. David McNair was appointed as General Manager in November 2022. He joined the District in 2014 and has more than 40 years of water industry experience.

The District’s organization chart is presented by position at the end of this letter. The organization’s department structure is presented below:



District Services

The District provides water service to approximately 4,500 connections, covering most of the City of Scotts Valley and several unincorporated neighborhoods. The District currently operates a total of five groundwater wells with a maximum production capacity of 1,400 gallons per minute. Additionally, the District is the sole permitted distributor of recycled water from the Tertiary Treatment Plant of the City of Scotts Valley.

Residential customers represent approximately 92% of the District’s customer base and consume approximately 72% of the potable water produced annually by the District.

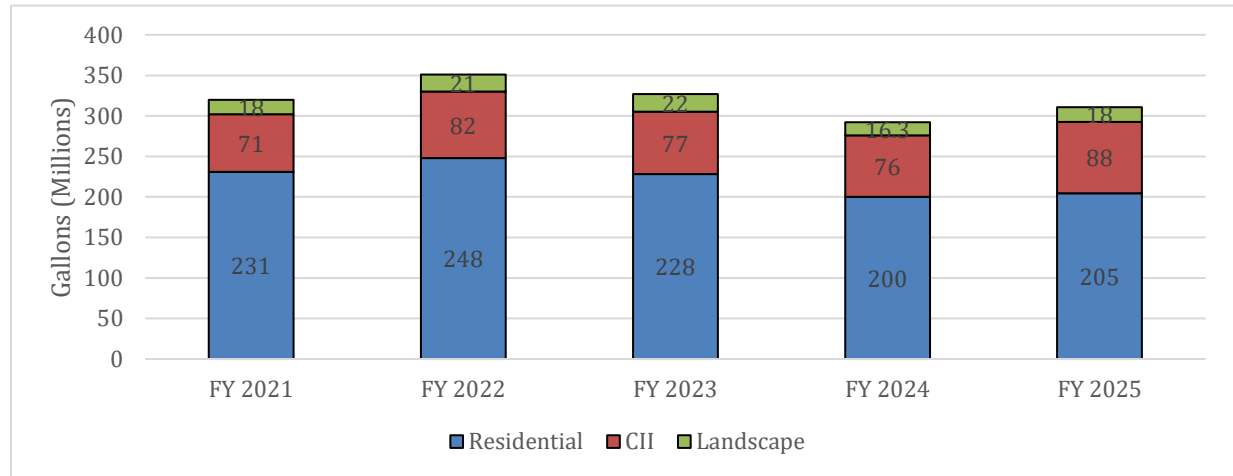
Potable Domestic Water Connections (excludes Fire Service Connections)

	6/30/2024	6/30/2025	Incr/(Decr)
Residential	3,586	3,589	3
CII*	299	299	0
Landscape	77	77	0
	3,962	3,965	3

* CII: Commercial, Industrial and Institution

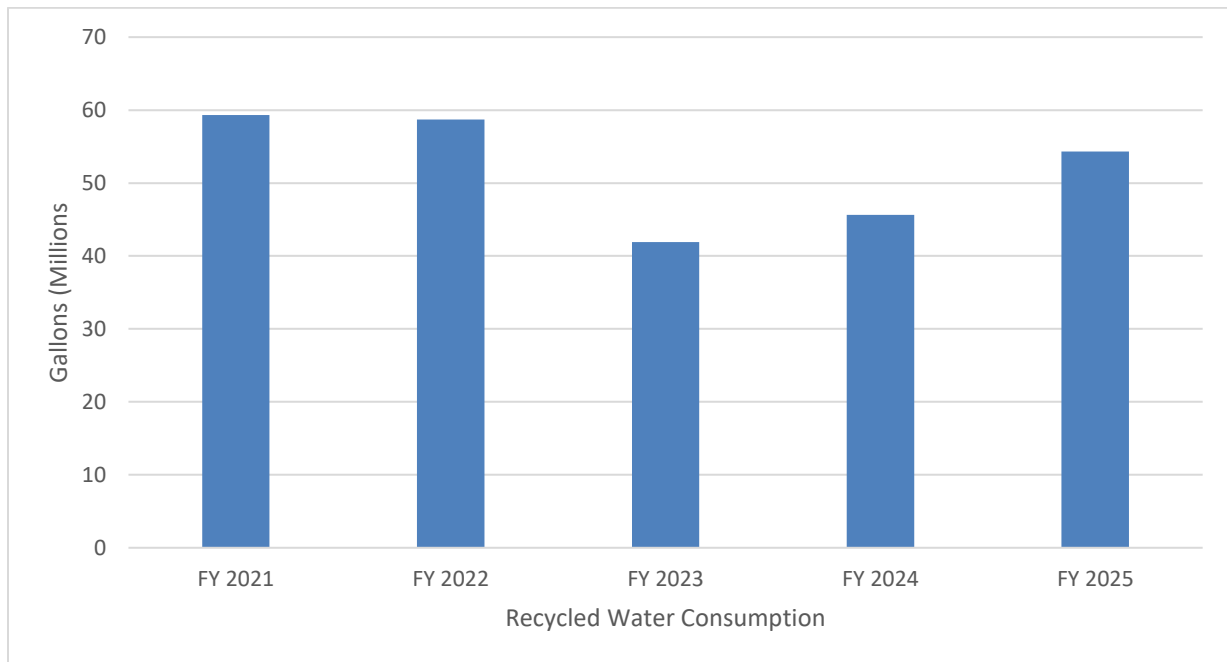
Total potable water consumption increased by 22 million gallons (MG) from FY 2024, equal to 7.5%, with commercial customers as the primary driver for the change. Residential consumption increased by 5 MG (2.6%), landscape consumption increased 5 MG (15.8%), and CII consumption increased 12 MG (27.8%).

Five-year history of potable water consumption (in million gallons) is presented below:



Scotts Valley Water District also sells recycled water that is produced at the City of Scotts Valley Tertiary Treatment Plant. The District strives to maximize the potential use of recycled water wherever feasible by installing recycled irrigation services at new development projects and converting existing potable landscape connections to recycled water. Recycled water accounts for approximately 14% of the total annual system demand. As of June 30, 2025, there were 73 recycled water connections with an annual demand of 54.3 MG. Total recycled water consumption increased by 8.7 MG from FY 2024, or 19%.

The five-year history of recycled water consumption is presented below:



Local Economic Condition and Outlook

Inflation continues to be an economic concern throughout fiscal year 2025. Rising costs for essential goods and services such as energy, labor, chemicals, and equipment have driven up operational expenses. The average annual consumer price index (CPI) for the 12-month period July 2024 through June 2025 was 1.5%. This is a decrease from FY 2024 in which Bay Area CPI averaged 3.2%. Labor market data from the State Employment Development Division indicates a 6.0% unemployment rate for Santa Cruz County in June 2025, which is 7.1% higher than the prior year. The County's unemployment rate was also slightly higher than the statewide average of 5.4% for June 2025.

The local economy and the City of Scotts Valley's economic development policies, including land use policy impacts the number of new service connections. The City of Scotts Valley population was 11,831 according to a May 2025 news release by the State Department of Finance, a decrease of 1.97% from the 2020 census benchmark of 12,069. The number of households increased 1.96% from the 2020 census benchmark of 4,690 census to an estimated 4,782 in 2024.

The City's Planning Department has approved several commercial and residential developments in the past few years which have or will result in new connections. Development projects resulted in 5 new potable connections added to the system in FY 2025 generating capacity fee revenue of \$189,142. Five new single-family homes were the sources of the revenue from new connections. Over the next 5 years the City of Scotts Valley is expected to add over 1,000 new housing units which will result in more than 400 new water connections in the District. Revenue from new water connections is an important source of funding for infrastructure projects needed to support the water needs of the population.

Water Use Efficiency

The District promotes the efficient use of water use by providing customers with data to effectively monitor and manage their water use. The main tool offered to achieve that goal is WaterSmart, a digital platform that provides timely notifications and access to detailed water usage data. WaterSmart notifies customers that have continuous water use of 3 gallons per hour (gph) and the customer engagement portal offers guidance on how to identify and address leaks. District staff augments these automated notifications with phone calls and letters to ensure that all customers receive notification in the event of continuous water use. The implementation of these notifications has resulted in significant decreases to the volume and duration of customer water leaks.

The District also offers rebates and free devices to encourage efficient water usage. The District offers rebates for lawn removal, toilet replacement, pressure regulating valves, pool covers, and irrigation controllers. The rebate program incentivized retrofitting of 15,500 square feet of turf; installation of 24 pressure regulating valves to protect against leaks; and provided \$900 for toilet replacements to more efficient models.

Water Rates

The Board established its current rate structure at a public hearing on October 14, 2021. Rates and fees for potable and recycled water were scheduled for a five-year period (2021-2026) based on the District's operating expenses and capital improvement needs. The Board reviews the rate schedule each year and determines whether an increase is needed based on current financial forecasts. The current rate schedule ends in Fiscal Year 2026 and a new rate study will be conducted to establish rate structures for the next five-year period (FY 2027-2031). The District's rate adoption process is governed by California Proposition 218. All board meetings and workshops are open to the public so they may learn about the District's financial operations and provide input.

Major Initiatives and Projects

The goals, objectives, and vision of the Board of Directors and District team members are driven by its Mission Statement: *To deliver a sustainable, high-quality water service in an environmentally responsible and financially sound manner.*

In support of its mission, the District has established strategic goals to advance the District's mission and establish a working plan to address issues such as sustainability, resiliency, and equity for both the District's water supply resources and its workforce. Notable accomplishments within each Strategic Goal area are presented below:

Water Resource Management

SVWD meets the water supply needs of its customers by developing new, sustainable sources and maximizing the use of existing sources.

- Completed Intertie 1 operations agreement and SOP with City of Santa Cruz and began work on preliminary intertie rate agreement. The intertie with the City of Santa Cruz water system opens the possibility of conjunctive use projects which can enhance the sustainability of water supplies throughout the region.

- Completed drilling construction for the Grace Way Well project with site improvements and equipping scheduled for FY2026. Funding for the Grace Way Well and the City of Santa Cruz Intertie comes from the California Department of Water Resources 2021 Urban and Multi-benefit Drought Relief grant and construction is expected to be completed in FY 2026.
- Completed the Metro Transit Center LID Groundwater Recharge project. Located at the Kings Village transit station, this project diverts storm runoff from the large parking lot to infiltration galleries that store the runoff and slowly release it into the ground. Phase 1 of the project was completed in 2016 and the second phase was completed with assistance from a 2022 California Department of Water Resources grant.
- Actively participated in the Santa Margarita Groundwater Agency (SMGWA) as the business agent, providing treasury support and contributing to adoption of a reserves policy.
- Maintained the District's validated water loss audit score by one point at 85, the highest in Santa Cruz County.

Infrastructure Integrity

SVWD provides continuous investment in its infrastructure and process improvements to ensure the efficiency of its operations.

- Replaced the failing Well 3B with the new Sucinto Well, a 1,420-foot-deep well with a design capacity of over 300 gallons per minute, enhancing operational reliability.
- Continued upgrading communication technology at District tanks and pump stations by replacing obsolete Teledesign radios and Kingfisher Remote Terminal Units (RTU's) with GE Orbit Radios and Allen Bradley RTU's.
- Completed construction of a new water main on La Cuesta Drive, creating an important loop in the system to allow more efficiency and flexibility in isolating leaks and completing repairs.
- Completed plans to construct a pilot pressure reduction station on Meadow Way. Construction is scheduled to be completed in FY 2026 and, if successful, could lead to additional pressure reduction projects throughout the District.
- Implemented improvements in Monteville including adding, repairing, and replacing mainline valves to improve the District's ability to isolate line breaks in the neighborhood.

Financial Stewardship

SVWD manages its financial resources in a manner that ensures the reliability of its operations and provides the greatest value to its customers.

- Received the Government Finance Officers Association (GFOA) Excellence in Financial Reporting award for the FY 2023 Audited Comprehensive Financial Report (ACFR). Completed the FY 2024 ACFR and submitted the application for the award.
- Implemented the new Xpress Bill Pay payment solution with single sign on (SSO) integration with WaterSmart. This helped achieve a 65% registration rate on WaterSmart customer engagement portal, facilitating better customer interaction and water use monitoring.
- Continued discussions with City of Santa Cruz and San Lorenzo Valley Water District to update and establish intertie water rates.
- Continued to meet all reporting deadlines for grant administration, ensuring timely and accurate processing of payments.

- Completed transfer of general banking services from Wells Fargo to West Coast Community Bank.

Community Engagement

SVWD proactively creates opportunities for strategic alliances and mutually beneficial relationships with its customers and partners.

- The District's General Manager presented at the Scotts Valley Mayor's State of the City event organized by the Scotts Valley Senior Life Association.
- The District helped sponsor the Scotts Valley Art Wine and Beer Festival and Independence Day parade, engaging with the community and promoting water use efficiency.
- The District conducted social media campaigns to promote efficient water use and keep the public informed of progress on infrastructure projects and emergency repairs.
- District staff augments automated leak notifications by proactively contacting customers who are identified as having a potential water leak.
- Maintained and enhanced the District's website as a platform for delivering informative and accessible messages to the community.
- Implemented online training for Recycled Water User Site Supervisors and online submission of annual self-certification site inspections.

Organizational Vitality

SVWD recruits and retains the highest quality employees and board members by offering a work environment in which they can thrive and succeed.

- Staff Turnover – Several staff members moved on to new positions during FY 2025. The District was able to internally promote a new Finance and Customer Service Manager and Lead Water Facilities Operator and recruited a new Accounting Technician and Water Facilities Operator.
- Provided opportunities for each employee and Director to attend at least one training or professional event annually, including conferences and specialized courses.
- Organized staff events, such as holiday lunches and retirement celebrations, to foster a positive work environment.
- Sponsored the District's Operations Manager to participate in the Leadership Santa Cruz County leadership program.
- Implemented safety training and equipment inspections, including flagging training and shoring equipment maintenance, to ensure a safe work environment.

Fiscal Management and Financial Policies

Internal Control Structure

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

Budgetary Control

The Board of Directors approves an operating and capital budget annually, prior to each new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's activities. The budget and reporting treatment applied to the District are consistent with the accrual basis of accounting. Each division manager is responsible for his/her division budget. The General Manager is responsible for the overall District budget.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law and prudent money management. The objectives of the Investment Policy are safety, liquidity, and yield. District funds are invested in the certificates of deposit held in a safekeeping account with US Bank. Cash is also invested in the State Treasurer's Local Agency Investment Fund (LAIF), CLASS local government investment pool, and checking accounts.

Reserve Policy

The Board of Directors has established a policy setting guidelines on cash reserves that support the District's long-term financial health and operational stability. The Board authorized the target cash reserve level to be the aggregate total of the targets for the following individual reserve categories:

- 1) Operating Reserve: to provide working capital to support the operation, maintenance, and administration of the District ensuring that the cash flow needs of normal operations are met.
- 2) Rate Stabilization Reserve: to bridge the temporary revenue shortfall resulting from reduced consumption associated with declining water sales or unexpected increases in short-term operation and maintenance expenses.
- 3) Emergency Reserve: to allow the District to provide uninterrupted service in the event of a fiscal emergency, natural disaster, or major facility failure.
- 4) Capital Reserve: to provide funds for repair, replacement, or improvement of District's infrastructure assets.
- 5) Debt Service Reserve: to ensure adequate funds for full and timely payment of debt obligations.

Following the established criteria, the District's reserve target for this fiscal year was calculated to be \$5.74 million. As of June 30, 2025, the District's cash balance was \$8.85 million, or 154% of the target. The year-end cash balance was designated as follows:

Operating	\$	2,691,800
Rate Stabilization		1,611,200
Emergency		970,200
Capital		1,862,800
Debt Service		1,719,700
Total	\$	<u>8,855,700</u>

Independent Audit and Financial Reporting

The 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 Nigro & Nigro, PC has conducted the audit of the District's financial statements for FY 2025. The Independent Auditor's Report appears in the Financial Section.

Risk Management

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The purpose of the Authority is to arrange and administer insurance programs for the pooling of self-insured losses and to purchase excess insurance coverage, as necessary.

Other References

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

Awards and Acknowledgment

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate) to the District for its Annual Comprehensive Financial Report for the fiscal year ending June 30, 2024. This was the 5th year that the District has received this prestigious award. To be awarded a Certificate, a governmental entity must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate 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. As such, we are submitting the Annual Comprehensive Financial Report to the GFOA to determine the District's eligibility for another Certificate.

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

Respectfully submitted,

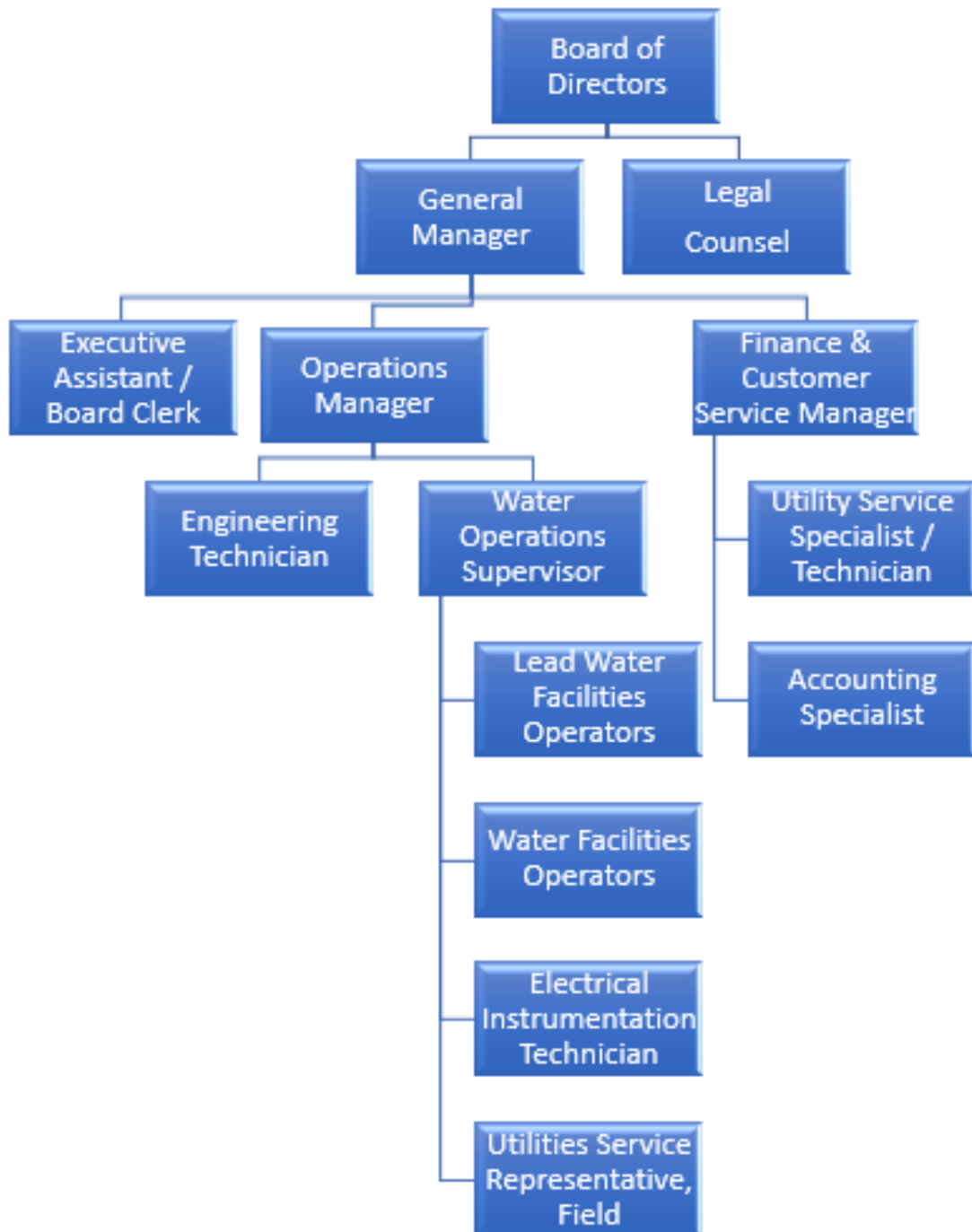
A handwritten signature in black ink that reads "David McNair". The signature is written in a cursive, slightly slanted style.

David McNair
General Manager

SCOTTS VALLEY WATER DISTRICT

Organizational Chart

For the Year Ended June 30, 2025



SCOTTS VALLEY WATER DISTRICT

GFOA Award

For the Year Ended June 30, 2025



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Scotts Valley Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Scotts Valley Water District
Scotts Valley, California

Opinion

We have audited the accompanying financial statements of the Scotts Valley Water District (District), which comprise the balance sheets as of June 30, 2025 and 2024, and related statements of revenue, expenses, and changes in net position, and cash flows for the years then ended, and related notes to the 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, 2025 and 2024, and the respective changes in its financial position and 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As described in Notes 1, 8 and 15 to the financial statements, as of January 1, 2024, the District adopted new accounting guidance, GASB Statement No. 101, Compensated Absences and Statement No. 102, Certain Risk Disclosures. Our opinion is not modified with respect to these matters.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 District's Proportionate Share of the Plan's Net Pension Liability, Schedule of the District's Contributions to the Pension Plan, Schedule of Changes in the District's Total OPEB Liability and Related Ratios, and Schedule of the District's Contributions to the OPEB Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining Schedules of Balance Sheets and Combining Schedules of Revenues, Expenses, and Changes in Net Position 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are 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 auditor's report thereon. Our opinions 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 audit 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated December 17, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



Walnut Creek, California
December 17, 2025

Management's Discussion and Analysis

SCOTTS VALLEY WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Years Ended June 30, 2025 and 2024

Management's Discussion and Analysis (MD&A) offers readers of Scotts Valley Water District's financial statements a narrative overview of the District's financial activities for the years ended June 30, 2025 and 2024. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, 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 2025, the District's net position increased 19.1% or \$5,520,059 from \$28,971,861 to \$34,491,920, primarily due to a \$4,087,070 increase in capital contributions from Capacity buy-in fees and a state grant.
- In 2024, the District's net position increased 11.7% or \$3,029,021 from \$25,942,840 to \$28,971,861, primarily due to a \$1,284,887 decrease in capital contributions from Capacity buy-in fees and a state grant.
- In 2025, the District's total operating and non-operating revenues increased 10.05% or \$969,776 from \$9,652,313 to \$10,622,089, primarily from increases in water sales, as well as water service revenue.
- In 2024, the District's total operating and non-operating revenues increased 4.37% or \$404,236 from \$9,248,077 to \$9,652,313, primarily from increases in investment earnings due to the higher rate of return for the fiscal period, as well as increases in property tax revenue.
- In 2025, the District's total expenses increased 34.58% or \$2,565,808 from \$7,418,847 to \$9,984,655, primarily due to large increases in finance, customer service and conservation expenses, from pass-through grant expenses to the City of Santa Cruz.
- In 2024, the District's total expenses decreased 11.5% or \$966,918 from \$8,385,765 to \$7,418,847, primarily due to large decreases in non-cash employee benefit expenses as a result of the District's annual revaluation of net pension and OPEB liabilities.

REQUIRED FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District.

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial stability 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 year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate net position and credit worthiness. The other required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments for the fiscal period. The Statement 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 the funds came from, what were the funds used for, and what were the changes in funds balance during the reporting period.

SCOTTS VALLEY WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Balance Sheet and the Statement 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 and liabilities using the accrual basis of accounting. 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 to it. The District's net position is the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, non-financial factors such as changes in economic conditions, population growth, zoning and the regulatory landscape need to be taken into consideration when measuring the District's financial health.

Condensed Balance Sheets

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>	<u>June 30, 2023</u>	<u>Change</u>
Assets:					
Current assets	\$ 13,376,381	\$ 10,080,220	\$ 3,296,161	\$ 10,902,719	\$ (822,499)
Non-current assets	3,271,212	3,236,564	34,648	2,549,358	687,206
Capital assets, net	<u>30,562,211</u>	<u>27,093,603</u>	<u>3,468,608</u>	<u>25,175,177</u>	<u>1,918,426</u>
Total assets	<u>47,209,804</u>	<u>40,410,387</u>	<u>6,799,417</u>	<u>38,627,254</u>	<u>1,783,133</u>
Deferred outflows of resources	<u>1,005,095</u>	<u>1,482,700</u>	<u>(477,605)</u>	<u>2,135,688</u>	<u>(652,988)</u>
Total assets and deferred outflows of resources	<u>\$ 48,214,899</u>	<u>\$ 41,893,087</u>	<u>\$ 6,321,812</u>	<u>\$ 40,762,942</u>	<u>\$ 1,130,145</u>
Liabilities:					
Current liabilities	\$ 4,367,542	\$ 1,921,450	\$ 2,446,092	\$ 2,184,550	\$ (263,100)
Non-current liabilities	<u>8,661,038</u>	<u>9,811,962</u>	<u>(1,150,924)</u>	<u>10,923,203</u>	<u>(1,111,241)</u>
Total liabilities	<u>13,028,580</u>	<u>11,733,412</u>	<u>1,295,168</u>	<u>13,107,753</u>	<u>(1,374,341)</u>
Deferred inflows of resources	<u>694,399</u>	<u>1,187,814</u>	<u>(493,415)</u>	<u>1,712,349</u>	<u>(524,535)</u>
Net position:					
Net investment in capital assets	23,802,451	19,384,032	4,418,419	17,861,013	1,523,019
Unrestricted	<u>10,689,469</u>	<u>9,587,829</u>	<u>1,101,640</u>	<u>8,081,827</u>	<u>1,506,002</u>
Total net position	<u>34,491,920</u>	<u>28,971,861</u>	<u>5,520,059</u>	<u>25,942,840</u>	<u>3,029,021</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 48,214,899</u>	<u>\$ 41,893,087</u>	<u>\$ 6,321,812</u>	<u>\$ 40,762,942</u>	<u>\$ 1,130,145</u>

As noted earlier, net position may serve over time as a useful indicator of an agency'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 \$34,491,920 and \$28,971,861 as of June 30, 2025 and 2024, respectfully.

SCOTTS VALLEY WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Condensed Balance Sheets (continued)

By far the largest portion of the District's net position (69% and 67% as of June 30, 2025 and 2024, respectively) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal year 2025 and 2024, the District showed a positive balance in its unrestricted net position of \$10,689,469 and \$9,587,829, respectively.

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

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>	<u>June 30, 2023</u>	<u>Change</u>
Total operating revenues	\$ 8,577,104	\$ 7,689,553	\$ 887,551	\$ 7,605,864	\$ 83,689
Total operating expenses	<u>(6,168,892)</u>	<u>(5,804,101)</u>	<u>(364,791)</u>	<u>(6,759,109)</u>	955,008
Operating income before depreciation	2,408,212	1,885,452	522,760	846,755	1,038,697
Depreciation expense	<u>(1,265,265)</u>	<u>(1,237,189)</u>	<u>(28,076)</u>	<u>(1,208,395)</u>	<u>(28,794)</u>
Operating income (loss)	1,142,947	648,263	494,684	(361,640)	1,009,903
Total non-operating revenues(expenses), net	(505,513)	1,585,203	(2,090,716)	1,223,952	361,251
Capital contributions	<u>4,882,625</u>	<u>795,555</u>	<u>4,087,070</u>	<u>2,080,442</u>	<u>(1,284,887)</u>
Change in net position	5,520,059	3,029,021	2,491,038	2,942,754	86,267
Net position:					
Beginning of year	<u>28,971,861</u>	<u>25,942,840</u>	<u>3,029,021</u>	<u>23,000,086</u>	<u>2,942,754</u>
End of year	<u>\$ 34,491,920</u>	<u>\$ 28,971,861</u>	<u>\$ 5,520,059</u>	<u>\$ 25,942,840</u>	<u>\$ 3,029,021</u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years.

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

In 2025, the District's net position increased 19.1% or \$5,520,059 from \$28,971,861 to \$34,491,920, primarily due to a \$4,087,070 increase in capital contributions from Capacity buy-in fees and a state grant.

In 2024, the District's net position increased 11.7% or \$3,029,021 from \$25,942,840 to \$28,971,861, primarily due to a \$1,284,887 decrease in capital contributions from Capacity buy-in fees and a state grant.

SCOTTS VALLEY WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

The following tables present the detailed breakdown of the information presented in the condensed summary.

Total Revenues

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating revenues:					
Water sales	\$ 5,634,209	\$ 4,868,776	\$ 765,433	\$ 4,896,862	\$ (28,086)
Water service	2,894,407	2,780,388	114,019	2,666,947	113,441
Other fees and charges	48,488	40,389	8,099	42,055	(1,666)
Total operating revenues	<u>8,577,104</u>	<u>7,689,553</u>	<u>887,551</u>	<u>7,605,864</u>	<u>83,689</u>
Non-operating:					
Property taxes	1,557,681	1,557,187	494	1,398,325	158,862
Investment earnings	469,670	388,890	80,780	90,570	298,320
Other non-operating revenues	17,634	16,683	951	153,318	(136,635)
Total non-operating	<u>2,044,985</u>	<u>1,962,760</u>	<u>82,225</u>	<u>1,642,213</u>	<u>320,547</u>
Total revenues	<u>\$ 10,622,089</u>	<u>\$ 9,652,313</u>	<u>\$ 969,776</u>	<u>\$ 9,248,077</u>	<u>\$ 404,236</u>

In 2025, the District's total operating and non-operating revenues increased 10.05% or \$969,776 from \$9,652,313 to \$10,622,089, primarily from increases in water sales, as well as water service revenue.

In 2024, the District's total operating and non-operating revenues increased 4.37% or \$404,236 from \$9,248,077 to \$9,652,313, primarily from increases in investment earnings due to the higher rate of return in the fixed asset market for the fiscal period, as well as increases in property tax revenue driven by the current local real estate market where home prices remain high.

SCOTTS VALLEY WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Total Expenses

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating expenses:					
Source of supply	\$ 170,055	\$ 143,902	\$ 26,153	\$ 104,053	\$ 39,849
Pumping	620,720	516,628	104,092	488,373	28,255
Water treatment	313,646	514,224	(200,578)	310,960	203,264
Recycled water	666,417	573,445	92,972	847,463	(274,018)
Transmission and distribution	2,611,672	2,191,237	420,435	2,253,229	(61,992)
Finance, customer service and conservation	976,142	1,012,598	(36,456)	1,433,076	(420,478)
General and administrative	810,240	852,067	(41,827)	1,321,955	(469,888)
Total operating expenses	<u>6,168,892</u>	<u>5,804,101</u>	<u>364,791</u>	<u>6,759,109</u>	<u>(955,008)</u>
Depreciation expense	<u>1,265,265</u>	<u>1,237,189</u>	<u>28,076</u>	<u>1,208,395</u>	<u>28,794</u>
Non-operating expenses:					
Change in investment in SMGA-JPA	150,079	202,282	(52,203)	224,364	(22,082)
Interest expense	156,242	175,275	(19,033)	193,897	(18,622)
City of Santa Cruz— grant related pass-through exp	<u>2,244,177</u>	<u>-</u>	<u>2,244,177</u>	<u>-</u>	<u>-</u>
Total non-operating	<u>2,550,498</u>	<u>377,557</u>	<u>2,172,941</u>	<u>418,261</u>	<u>(40,704)</u>
Total expenses	<u>\$ 9,984,655</u>	<u>\$ 7,418,847</u>	<u>\$ 2,565,808</u>	<u>\$ 8,385,765</u>	<u>\$ (966,918)</u>

In 2025, the District's total expenses increased 34.58% or \$2,565,808 from \$7,418,847 to \$9,984,655, primarily due to large increases in finance, customer service and conservation expenses, from pass-through grant expenses to the City of Santa Cruz.

In 2024, the District's total expenses decreased 11.5% or \$966,918 from \$8,385,765 to \$7,418,847, primarily due to large decreases in non-cash employee benefit expenses as a result of the District's annual revaluation of net pension and OPEB liabilities.

Capital Assets

The following provides a summary comparison of the District's capital assets at year end.

	<u>Balance June 30, 2025</u>	<u>Balance June 30, 2024</u>	<u>Balance June 30, 2023</u>
Capital assets:			
Non-depreciable assets	\$ 6,925,738	\$ 4,197,415	\$ 1,555,380
Depreciable assets	53,182,306	51,176,756	50,663,176
Accumulated depreciation	<u>(29,545,833)</u>	<u>(28,280,568)</u>	<u>(27,043,379)</u>
Total capital assets, net	<u>\$ 30,562,211</u>	<u>\$ 27,093,603</u>	<u>\$ 25,175,177</u>

At June 30, 2025 and 2024, the District's investment in capital assets amounted to \$30,562,211 and \$27,093,603, (net of accumulated depreciation), respectively. The District's investment in capital assets includes land, transmission and distribution systems, tanks, pumps, buildings, equipment, vehicles, and construction-in-process. See Note 7 for further capital asset information.

SCOTTS VALLEY WATER DISTRICT
Management’s Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Debt Administration

The following provides a summary comparison of the District’s long-term debt at year end.

	Balance	Balance	Balance
Long-term debt:	June 30, 2025	June 30, 2024	June 30, 2023
Loan payable	<u>\$ 6,759,760</u>	<u>\$ 7,709,571</u>	<u>\$ 8,640,891</u>

For the years ended June 30, 2025 and 2024, long-term debt decreased by \$949,811 and \$931,320, respectively, due to the regular principal payments on the District’s loans payable. See Note 9 for further information.

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.

FACTORS AFFECTING CURRENT FINANCIAL POSITION

Management is unaware of any item that would affect the current financial position.

CONTACTING THE DISTRICT

This financial report is designed to provide the District’s customers, stakeholders and other interested parties with an overview of the District’s financial operations and financial condition. Contact the District’s General Manager, David McNair dmcnair@svwd.org or (831-600-1902) with any questions.

Basic Financial Statements

SCOTTS VALLEY WATER DISTRICT

Balance Sheets

June 30, 2025 and 2024

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Current assets:		
Cash and cash equivalents (Note 2)	\$ 7,807,902	\$ 8,344,078
Accrued interest receivable	72,611	76,445
Accounts receivable, net (Note 4)	1,472,323	1,232,427
Property taxes receivable	102,632	74,566
Grant receivable	3,572,002	23,736
Other receivables	7,720	7,667
Notes receivable (Note 5)	10,000	10,000
Inventory – materials and supplies	263,194	234,904
Prepaid expenses	67,997	76,397
Total current assets	13,376,381	10,080,220
Non-current assets:		
Restricted – cash and cash equivalents (Note 2 and 3)	1,051,525	1,037,449
Investments (Note 2)	1,986,174	1,974,692
Notes receivable (Note 5)	25,000	35,000
Investment in Santa Margarita Groundwater Agency – JPA (Note 6)	208,513	189,423
Capital assets – not being depreciated (Note 7)	6,925,738	4,197,415
Capital assets – being depreciated, net (Note 7)	23,636,473	22,896,188
Total non-current assets	33,833,423	30,330,167
Total assets	47,209,804	40,410,387
Deferred outflows of resources:		
Deferred amounts related to total OPEB liability (Note 11)	116,887	116,373
Deferred amounts related to net pension liability (Note 10)	888,208	1,366,327
Total deferred outflows of resources	1,005,095	1,482,700
Total assets and deferred outflows of resources	\$ 48,214,899	\$ 41,893,087
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,972,694	\$ 613,068
Customer deposits for services	127,111	120,467
Accrued interest payable	78,121	87,638
Long-term liabilities – due within one year:		
Compensated absences (Note 8)	63,565	44,395
Loans payable (Note 9)	973,404	949,811
Total OPEB liability (Note 11)	152,647	106,071
Total current liabilities	4,367,542	1,921,450
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 8)	190,695	115,416
Loans payable (Note 9)	5,786,356	6,759,760
Total OPEB liability (Note 11)	1,373,824	1,494,132
Net pension liability (Note 10)	1,310,163	1,442,654
Total non-current liabilities	8,661,038	9,811,962
Total liabilities	13,028,580	11,733,412
Deferred inflows of resources:		
Deferred amounts related to net pension liability (Note 10)	694,399	1,187,814
Total deferred inflows of resources	694,399	1,187,814
Net position:		
Net investment in capital assets (Note 12)	23,802,451	19,384,032
Unrestricted	10,689,469	9,587,829
Total net position	34,491,920	28,971,861
Total liabilities, deferred inflows of resources and net position	\$ 48,214,899	\$ 41,893,087

The notes to financial statements are an integral part of this statement.

SCOTTS VALLEY WATER DISTRICT*Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2025 and 2024*

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Operating revenues:		
Water sales	\$ 5,634,209	\$ 4,868,776
Water service	2,894,407	2,780,388
Other fees and charges	48,488	40,389
Total operating revenues	<u>8,577,104</u>	<u>7,689,553</u>
Operating expenses:		
Source of supply	170,055	143,902
Pumping	620,720	516,628
Water treatment	313,646	514,224
Recycled water	666,417	573,445
Transmission and distribution	2,611,672	2,191,237
Finance, customer service and conservation	976,142	1,012,598
General and administrative	810,240	852,067
Total operating expenses	<u>6,168,892</u>	<u>5,804,101</u>
Operating income before depreciation	<u>2,408,212</u>	<u>1,885,452</u>
Depreciation expense	<u>(1,265,265)</u>	<u>(1,237,189)</u>
Operating income(loss)	<u>1,142,947</u>	<u>648,263</u>
Non-operating revenues(expenses):		
Property taxes	1,557,681	1,557,187
Change in investment in Santa Margarita Groundwater Agency-JPA (Note 6)	(150,079)	(202,282)
Investment earnings	469,670	388,890
Interest expense	(156,242)	(175,275)
City of Santa Cruz– grant related pass-through expenses	(2,244,177)	-
Other non-operating revenues	17,634	16,683
Total non-operating income	<u>(505,513)</u>	<u>1,585,203</u>
Change in net position before capital contributions	<u>637,434</u>	<u>2,233,466</u>
Capital contributions:		
Capacity buy-in fee	189,142	502,128
State capital grant	4,693,483	293,427
Total capital contributions	<u>4,882,625</u>	<u>795,555</u>
Change in net position	<u>5,520,059</u>	<u>3,029,021</u>
Net position:		
Beginning of year	<u>28,971,861</u>	<u>25,942,840</u>
End of year	<u>\$ 34,491,920</u>	<u>\$ 28,971,861</u>

SCOTTS VALLEY WATER DISTRICT*Statements of Cash Flows**For the Fiscal Years Ended June 30, 2025 and 2024*

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 8,361,433	\$ 7,553,826
Cash paid to employees for salaries and wages	(2,139,236)	(2,163,959)
Cash paid to vendors and suppliers for materials and services	(4,061,681)	(3,941,856)
Net cash provided by operating activities	<u>2,160,516</u>	<u>1,448,011</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes	<u>1,529,615</u>	<u>1,559,973</u>
Net cash provided by non-capital financing activities	<u>1,529,615</u>	<u>1,559,973</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,733,873)	(3,155,615)
Proceeds from capacity buy-in fee	189,142	502,128
Proceeds from state capital grant	1,145,217	1,054,360
Proceeds from notes receivable	10,000	18,335
Principal paid on long-term debt	(949,811)	(931,320)
Interest paid on long-term debt	(165,760)	(184,604)
Net cash used in capital and related financing activities	<u>(4,505,085)</u>	<u>(2,696,716)</u>
Cash flows from investing activities:		
Contribution to the Santa Margarita Groundwater Agency – JPA	(169,169)	(242,360)
Proceeds from the maturity of investments	500,000	-
Purchase of investments	(493,000)	(1,976,000)
Investment earnings	<u>455,023</u>	<u>353,181</u>
Net cash provided by (used in) investing activities	<u>292,854</u>	<u>(1,865,179)</u>
Net increase(decrease) in cash and cash equivalents	<u>(522,100)</u>	<u>(1,553,911)</u>
Cash and cash equivalents:		
Beginning of year	<u>9,381,527</u>	<u>10,935,438</u>
End of year	<u>\$ 8,859,427</u>	<u>\$ 9,381,527</u>
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 7,807,902	\$ 8,344,078
Restricted – cash and cash equivalents	<u>1,051,525</u>	<u>1,037,449</u>
Total cash and cash equivalents	<u>\$ 8,859,427</u>	<u>\$ 9,381,527</u>

SCOTTS VALLEY WATER DISTRICT
Statements of Cash Flows (continued)
For the Fiscal Years Ended June 30, 2025 and 2024

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Reconciliation of operating income(loss) to net cash provided by operating activities:		
Operating income	\$ 1,142,947	\$ 648,263
Adjustments to reconcile operating income(loss) to net cash provided by operating activities:		
Depreciation	1,265,265	1,237,189
City of Santa Cruz– grant related pass-through expenses	(2,244,177)	-
Other non-operating revenues	17,634	16,683
Change in assets – (increase)decrease:		
Accounts receivable, net	(239,896)	(153,951)
Other receivables	(53)	8,430
Inventory – materials and supplies	(28,290)	(7,661)
Prepaid expenses	8,400	(6,004)
Change in deferred outflows of resources – (increase)decrease		
Deferred amounts related to total OPEB liability	(514)	(790)
Deferred amounts related to net pension liability	478,119	653,778
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	2,359,626	(255,072)
Customer deposits for services	6,644	(6,889)
Compensated absences	94,449	(17,769)
Total OPEB liability	(73,732)	(186,637)
Net pension liability	(132,491)	42,976
Change in deferred inflows of resources – increase(decrease)		
Deferred amounts related to net pension liability	(493,415)	(524,535)
Total adjustments	<u>1,017,569</u>	<u>799,748</u>
Net cash provided by operating activities	<u>\$ 2,160,516</u>	<u>\$ 1,448,011</u>

Notes to the Financial Statements

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

Scotts Valley Water District (District) was created in 1961 by a vote of the people within the proposed District. It was formed under the County Water District Act with the purpose of providing water for domestic, commercial, municipal, and firefighting purposes. Beginning in 1962, the District acquired and consolidated several small mutual water supply systems. The District is located six miles north of the City of Santa Cruz, along State Highway 17, and covers approximately six square miles including most of the incorporated area of the City of Scotts Valley (City) and a portion of the unincorporated area north of the City.

The financial statements of the District include the financial activities of the District as well as transactions made by the fiscal agent under authority granted by the District in various resolutions authorizing the issuance of revenue bonds, and the Scotts Valley Water District Public Facilities Corporation, a component unit. The District is incorporated as a water district in the State of California and is exempt from federal income and state franchise taxes under Internal Revenue Code Section 115 and corresponding California Revenue and Taxation Code provisions.

The Scotts Valley Water District Public Facilities Corporation (Public Facilities Corporation), a California nonprofit corporation, was formed in April 1997, to finance the construction of a one million gallon per day reclaimed water treatment plant and related distribution system. The Public Facilities Corporation was dissolved on June 8, 2021. As of June 30, 2022, the assets and liabilities of the Public Facilities Corporation were distributed properly, resulting in a zero balance.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). 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.

B. Basis of Presentation, Basis of Accounting

The District reports its activities as an enterprise fund, where the intent of the District is that the costs of providing goods and services (including depreciation expense) on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and 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.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Operating revenues are those revenues that are generated from the primary operating activities of the District. The District reports 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 financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operating activities of the District. All other expenses are reported as non-operating expenses.

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

1. Cash and Cash Equivalents

For purposes of the balance sheet and 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. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

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.

Investments 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.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. Receivables and Allowance for Doubtful Accounts

Accounts receivable consist of amounts owed by customers for goods provided and services rendered. Receivables are shown net of allowances for doubtful accounts. Uncollectable accounts are based on prior experience and management's assessment of the collectability of existing accounts.

4. Inventory – Materials and Supplies

These items consist of pipes, meters, and other items that are used for the repairs and maintenance of the District's transmission and distribution system. These items are stated at cost using the first-in first-out method for inventory valuation.

5. Prepaids

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

6. Capital Assets

Capital assets are stated at cost or at their acquisition value at date of contribution. It is the District's policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Description	Estimated Lives
Water rights – recycled water	50 years
Water treatment	7-40 years
Recycled water system	10-40 years
Source of supply – wells	15-40 years
Transmission and distribution system	15-40 years
Reservoirs and tanks	20-40 years
Pumping	5-20 years
Buildings and improvements	12-33 years
Infrastructure	25-50 years
Equipment and tools	7 years
Office equipment	5-10 years
Transportation	5-10 years

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources until then. Also, the statement of net position reports a separate section for deferred inflows of resources. This element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources until that time.

8. Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated. Cash payment for all unused sick leave is available up to 50% of the employee's current pay rate upon retirement or termination based on years of service at the District.

In accordance with GASB Statement No. 101, Compensated Absences, leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This analysis includes assessing relevant factors such as historical information about the use, payment or forfeiture of compensated absences, and the District's policies related to compensated absences. The measurement of compensated absences includes salary-related payment such as the employer portion of medicare and social security taxes.

9. 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.

The following timeframes are used for pension reporting:

Valuation Date June 30, 2023

Measurement Date June 30, 2024

Measurement Period July 1, 2023 to June 30, 2024

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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

10. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the Total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Scotts Valley Water District Retiree Benefits Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the 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.

The following timeframes are used for OPEB reporting:

Valuation Date June 30, 2023

Measurement Date June 30, 2024

Measurement Period July 1, 2023 to June 30, 2024

11. Net Position

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

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, loans, notes, or other borrowings 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 is restricted by external creditors, grantors, contributors or laws or regulations of other governments.
- **Unrestricted** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

The Santa Cruz County Assessor's Office assesses all real and personal property within the County each year. The Santa Cruz County Tax Collector's Office bills and collects the District's share of property taxes. The Santa Cruz County Auditor-Controller's Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations. Property taxes receivable at year-end are related to property taxes collected by the Santa Cruz County Tax Collector's Office, which have not been credited to the District's cash balance as of June 30.

The property tax calendar is as follows:

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

F. Capital Contributions

Capital contributions represent cash and/or capital asset additions contributed to the District by outside parties.

G. New Pronouncements – Governmental Accounting Standards Board (GASB)

During the fiscal year ended June 30, 2025, the District has implemented new GASB pronouncements as follows:

GASB Statement No. 101 – Compensated Absences

This GASB Statement amends the definition of a compensated absence to encompass the various types of benefits offered by governmental employees and establishes a unified model for accounting and reporting. The statement also revises the related financial statement disclosure requirements, including eliminating certain disclosures previously required that GASB research found did not provide essential information to financial statement users. The GASB statement applies to all units of state and local governments. The District adopted the Statement as of July 1, 2024. See Note 8 for the effect of this Statement.

GASB Statement No. 102 – Certain Risk Disclosures

This GASB Statement requires state and local governments to disclose vulnerabilities due to certain concentrations and constraints that could significantly impact their financial health. A concentration refers to a dependency on a specific source—such as a major revenue stream, customer, supplier, or workforce—while a constraint involves legal, regulatory, contractual, or other external limitations that restrict an entity's ability to respond to those risks. If these factors make the government vulnerable to a near-term severe impact, disclosure is required in the notes to the financial statements. The goal of Statement No. 102 is to improve transparency and provide users with better insight into potential risks that could affect a government's financial condition. The District adopted the Statement as of July 1, 2024. See Note 15 for the effect of this Statement.

SCOTTS VALLEY WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 2 – CASH AND INVESTMENTS

Cash and investments were classified on the balance sheet as follows:

Description	June 30, 2025	June 30, 2024
Cash and cash equivalents	\$ 7,807,902	\$ 8,344,078
Restricted – cash and cash equivalents	1,051,525	1,037,449
Investments	1,986,174	1,974,692
Total cash and cash equivalents	\$ 10,845,601	\$ 11,356,219

Cash and investments as of June 30th consisted of the following:

Description	June 30, 2025	June 30, 2024
Petty cash	\$ 400	\$ 309
Demand deposits held with financial institutions	3,166,975	2,546,820
Local Agency Investment Fund (LAIF)	4,856,314	6,331,073
California Cooperative Liquid Assets Securities System (CLASS)	835,738	503,325
Investments	1,986,174	1,974,692
Total cash and cash equivalents	\$ 10,845,601	\$ 11,356,219

Demand Deposits with Financial Institutions

At June 30, 2025 and 2024, the carrying amount of the District's demand deposits were \$3,166,975 and \$2,546,820, respectively, and the financial institution's balances were \$3,358,023 and \$4,612,753, respectively. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

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 Depositary Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secures deposits made by public agencies by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110 percent 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 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

Local Agency Investment Fund (LAIF)

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

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

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 portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP 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 funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, and 2024, the District held \$4,856,314 and \$6,331,073 in LAIF, respectively.

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of power entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

The District is a voluntary participant in California CLASS. 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 California CLASS for the entire California CLASS 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 California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAm (S&P Global Ratings) and AAAs/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, and 2024, the District held \$835,738 and \$503,325 in California CLASS, respectively.

Investments

The District's investments as of June 30, 2025, are presented in the following Investment Table:

Type of Investments	Measurement Input	Credit Rating	Total Fair Value	Maturity		
				12 Months or Less	13 to 24 Months	25 to 120 Months
Negotiable certificates of deposit	Level 2	A to AAA	\$ 1,986,174	\$ 493,486	\$ 1,492,688	\$ -
Total investments			<u>\$ 1,986,174</u>	<u>\$ 493,486</u>	<u>\$ 1,492,688</u>	<u>\$ -</u>

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

Investments (continued)

The District's investments as of June 30, 2024, are presented in the following Investment Table:

Type of Investments	Measurement Input	Credit Rating	Total Fair Value	Maturity		
				12 Months or Less	13 to 24 Months	25 to 120 Months
U.S. treasury obligations	Level 1	AAa	\$ 496,384	\$ 496,384	\$ -	\$ -
Negotiable certificates of deposit	Level 2	A to AAA	1,478,308	-	491,490	986,818
Total investments			\$ 1,974,692	\$ 496,384	\$ 491,490	\$ 986,818

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

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District that are governed by the agreement between the District and the Trustee, 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	100%	None
U.S. Government Sponsored Agency Securities	5-years	100%	None
State of California Obligations	5-years	100%	None
CA Local Agency Obligations	5-years	100%	None
Negotiable Certificates of Deposit (Negotiable CD)	5-years	30%	None
Banker's Acceptances	180 days	100%	None
Repurchase Agreements	1-year	100%	None
Commercial Paper	270 days	100%	None
Medium- Term Notes	5-years	100%	None
California Local Agency Investment Fund (LAIF)	N/A	100%	None
Mutual Funds and Money Market Mutual Funds	N/A	100%	None

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided in the Investment Table that shows the distribution of the District's investments by maturity as of June 30, 2025.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented in the Investment Table are Standard & Poor's credit ratings for the District's investments as of June 30, 2025.

NOTE 3 – RESTRICTED – CASH AND CASH EQUIVALENTS

Restricted – cash and cash equivalents as of June 30th consisted of the following:

Description	June 30, 2025	June 30, 2024
Restricted – cash and cash equivalents	\$ 1,051,525	\$ 1,037,449
Less:		
Accrued interest payable	(78,121)	(87,638)
Loan payable – current portion	(973,404)	(949,811)
Total restricted – net position	\$ -	\$ -

The restricted – cash and cash equivalents balance on the balance sheet at June 30, 2025 and 2024 were cash holdings by the District's financial institution for the July 1, 2025 and 2024 loan payments, respectively.

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net of an allowance for doubtful accounts consisted of the following:

Description	June 30, 2025	June 30, 2024
Accounts receivable	\$ 1,485,323	\$ 1,245,427
Allowance for doubtful accounts	(13,000)	(13,000)
Total accounts receivable, net	\$ 1,472,323	\$ 1,232,427

NOTE 5 – NOTES RECEIVABLE

Changes in notes receivable amounts for the fiscal year ended June 30, 2025, were as follows:

Notes Receivable	Balance July 1, 2024	Additions	Payments	Balance June 30, 2025	Current Portion	Long-term Portion
City of Scotts Valley – Installment Note	\$ 45,000	\$ -	\$ (10,000)	\$ 35,000	\$ 10,000	\$ 25,000
Total notes receivable	\$ 45,000	\$ -	\$ (10,000)	\$ 35,000	\$ 10,000	\$ 25,000

SCOTTS VALLEY WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 5 – NOTES RECEIVABLE (continued)

Changes in notes receivable amounts for the fiscal year ended June 30, 2024, were as follows:

Notes Receivable	Balance July 1, 2023	Additions	Payments	Balance June 30, 2024	Current Portion	Long-term Portion
City of Scotts Valley – Installment Note	\$ 55,000	\$ -	\$ (10,000)	\$ 45,000	\$ 10,000	\$ 35,000
Vineyards HOA – Installment Note	8,333	-	(8,333)	-	-	-
Total notes receivable	<u>\$ 63,333</u>	<u>\$ -</u>	<u>\$ (18,333)</u>	<u>\$ 45,000</u>	<u>\$ 10,000</u>	<u>\$ 35,000</u>

City of Scotts Valley – Installment Note

The City of Scotts Valley (City) entered into an agreement with the District on June 4, 1997, for the construction of the water main extension into the Gateway South Assessment District (Project). Total cost of the extension amounted to \$277,000. The owner of the Project contributed \$112,000 and the City contributed, as a result of the District’s bond issuance, \$165,000.

Terms of the installment note call for principal payable semi-annually on January 1st and July 1st of each year maturing in 2027, with variable annual interest rates ranging from 5.3% to 7%. At June 30, 2025 and 2024, the balance of the note with the City regarding the Installment Note amounted to \$45,000 and \$55,000, respectively. Future principal and interest payments on the note are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 10,000	\$ 1,800	\$ 11,800
2027	10,000	1,200	11,200
2028	15,000	450	15,450
Total	35,000	\$ 3,450	\$ 38,450
Current	(10,000)		
Long-term	<u>\$ 25,000</u>		

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 6 – INVESTMENT IN SANTA MARGARITA GROUNDWATER AGENCY – JPA

On June 1, 2017, the Scotts Valley Water District, San Lorenzo Valley Water District, and the County of Santa Cruz (Members) entered into a joint powers agreement creating the Santa Margarita Groundwater Agency (Agency). The purpose of the Agency is to prepare a Groundwater Sustainability Plan (Plan) by January 31, 2023 and continue implementing the Plan over the next 20-year period.

The term of the agreement with the Members shall remain in effect until terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness. Upon termination of the agreement, the assets shall be distributed in proportion to the contributions of each Member agency.

For the fiscal year ended June 30, 2025 and 2024, the District contributed \$169,169 and \$242,360, respectfully, to the Agency and held a \$208,513 and \$189,423, respectfully, net position investment in the Agency after operations concluded for those years.

The following table presents the summary breakdown of the information presented in the condensed financial statements as well as the District's calculated share:

A. Entity	Santa Margarita Groundwater Agency		
B. Purpose	To pool member resources and realize the advantages of local groundwater sustainability through an agency		
C. Participants	3 member agencies, 2 non-member agencies		
D. Governing board	Eleven representatives appointed by members		
E. District payments for FY 2025:			
Contribution	\$169,169		
F. Condensed financial information	June 30, 2025		
Audit dated	October 24, 2025		
Statement of net position:		June 30, 2025	District Share
Total assets		<u>\$ 478,543</u>	<u>\$ 250,148</u>
Total liabilities		<u>79,649</u>	<u>41,635</u>
Net position		<u><u>\$ 398,894</u></u>	<u><u>\$ 208,513</u></u>
Statement of revenues, expenses and changes in net position:			
Total revenues		\$ 359,968	\$ 187,423
Total expenses		<u>(323,303)</u>	<u>(168,333)</u>
Change in net position		36,665	19,090
Beginning - net position		<u>362,229</u>	<u>189,423</u>
Ending - net position		<u><u>\$ 398,894</u></u>	<u><u>\$ 208,513</u></u>
G. District's share of year-end financial position, as calculated		<u><u>100.00%</u></u>	<u><u>52.27%</u></u>

SCOTTS VALLEY WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 7 – CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended June 30, 2025, were as follows:

Description	Balance July 1, 2024	Additions	Deletions/ Transfers	Balance June 30, 2025
Non-depreciable assets:				
Land	\$ 1,218,697	\$ -	\$ -	\$ 1,218,697
Construction-in-process	2,978,718	4,733,873	(2,005,550)	5,707,041
Total non-depreciable assets	4,197,415	4,733,873	(2,005,550)	6,925,738
Depreciable assets:				
Water rights – recycled water	5,267,834	-	-	5,267,834
Water treatment	9,575,552	4,597	-	9,580,149
Recycled water system	2,654,867	-	-	2,654,867
Source of supply – wells	6,677,359	-	-	6,677,359
Transmission and distribution system	10,173,260	16,254	-	10,189,514
Reservoirs and tanks	7,286,514	-	-	7,286,514
Pumping	2,356,178	-	-	2,356,178
Buildings and improvements	1,949,670	28,890	-	1,978,560
Infrastructure	2,757,262	1,704,059	-	4,461,321
Equipment and tools	1,373,840	132,468	-	1,506,308
Office equipment	257,207	-	-	257,207
Transportation	847,213	119,282	-	966,495
Total depreciable assets	51,176,756	2,005,550	-	53,182,306
Accumulated depreciation:				
Water rights – recycled water	(2,312,639)	(102,004)	-	(2,414,643)
Water treatment	(5,007,485)	(158,638)	-	(5,166,123)
Recycled water system	(1,141,033)	(66,718)	-	(1,207,751)
Source of supply – wells	(4,051,709)	(135,208)	-	(4,186,917)
Transmission and distribution system	(6,717,340)	(205,314)	-	(6,922,654)
Reservoirs and tanks	(4,046,891)	(167,126)	-	(4,214,017)
Pumping	(1,447,817)	(100,091)	-	(1,547,908)
Buildings and improvements	(865,785)	(58,620)	-	(924,405)
Infrastructure	(771,377)	(143,877)	-	(915,254)
Equipment and tools	(1,023,976)	(77,102)	-	(1,101,078)
Office equipment	(247,934)	(2,061)	-	(249,995)
Transportation	(646,582)	(48,506)	-	(695,088)
Total accumulated depreciation	(28,280,568)	(1,265,265)	-	(29,545,833)
Total depreciable assets, net	22,896,188	740,285	-	23,636,473
Total capital assets, net	\$ 27,093,603	\$ 5,474,158	\$ (2,005,550)	\$ 30,562,211

In fiscal year 2025, major capital assets additions amounted to \$4,733,873, and depreciation expense amounted to \$1,265,265.

SCOTTS VALLEY WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 7 – CAPITAL ASSETS AND DEPRECIATION (continued)

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

Description	Balance July 1, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Non-depreciable assets:				
Land	\$ 1,218,697	\$ -	\$ -	\$ 1,218,697
Construction-in-process	336,683	4,204,318	(1,562,283)	2,978,718
Total non-depreciable assets	1,555,380	4,204,318	(1,562,283)	4,197,415
Depreciable assets:				
Water rights – recycled water	5,267,834	-	-	5,267,834
Water treatment	9,446,610	128,942	-	9,575,552
Recycled water system	2,654,867	-	-	2,654,867
Source of supply – wells	6,677,359	-	-	6,677,359
Transmission and distribution system	9,957,772	215,488	-	10,173,260
Reservoirs and tanks	7,286,514	-	-	7,286,514
Pumping	2,340,638	15,540	-	2,356,178
Buildings and improvements	1,913,490	36,180	-	1,949,670
Infrastructure	2,757,262	-	-	2,757,262
Equipment and tools	1,256,410	117,430	-	1,373,840
Office equipment	257,207	-	-	257,207
Transportation	847,213	-	-	847,213
Total depreciable assets	50,663,176	513,580	-	51,176,756
Accumulated depreciation:				
Water rights – recycled water	(2,210,635)	(102,004)	-	(2,312,639)
Water treatment	(4,850,535)	(156,950)	-	(5,007,485)
Recycled water system	(1,074,315)	(66,718)	-	(1,141,033)
Source of supply – wells	(3,906,329)	(145,380)	-	(4,051,709)
Transmission and distribution system	(6,517,066)	(200,274)	-	(6,717,340)
Reservoirs and tanks	(3,879,765)	(167,126)	-	(4,046,891)
Pumping	(1,346,551)	(101,266)	-	(1,447,817)
Buildings and improvements	(807,974)	(57,811)	-	(865,785)
Infrastructure	(650,221)	(121,156)	-	(771,377)
Equipment and tools	(960,390)	(63,586)	-	(1,023,976)
Office equipment	(243,253)	(4,681)	-	(247,934)
Transportation	(596,345)	(50,237)	-	(646,582)
Total accumulated depreciation	(27,043,379)	(1,237,189)	-	(28,280,568)
Total depreciable assets, net	23,619,797	(723,609)	-	22,896,188
Total capital assets, net	\$ 25,175,177	\$ 3,480,709	\$ (1,562,283)	\$ 27,093,603

In fiscal year 2024, major capital assets additions amounted to \$3,155,615, and depreciation expense amounted to \$1,237,189.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 8 – COMPENSATED ABSENCES

Changes in compensated absences for the fiscal year ended June 30, 2025, and 2024, were as follows:

Balance July 1, 2024	Net Change	Balance June 30, 2025	Current Portion	Long-term Portion
\$ 159,811	\$ 94,449	\$ 254,260	\$ 63,565	\$ 190,695

Balance July 1, 2023	Net Change	Balance June 30, 2024	Current Portion	Long-term Portion
\$ 177,580	\$ (17,769)	\$ 159,811	\$ 44,395	\$ 115,416

As of June 30, 2025, the total liability for compensated absences was \$254,260, of which \$63,565 is expected to be paid within one year and is reported as a current liability. The beginning balance of compensated absences as of July 1, 2024, reflected an immaterial difference upon implementation of GASB Statement No. 101; therefore, no restatement was required.

NOTE 9 – LOAN PAYABLE

Changes in loan payable for the year ended June 30, 2025, were as follows:

Loan Payable	Balance July 1, 2024	Additions	Payments	Balance June 30, 2025	Current Portion	Long-term Portion
2016 Loan Payable	\$ 2,080,571	\$ -	\$ (697,811)	\$ 1,382,760	\$ 714,404	\$ 668,356
2021 Loan Payable	5,629,000	-	(252,000)	5,377,000	259,000	5,118,000
Total notes payable	\$ 7,709,571	\$ -	\$ (949,811)	\$ 6,759,760	\$ 973,404	\$ 5,786,356

Changes in loan payable for the year ended June 30, 2024, were as follows:

Loan Payable	Balance July 1, 2023	Additions	Payments	Balance June 30, 2024	Current Portion	Long-term Portion
2016 Loan Payable	\$ 2,765,891	\$ -	\$ (685,320)	\$ 2,080,571	\$ 697,811	\$ 1,382,760
2021 Loan Payable	5,875,000	-	(246,000)	5,629,000	252,000	5,377,000
Total notes payable	\$ 8,640,891	\$ -	\$ (931,320)	\$ 7,709,571	\$ 949,811	\$ 6,759,760

2016 – Loan Payable

In December 2016, the District entered into a loan payable agreement of \$6,049,548 with JPMorgan Chase Bank to provide funds to prepay the 2004 and 2011 outstanding debt balances. Terms of the agreement provide for principal payable semi-annually on January 1st and July 1st at the rate of 1.85% per annum. Future principal and interest payments on the loan payable are as follows:

SCOTTS VALLEY WATER DISTRICT*Notes to Financial Statements**June 30, 2025 and 2024***NOTE 9 – LOAN PAYABLE (continued)****2016 – Loan Payable (continued)**

Fiscal Year	Principal	Interest	Total
2026	\$ 714,404	\$ 18,973	\$ 733,377
2027	467,752	8,038	475,790
2028	200,604	1,855	202,459
Total	1,382,760	\$ 28,866	\$ 1,411,626
Current	(714,404)		
Long-term	\$ 668,356		

2021 – Loan Payable

On July 1, 2021, the District entered into an installment sale agreement of \$6,115,000 with First Foundation Public Finance to provide funds for financing certain public water facilities. The terms of the agreement provide for principal payable semi-annually on January 1st and July 1st at the rate of 2.43% per annum.

Future principal and interest payments on the loan payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 259,000	\$ 127,514	\$ 386,514
2027	265,000	121,148	386,148
2028	271,000	114,635	385,635
2029	278,000	107,965	385,965
2030	285,000	101,124	386,124
2031-2035	1,534,000	396,941	1,930,941
2036-2040	1,732,000	189,576	1,921,576
2041-2042	753,000	27,556	780,556
Total	5,377,000	\$ 1,186,459	\$ 6,563,459
Current	(259,000)		
Long-term	\$ 5,118,000		

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY**Summary**

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

Description	June 30, 2025	June 30, 2024
Pension related deferred outflows	\$ 888,208	\$ 1,366,327
Net pension liability	1,310,163	1,442,654
Pension related deferred inflows	694,399	1,187,814

Qualified employees of the District are covered under a multiple-employer defined benefit pension plan maintained by the California Public Employees' Retirement System (CalPERS), or "The Plan".

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (continued)

A. General Information about the Pension Plan

The Plan

The District contracts with CalPERS to provide retirement benefits for its employees in the following Plans:

	Miscellaneous Plans		
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3
Hire date	Prior to July 1, 2011	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5-years of service	5-years of service	5-years of service
Benefits payments	monthly for life	monthly for life	monthly for life
Retirement age	50+	50+	52+
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required member contribution rates	8.000%	7.000%	7.750%
Required employer contribution rates – FY 2024	16.240%	11.840%	7.680%
Required employer contribution rates – FY 2023	14.340%	10.320%	7.470%

Plan Description, Benefits Provided, and Employees Covered

The District participates in a cost-sharing multiple-employer defined benefit pension plan. 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, 2024 and 2023 Annual Actuarial Valuation Reports. The Annual Actuarial Valuation Reports and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

At June 30, 2024 (measurement date), the following members were covered by the benefit terms:

Plan Members	Classic Tier 1 & 2	PEPRA Tier 3	Total
Active members	9	8	17
Transferred and terminated members	9	8	17
Retired members and beneficiaries	24	-	24
Total plan members	42	16	58

At June 30, 2023 (measurement date), the following members were covered by the benefit terms:

Plan Members	Classic Tier 1 & 2	PEPRA Tier 3	Total
Active members	11	8	19
Transferred and terminated members	9	7	16
Retired members and beneficiaries	22	-	22
Total plan members	42	15	57

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (continued)

A. General Information about the Pension Plan (continued)

Plan Description, Benefits Provided, and Employees Covered (continued)

CalPERS provides retirement, disability benefits, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for retirement upon attainment of age 50 with at least 5 years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for retirement upon attainment of age 52 with at least 5 years of service. The retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the highest average pay rate during any consecutive three-year period.

Members are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service.

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%.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

SCOTTS VALLEY WATER DISTRICT*Notes to Financial Statements**June 30, 2025 and 2024***NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (continued)****A. General Information about the Pension Plan (continued)****Contribution Description (continued)**

Contributions for the year ended June 30, 2025, were as follows:

Contribution Type	Miscellaneous Plans		PEPRA Tier 3	Total
	Classic Tier 1	Classic Tier 2		
Contributions – employer	\$ 74,336	\$ 142,745	\$ 72,345	\$ 289,426

Contributions for the year ended June 30, 2024, were as follows:

Contribution Type	Miscellaneous Plans		PEPRA Tier 3	Total
	Classic Tier 1	Classic Tier 2		
Contributions – employer	\$ 37,499	\$ 126,599	\$ 56,041	\$ 220,139

Employer contributions rates may change if Plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any employer paid member contributions or situations where members are paying a portion of the employer contribution.

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**Proportionate Share of Net Pension Liability and Pension Expense**

The following tables show the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan:

Changes in the net pension liability for the fiscal year ended June 30, 2025, are as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2023 (Measurement Date)	\$ 13,035,039	\$ 11,592,385	\$ 1,442,654
Balance as of June 30, 2024 (Measurement Date)	\$ 13,505,285	\$ 12,195,122	\$ 1,310,163
Change in Plan Net Pension Liability	\$ 470,246	\$ 602,737	\$ (132,491)

Changes in the net pension liability for the fiscal year ended June 30, 2024, are as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2022 (Measurement Date)	\$ 12,428,071	\$ 11,028,393	\$ 1,399,678
Balance as of June 30, 2023 (Measurement Date)	\$ 13,035,039	\$ 11,592,385	\$ 1,442,654
Change in Plan Net Pension Liability	\$ 606,968	\$ 563,992	\$ 42,976

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (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)

For the years ended June 30, 2025 and 2024 pension expense was \$141,641 and \$392,358, respectively.

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, 2021 and 2019). 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.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2024 and 2023). 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, 2024 and 2023 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2024 fiscal year and the 2023 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).

As of June 30, 2025 and 2024, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$1,310,163 and \$1,442,654, respectively.

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, 2024, 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 rolled forward to June 30, 2023 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.

SCOTTS VALLEY WATER DISTRICT*Notes to Financial Statements**June 30, 2025 and 2024***NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (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, 2024, measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2025	Fiscal Year Ending June 30, 2024	
Measurement Date	June 30, 2024	June 30, 2023	
Percentage of Risk Pool Net Pension Liability	0.027088%	0.028851%	-0.001763%
Percentage of Plan (PERF C) Net Pension Liability	0.027088%	0.011564%	0.015524%

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 Ending June 30, 2024	Fiscal Year Ending June 30, 2023	
Measurement Date	June 30, 2023	June 30, 2022	
Percentage of Risk Pool Net Pension Liability	0.028851%	0.029913%	-0.001062%
Percentage of Plan (PERF C) Net Pension Liability	0.011564%	0.012118%	-0.000554%

The total amount of \$289,426 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 289,426	\$ -
Difference between actual and proportionate share of employer contributions	305,923	(234,001)
Adjustment due to differences in proportions	70,485	(455,979)
Differences between expected and actual experience	113,276	(4,420)
Differences between projected and actual earnings on pension plan investments	75,425	-
Changes in assumptions	33,673	-
Total Deferred Outflows/(Inflows) of Resources	\$ 888,208	\$ (694,400)

SCOTTS VALLEY WATER DISTRICT*Notes to Financial Statements**June 30, 2025 and 2024***NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (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 total amount of \$220,139 reported as deferred outflows of resources related to contributions subsequent to the measurement date was recognized as a reduction of the net pension liability in the year ended June 30, 2025. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 220,139	\$ -
Difference between actual and proportionate share of employer contributions	742,955	(90,706)
Adjustment due to differences in proportions	8,857	(1,085,675)
Differences between expected and actual experience	73,698	(11,433)
Differences between projected and actual earnings on pension plan investments	233,579	-
Changes in assumptions	87,099	-
Total Deferred Outflows/(Inflows) of Resources	\$ 1,366,327	\$ (1,187,814)

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the year ended June 30, 2025, will be amortized to pension expense in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2026	\$ (132,163)
2027	92,214
2028	(29,822)
2029	(25,847)
Total	\$ (95,618)

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (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)

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the year ended June 30, 2024, will be amortized to pension expense in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2025	\$ (101,400)
2026	(88,596)
2027	141,669
2028	6,701
Total	\$ (41,626)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023, total pension liability. The June 30, 2024, total pension liability and the June 30, 2023, total pension liability were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 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 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 of 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:

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (continued)

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

Long-term Expected Rate of Return (continued)

The table below reflects the long-term expected real rate of return by asset class.

Asset Class	Assumed Asset Allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Estate	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

¹ An expected inflation of 2.3% is used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

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

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Changes in the discount rate for the year ended June 30, 2025, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	\$ 3,132,572	\$ 1,310,163	\$ (189,947)

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN AND NET PENSION LIABILITY (continued)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (continued)

Changes in the discount rate for the year ended June 30, 2024, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	\$ 3,205,587	\$ 1,442,654	\$ (8,392)

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.

NOTE 11 – TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY

Summary

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

Description	June 30, 2025	June 30, 2024
OPEB related deferred outflows	\$ 116,887	\$ 116,373
Total OPEB liability – current	152,647	106,071
Total OPEB liability – non-current	1,373,824	1,494,132
Total OPEB liability	\$ 1,526,471	\$ 1,600,203

A. General Information about the OPEB Plan

Plan Description

The District's defined benefit Other Post-Employment Benefit (OPEB) Plan (Plan) provides benefits for all employees covered by the Plan as listed below. The Plan is a single-employer defined benefit OPEB plan administered by the District. The District's Board has the authority to establish and amend the benefit terms and financing requirements of the Plan. Effective January 1, 2015, the District participates in a retiree benefits program through Association of California Water Agencies (ACWA/JPIA). The District does not have an OPEB trust established and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

The District offers medical benefits to retired employees who satisfy the eligibility rules. Spouses and surviving spouses are also eligible to receive benefits. Retirees may enroll in any plan available through the District's Plan provider. The contribution requirements of Plan members and the District are established in the Memorandum of Understanding with Scotts Valley Water District Employees Union AFSCME Local 101 AFL-CIO (Union).

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 11 – TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (continued)

A. General Information about the OPEB Plan (continued)

Benefits Provided (continued)

The District pays 100% of the premiums for employee only or employee plus one coverage up to the non-Medicare rates for the High Deductible Health Plan (HDHP) and similar Medicare rates for post-65 coverage. Mixed two-party contracts where either the retiree or other covered party is on Medicare will also be subject to the non-Medicare maximum. The benefits include medical, dental, and vision. The District pays 100% of the cost for dental and vision coverage.

Employees Covered by Benefit Terms

At June 30, 2024 and 2023 (Measurement Dates), the following employees were covered by the benefit terms:

	June 30, 2024	June 30, 2023
Inactive plan members or spouses currently receiving benefits	17	17
Inactive plan members entitled to but not yet receiving benefits	-	-
Active plan members	1	1
Total	18	18

Total OPEB Liability

The District's total OPEB liability of \$1,526,471 and \$1,600,203 were measured as of June 30, 2024 and 2023, respectively, and were determined by an actuarial valuation as of that date. These amounts were reported as of June 30, 2025 and 2024, respectively.

Payable to the OPEB Plan

At June 30, 2024 and 2023, respectively, the District had no outstanding amount of contributions required to the OPEB plan.

B. Total OPEB Liability

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 and 2023 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation/Measurement Date	June 30, 2024	June 30, 2023
Experience Study	N/A	N/A
Discount rate	3.93%	3.65%
Inflation	2.50%	2.50%
Salary increases	2.75%	2.75%
Healthcare cost trend rates	4.0 percent	4.0 percent

The mortality assumptions are based on the 2017 CalPERS Active and Retiree Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

The retirement assumptions are based on the 2014 CalPERS 2.7%@55 Rates for Miscellaneous Employees table and the 2009 CalPERS 2.0%@55 Rates for Miscellaneous Employees.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 11 – TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (continued)

B. Total OPEB Liability (continued)

Actuarial Assumptions (continued)

The turnover assumptions are based on the 2017 CalPERS Turnover for Miscellaneous Employees table. CalPERS periodically studies the mortality, retirement and turnover assumptions for participating agencies and establishes tables that are appropriate for each pool.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.93% and 3.65% for the fiscal years ended June 30, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions would be sufficient to fully fund the liability over a period not to exceed 30 years. Based on this assumption, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. The discount rate used historic 27-year real rates of return for each asset class along with an assumed long-term inflation assumption to set the discount rate. The expected investment return was offset by investment expenses of 25 basis points. The Bond Buyer 20 Bond Index was used.

C. Changes in the Total OPEB Liability

Changes in the Total OPEB Liability for June 30, 2025, were as follows:

	Increase (Decrease)		
	OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balance at July 1, 2024 (Measurement date July 1, 2023)	\$ 1,600,203	\$ -	\$ 1,600,203
Changes for the year:			
Service cost	11,678	-	11,678
Interest	56,774	-	56,774
Changes in assumptions	(41,012)	-	(41,012)
Changes in experience	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	101,172	(101,172)
Benefit payments	(101,172)	(101,172)	-
Net changes	(73,732)	-	(73,732)
Balance at June 30, 2025 (Measurement date June 30, 2024)	\$ 1,526,471	\$ -	\$ 1,526,471

Changes in the Total OPEB Liability for June 30, 2024, were as follows:

	Increase (Decrease)		
	OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balance at July 1, 2023 (Measurement date July 1, 2022)	\$ 1,797,142	\$ -	\$ 1,797,142
Changes for the year:			
Service cost	11,701	-	11,701
Interest	61,788	-	61,788
Changes in assumptions	(663)	-	(663)
Changes in experience	(154,182)	-	(154,182)
Changes in benefit terms	-	-	-
Employer contributions	-	115,583	(115,583)
Benefit payments	(115,583)	(115,583)	-
Net changes	(196,939)	-	(196,939)
Balance at June 30, 2024 (Measurement date June 30, 2023)	\$ 1,600,203	\$ -	\$ 1,600,203

SCOTTS VALLEY WATER DISTRICT*Notes to Financial Statements**June 30, 2025 and 2024***NOTE 11 – TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (continued)****C. Changes in the Total OPEB Liability (continued)****Sensitivity of the Total OPEB Liability to changes in the discount rate**

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

Sensitivity of the Total OPEB liability to changes in the discount rate for the fiscal year ended June 30, 2024:

Plan's Total OPEB Liability/(Asset)		
Discount Rate	Current	Discount Rate
1% Decrease	Discount Rate	1% Increase
2.93%	3.93%	4.93%
\$ 1,673,885	\$ 1,526,471	\$ 1,405,166

Sensitivity of the Total OPEB liability to changes in the discount rate for the fiscal year ended June 30, 2023:

Plan's Total OPEB Liability/(Asset)		
Discount Rate	Current	Discount Rate
1% Decrease	Discount Rate	1% Increase
2.65%	3.65%	4.65%
\$ 1,759,344	\$ 1,600,203	\$ 1,464,119

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

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

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates for June 30, 2024:

Trend Rate	Healthcare Cost	Trend Rate
1% Decrease	Trend Rates	1% Increase
3.0%	4.0%	5.0%
\$ 1,380,370	\$ 1,526,471	\$ 1,692,739

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates for June 30, 2023:

Trend Rate	Healthcare Cost	Trend Rate
1% Decrease	Trend Rates	1% Increase
3.0%	4.0%	5.0%
\$ 1,456,056	\$ 1,600,203	\$ 1,767,626

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 11 – TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (continued)

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

For the fiscal years ended June 30, 2025 and 2024, the District recognized OPEB expense/(credit) of \$27,440 and (\$81,356), respectively. At June 30, 2025 and 2024, the District reported deferred outflows of resources related to OPEB for plan contributions subsequent to the measurement date of \$116,887 and \$116,373, respectfully. The amount reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date of the Total OPEB liability will be recognized as a reduction of the Total OPEB liability in the year ended June 30, 2026 and 2025, respectively.

NOTE 12 – NET POSITION – NET INVESTMENT IN CAPITAL ASSETS

The net investment in capital assets component of net position was calculated at June 30th as follows:

Description	June 30, 2025	June 30, 2024
Net investment in capital assets:		
Capital assets – not being depreciated	\$ 6,925,738	\$ 4,197,415
Capital assets – being depreciated, net	23,636,473	22,896,188
Loans payable – current portion	(973,404)	(949,811)
Loans payable – non-current portion	(5,786,356)	(6,759,760)
Total net investment in capital assets	\$ 23,802,451	\$ 19,384,032

NOTE 13 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in an Internal Revenue Code §457 Deferred Compensation Program. The purpose of this program is to provide deferred compensation for public employees that elect to participate in the program. 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.

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.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little involvement and does not perform the investing function for this program, the assets and related liabilities are not shown on the accompanying financial statements.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 14 – RISK MANAGEMENT POOL

The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing pool that provides insurance coverage and related services.

A. Entity	ACWA-JPIA
B. Purpose	To pool member contributions and realize the advantages of self-insurance
C. Participants	As of September 30, 2024 – 401 member districts
D. Governance	Nine representatives employed by members
E. District payments for FY 2025:	
Property/Liability policy	\$174,886
Workers' compensation policy	\$33,124
F. Condensed financial information	September 30, 2024
Audit dated	March 27, 2025
Statement of financial position:	Sept 30, 2024
Total assets	\$ 308,144,466
Deferred outflows	3,099,110
Total liabilities	177,706,110
Deferred inflows	4,357,741
Net position	\$ 129,179,725
Statement of revenues, expenses and changes in net position:	
Total revenues	\$ 261,895,930
Total expenses	(253,429,117)
Change in net position	8,466,813
Beginning – net position	120,712,912
Ending – net position	\$ 129,179,725
G. Member agencies share of year-end financial position	Not Calculated

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 14 – RISK MANAGEMENT POOL (continued)

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. At June 30, 2025, the District participated in the liability, property, and workers compensation programs of the ACWA/JPIA as follows:

- Property coverage of \$150 million, per occurrence, with liability limits varying by property. Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$150 million, subject to a deductible between \$500 and \$5,000 depending on the type of property. Property coverage includes flood coverage with various deductibles and earthquake coverage with deductibles of 5% per unit of insurance, \$75,000 minimum.
- Liability coverage of \$5 million, per occurrence, with self-insurance and additional excess coverage layers up to \$60 million.
- Crime coverage: Limit of coverage \$100,000 with a deductible of \$1,000.
- Workers Compensation of \$2 million each accident or each employee.

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 ending June 30, 2025, 2024, and 2023. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2025, 2024, and 2023.

NOTE 15 – RISK DISCLOSURE: CONCENTRATION OF REVENUE SOURCE (GASB STATEMENT NO. 102)

The District is subject to systematic risk due to receiving over 53% of its revenues from water sales. This dependence exposes the District to potential service interruptions or financial impacts in the event of drought conditions, regulatory restrictions, or contamination of the water source. Although the District has contingency plans and infrastructure in place to supplement supply in emergencies, such alternatives may not fully meet demand or could result in significant additional costs.

The District continues to evaluate and implement diversification strategies, including the development of groundwater recharge projects, recycled water programs, and rate structure adjustments to mitigate these concentration risks.

In accordance with GASB Statement No. 102, Risk Disclosures, this note serves to disclose the concentration of revenue and associated risks that could significantly impact the District's financial position and results of operations.

SCOTTS VALLEY WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water facilities and distribution systems within its service area. As of June 30, 2025, the District had approximately \$865,219 in open construction contracts related to projects in Construction in process.

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

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.

NOTE 17 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 17, 2025, the date on which the financial statements were available to be issued.

Required Supplementary Information

SCOTTS VALLEY WATER DISTRICT*Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended June 30, 2025 and 2024***Last Ten Fiscal Years****California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2015	0.017960%	\$ 1,435,475	\$ 1,332,329	107.74%	82.98%
June 30, 2016	0.020598%	1,782,379	1,272,122	140.11%	79.61%
June 30, 2017	0.021237%	2,106,130	1,458,545	144.40%	77.49%
June 30, 2018	0.021488%	2,070,657	1,591,177	130.13%	78.69%
June 30, 2019	0.022485%	2,304,037	1,703,662	135.24%	77.91%
June 30, 2020	0.023356%	2,541,228	1,726,184	147.22%	76.40%
June 30, 2021	0.025185%	1,362,061	1,753,518	77.68%	87.97%
June 30, 2022	0.012118%	1,399,678	1,838,826	76.12%	88.74%
June 30, 2023	0.011564%	1,442,654	1,994,705	72.32%	88.93%
June 30, 2024	0.011564%	1,310,163	2,029,740	64.55%	90.30%

Notes to Schedule:**Benefit Changes:**

There were no changes in benefits.

Changes in Assumptions:**From fiscal year June 30, 2015 and 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 years 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 was reduced from 7.15% to 6.90% and the inflation rate from 2.50% to 2.30%..

From fiscal years June 30, 2023 to June 30, 2025:

There were no significant changes in assumptions.

SCOTTS VALLEY WATER DISTRICT

Schedule of the District's Contributions to the Pension Plan For the Year Ended June 30, 2025 and 2024

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2016	\$ 157,182	\$ (157,182)	\$ -	1,272,122	12.36%
June 30, 2017	176,792	(176,792)	-	1,458,545	12.12%
June 30, 2018	207,207	(207,207)	-	1,591,177	13.02%
June 30, 2019	250,483	(250,483)	-	1,703,662	14.70%
June 30, 2020	313,392	(313,392)	-	1,726,184	18.16%
June 30, 2021	349,774	(349,774)	-	1,753,518	19.95%
June 30, 2022	388,682	(2,189,071)	(1,800,389)	1,838,826	21.14%
June 30, 2023	369,568	(369,568)	-	1,994,705	18.53%
June 30, 2024	220,139	(220,139)	-	2,029,740	10.85%
June 30, 2025	289,426	(289,426)	-	2,010,445	14.40%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2016	June 30, 2014	Entry Age	Fair Value	2.75%	7.65%
June 30, 2017	June 30, 2015	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Fair Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Fair Value	2.30%	6.90%
June 30, 2025	June 30, 2023	Entry Age	Fair Value	2.30%	6.90%

Amortization Method

Level percentage of payroll, closed

Salary Increases

Depending on age, service, and type of employment

Investment Rate of Return

Net of pension plan investment expense, including inflation

Retirement Age

50 years (2.7%@55), 50 years (2.0%@55), 52 years (2.0%@62)

Mortality

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

SCOTTS VALLEY WATER DISTRICT

Schedule of Changes in the District's Total OPEB Liability and Related Ratios For the Year Ended June 30, 2025 and 2024

Fiscal Year Ended Measurement Date	Last Ten Fiscal Years*				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB liability:					
Service cost	\$ 11,678	\$ 11,701	\$ 16,167	\$ 17,015	\$ 11,702
Interest	56,774	61,788	44,844	54,646	76,448
Changes in assumptions	(41,012)	(663)	(276,050)	8,778	339,880
Differences between expected and actual experience	-	(154,182)	10,136	85,297	11,205
Changes of benefit terms	-	-	-	(440,821)	-
Benefit payments	(101,172)	(115,583)	(121,850)	(140,305)	(145,445)
Net change in total OPEB liability	(73,732)	(196,939)	(326,753)	(415,390)	293,790
Total OPEB liability - beginning	1,600,203	1,797,142	2,123,895	2,539,285	2,245,495
Total OPEB liability - ending	1,526,471	1,600,203	1,797,142	2,123,895	2,539,285
Plan fiduciary net position:					
Contributions - employer	101,172	115,583	121,850	140,305	145,445
Benefit payments	(101,172)	(115,583)	(121,850)	(140,305)	(145,445)
District's total OPEB liability	\$ 1,526,471	\$ 1,600,203	\$ 1,797,142	\$ 2,123,895	\$ 2,539,285
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 1,886,454	\$ 1,838,826	\$ 1,753,518	\$ 1,726,184	\$ 1,703,662
District's total OPEB liability as a percentage of covered payroll	80.92%	87.02%	102.49%	123.04%	149.05%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2020 – There were no changes of benefits terms
Measurement Date June 30, 2021 – Change in census
Measurement Date June 30, 2022 – There were no changes of benefits terms
Measurement Date June 30, 2023 – There were no changes of benefits terms
Measurement Date June 30, 2024 – There were no changes of benefits terms

Changes in Assumptions:

Measurement Date June 30, 2020 – Change in discount rate to 2.20%
Measurement Date June 30, 2021 – Change in discount rate to 2.16%
Measurement Date June 30, 2022 – Change in discount rate to 3.54%
Measurement Date June 30, 2023 – Change in discount rate to 3.65%
Measurement Date June 30, 2024 – Change in discount rate to 3.93%

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

SCOTTS VALLEY WATER DISTRICT

Schedule of Changes in the District's Total OPEB Liability and Related Ratios (continued) *For the Year Ended June 30, 2025 and 2024*

	Last Ten Fiscal Years*		
Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:			
Service cost	\$ 19,190	\$ 18,631	\$ 18,018
Interest	94,207	94,606	96,029
Changes in assumptions	(257,933)	(33,754)	-
Differences between expected and actual experience	(215,234)	-	-
Benefit payments	(153,549)	(169,107)	(143,918)
Net change in total OPEB liability	(513,319)	(89,624)	(29,871)
Total OPEB liability - beginning	2,758,814	2,848,438	2,878,309
Total OPEB liability - ending	2,245,495	2,758,814	2,848,438
Plan fiduciary net position:			
Contributions - employer	153,549	169,107	143,918
Benefit payments	(153,549)	(169,107)	(143,918)
District's total OPEB liability	\$ 2,245,495	\$ 2,758,814	\$ 2,848,438
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered payroll	\$ 1,591,177	\$ 1,458,545	\$ 1,272,122
District's total OPEB liability as a percentage of covered payroll	141.12%	189.15%	223.91%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes of benefits terms
Measurement Date June 30, 2018 – There were no changes of benefits terms
Measurement Date June 30, 2019 – There were no changes of benefits terms

Changes in Assumptions:

Measurement Date June 30, 2017 – There were no changes in assumptions
Measurement Date June 30, 2018 – There were no changes in assumptions except change in discount rate
Measurement Date June 30, 2019 – Change in projected payroll growth to 2.75% and long-term medical trend rate to 4.00%

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

SCOTTS VALLEY WATER DISTRICT

Schedule of the District's Contributions to the OPEB Plan For the Year Ended June 30, 2025 and 2024

Fiscal Year Ended	Last Ten Fiscal Years*				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially determined contribution* (Pay-as-you-go funding with No Plan Assets)	\$ 116,887	\$ 116,373	\$ 115,583	\$ 121,850	\$ 140,200
Contributions in relation to the actuarially determined contributions	(116,887)	(116,373)	(115,583)	(121,850)	(140,200)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,943,290	\$ 1,886,454	\$ 1,838,826	\$ 1,753,518	\$ 1,726,184
Contributions as a percentage of covered-employee payroll	6.01%	6.17%	6.29%	6.95%	8.12%

Notes to Schedule:

Valuation Date	June 30, 2023	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method Entry age normal	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Discount rate	3.93%	3.65%	3.54%	2.16%	2.20%
Inflation	2.50%	2.50%	2.50%	2.50%	2.75%
Payroll increases	2.75%	2.75%	2.75%	2.75%	2.75%
Mortality	(2)	(2)	(2)	(2)	(2)
Morbidity	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Disability	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(3)	(3)	(3)	(3)	(3)
Percent Married - Spouse Support	80%	80%	80%	80%	80%
Healthcare trend rates	4.00%	4.00%	4.00%	4.00%	4.00%

(1) Closed period, level percent of pay

(2) SOA Pub-2010 using Scale MP-2017

(3) CalPERS Public Agency Miscellaneous 2.7% @55, 2.0% @55 and 2.0% @62

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

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

SCOTTS VALLEY WATER DISTRICT
Schedule of the District's Contributions to the OPEB Plan
For the Year Ended June 30, 2025 and 2024

Fiscal Year Ended	Last Ten Fiscal Years*		
	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution* (Pay-as-you-go funding with No Plan Assets)	\$ 145,445	\$ 153,549	\$ 169,107
Contributions in relation to the actuarially determined contributions	(145,445)	(153,549)	(169,107)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,703,662	\$ 1,591,177	\$ 1,458,545
Contributions as a percentage of covered-employee payroll	8.54%	9.65%	11.59%

Notes to Schedule:

Valuation Date	June 30, 2019	June 30, 2017	June 30, 2017
Methods and Assumptions Used to Determine Contribution Rates:			
Actuarial cost method Entry age normal	Entry Age	Entry Age	Entry Age
Amortization method Closed period, level percent of pay	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value
Discount rate	3.50%	3.50%	3.40%
Inflation	2.75%	2.75%	2.75%
Payroll increases	2.75%	3.00%	3.00%
Mortality	(2)	(2)	(2)
Morbidity	Not Valued	Not Valued	Not Valued
Disability	Not Valued	Not Valued	Not Valued
Retirement	(3)	(3)	(3)
Percent Married - Spouse Support	80%	80%	80%
Healthcare trend rates	4.00%	6.50% to 5.00%	6.50% to 5.00%

(1) Closed period, level percent of pay

(2) SOA Pub-2010 using Scale MP-2017

(3) CalPERS Public Agency Miscellaneous 2.7% @55, 2.0% @55 and 2.0% @62

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

Supplementary Information

SCOTTS VALLEY WATER DISTRICT
Combining Schedules of Balance Sheets
For the Year Ended June 30, 2025

	Water Fund	Recycled Water Fund	Total
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
Current assets:			
Cash and cash equivalents	\$ 7,807,902	\$ -	\$ 7,807,902
Accrued interest receivable	71,561	1,050	72,611
Accounts receivable, net	1,270,325	201,998	1,472,323
Property taxes receivable	102,632	-	102,632
Grant receivable	3,572,002	-	3,572,002
Other receivables	7,720	-	7,720
Notes receivable	-	10,000	10,000
Inventory – materials and supplies	263,194	-	263,194
Prepaid expenses	67,997	-	67,997
Total current assets	13,163,333	213,048	13,376,381
Non-current assets:			
Restricted – cash and cash equivalents	1,051,525	-	1,051,525
Investments	1,986,174	-	1,986,174
Notes receivable	-	25,000	25,000
Interagency due (to)/from	1,093,007	(1,093,007)	-
Investment in SMGA – JPA	208,513	-	208,513
Capital assets – not being depreciated	6,925,738	-	6,925,738
Capital assets – being depreciated, net	19,206,657	4,429,816	23,636,473
Total non-current assets	30,471,614	3,361,809	33,833,423
Total assets	43,634,947	3,574,857	47,209,804
Deferred outflows of resources:			
Deferred amounts related to net OPEB liability	105,199	11,688	116,887
Deferred amounts related to net pension liability	799,386	88,822	888,208
Total deferred outflows of resources	904,585	100,510	1,005,095
Total assets and deferred outflows of resources	\$ 44,539,532	\$ 3,675,367	\$ 48,214,899

SCOTTS VALLEY WATER DISTRICT
Combining Schedules of Balance Sheets (continued)
For the Year Ended June 30, 2025

	Water Fund	Recycled Water Fund	Total
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 2,930,860	\$ 41,834	\$ 2,972,694
Customer deposits for services	120,003	7,108	127,111
Accrued interest payable	78,121	-	78,121
Long-term liabilities – due within one year:			
Compensated absences	57,208	6,357	63,565
Loan payable	692,500	280,904	973,404
Total OPEB liability	142,040	10,607	152,647
Total current liabilities	4,020,732	346,810	4,367,542
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences	171,625	19,070	190,695
Loan payable	5,523,559	262,797	5,786,356
Total OPEB liability	1,231,784	142,040	1,373,824
Net pension liability	1,179,147	131,016	1,310,163
Total non-current liabilities	8,106,115	554,923	8,661,038
Total liabilities	12,126,847	901,733	13,028,580
Deferred inflows of resources:			
Deferred amounts related to net pension liability	624,959	69,440	694,399
Total deferred inflows of resources	624,959	69,440	694,399
Net position:			
Net investment in capital assets	19,916,336	3,886,115	23,802,451
Unrestricted	11,871,390	(1,181,921)	10,689,469
Total net position	31,787,726	2,704,194	34,491,920
Total liabilities, deferred inflows of resources and net position	\$ 44,539,532	\$ 3,675,367	\$ 48,214,899

SCOTTS VALLEY WATER DISTRICT*Combining Schedules of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2025*

	Water Fund	Recycled Water Fund	Total
Operating revenues:			
Water sales	\$ 4,969,778	\$ 664,431	\$ 5,634,209
Water service	2,791,592	102,815	2,894,407
Other fees and charges	48,338	150	48,488
Total operating revenues	7,809,708	767,396	8,577,104
Operating expenses:			
Source of supply	170,055	-	170,055
Pumping	620,720	-	620,720
Water treatment	313,646	-	313,646
Recycled water	-	666,417	666,417
Transmission and distribution	2,611,672	-	2,611,672
Finance, customer service and conservation	976,142	-	976,142
General and administrative	810,240	-	810,240
Total operating expenses	5,502,475	666,417	6,168,892
Operating income before depreciation	2,307,233	100,979	2,408,212
Depreciation expense	(1,074,716)	(190,549)	(1,265,265)
Operating income (loss)	1,232,517	(89,570)	1,142,947
Non-operating revenues(expenses):			
Property taxes	1,557,681	-	1,557,681
Change in investment in SMGA-JPA	(150,079)	-	(150,079)
Investment earnings	467,570	2,100	469,670
Interest expense	(156,242)	-	(156,242)
City of Santa Cruz – grant related pass-through expenses	(2,244,177)	-	(2,244,177)
Other non-operating revenues	17,634	-	17,634
Transfers In/(Out)	(274,380)	274,380	-
Total non-operating income	(781,993)	276,480	(505,513)
Change in net position before capital contributions	450,524	186,910	637,434
Capital contributions:			
Capacity buy-in fee	189,142	-	189,142
State capital grant	4,693,483	-	4,693,483
Total capital contributions	4,882,625	-	4,882,625
Change in net position	5,333,149	186,910	5,520,059
Net position:			
Beginning of year	26,454,577	2,517,284	28,971,861
End of year	<u>\$ 31,787,726</u>	<u>\$ 2,704,194</u>	<u>\$ 34,491,920</u>

Other Independent Auditors' Reports



**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
Scotts Valley Water District
Scotts Valley, 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 Scotts Valley Water District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Scotts Valley Water District's basic financial statements, and have issued our report thereon dated December 17, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Scotts Valley Water District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Walnut Creek, California
December 17, 2025

Statistical Section

SCOTTS VALLEY WATER DISTRICT

Changes in Net Position and Net Position by Component Last Ten Fiscal Years

	Fiscal Year				
	2016	2017	2018	2019	2020
Changes in net position:					
Operating revenues	\$4,048,964	\$4,549,738	\$5,647,160	\$6,025,665	\$6,674,839
Operating expenses	(5,692,368)	(5,613,137)	(6,242,979)	(5,715,261)	(6,089,055)
Operating income (loss)	(1,643,404)	(1,063,399)	(595,819)	310,404	585,784
Non-Operating revenues (expenses)					
Property Taxes Ad-Valorem	775,679	839,095	923,894	975,085	1,030,321
Investment earnings	39,106	25,159	22,574	35,893	66,477
Interest expense	(417,796)	(703,031)	(143,774)	(94,956)	(86,262)
Other non-operating revenues	498,070	8,468	81,241	62,910	119,616
Other non-operating expenses	-	-	-	-	(240,719)
Total non-operating revenues(expenses), net	895,059	169,691	883,935	978,932	889,433
Net income before capital contributions	(748,345)	(893,708)	288,116	1,289,336	1,475,217
Capital contributions	335,704	803,279	515,963	434,636	761,665
Changes in net position	(412,641)	(90,429)	804,079	1,723,972	2,236,882
Net position, beginning of period	16,626,644	16,214,003	14,562,508	15,366,587	17,090,559
Prior period adjustments	-	(1,561,066)	-	-	-
Net position, end of period	16,214,003	14,562,508	15,366,587	17,090,559	19,327,441
Net position by component					
Net investment in capital assets	13,665,884	14,790,579	16,664,117	16,974,413	17,684,486
Debt service (restricted):	749,404	-	-	-	-
Unrestricted	1,798,715	(228,071)	(1,297,530)	116,146	1,642,955
Total net position	16,214,003	14,562,508	15,366,587	17,090,559	19,327,441

	Fiscal Year				
	2021	2022	2023	2024	2025
Changes in net position:					
Operating revenues	\$6,985,681	\$7,454,898	\$7,605,864	\$7,689,553	\$8,577,104
Operating expenses	(7,012,656)	(6,410,365)	(7,967,504)	(7,041,290)	(7,434,157)
Operating income (loss)	(26,975)	1,044,533	(361,640)	648,263	\$1,142,947
Non-Operating revenues (expenses)					
Property Taxes Ad-Valorem	1,057,540	1,241,664	1,398,325	1,557,187	1,557,681
Investment earnings	6,936	(29,611)	90,570	388,890	469,670
Interest expense	(75,834)	(113,485)	(193,897)	(175,275)	(156,242)
Other non-operating revenues	78,213	71,587	153,318	16,683	17,634
Other non-operating expenses	(357,480)	(425,758)	(224,364)	(202,282)	(2,394,256)
Total non-operating revenues(expenses), net	709,375	744,397	1,223,952	1,585,203	(505,513)
Net income before capital contributions	682,400	1,788,930	862,312	2,233,466	637,434
Capital contributions	569,604	631,711	2,080,442	795,555	4,882,625
Changes in net position	1,252,004	2,420,641	2,942,754	3,029,021	5,520,059
Net position, beginning of period	19,327,441	20,579,445	23,000,086	25,942,840	28,971,861
Prior period adjustments	-	-	-	-	-
Net position, end of period	20,579,445	23,000,086	25,942,840	28,971,861	34,491,920
Net position by component					
Net investment in capital assets	20,391,522	21,084,476	18,889,299	20,421,480	23,807,719
Debt service (restricted):	-	-	-	-	-
Unrestricted	187,923	1,915,610	7,053,541	8,550,381	10,544,979
Total net position	20,579,445	23,000,086	25,942,840	28,971,861	34,352,698

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT*Operating Revenues by Sources**Last Ten Fiscal Years*

Fiscal Year	Water Sales		Service Charges		Total Operating	
	(Potable Water)	(Recycled Water)	(Potable & Recycled Water)	Other	Revenue	
2016	\$ 2,242,642	\$ 382,366	\$ 1,348,590	\$ 75,366	\$ 4,048,964	
2017	2,646,488	352,298	1,497,782	53,170	4,549,738	
2018	3,478,119	455,073	1,671,070	42,898	5,647,160	
2019	3,605,178	446,873	1,927,303	46,311	6,025,665	
2020	4,057,953	508,970	2,076,643	31,273	6,674,839	
2021	4,183,900	543,334	2,230,855	27,592	6,985,681	
2022	4,358,136	555,691	2,509,412	31,659	7,454,898	
2023	4,478,040	418,822	2,666,947	42,055	7,605,864	
2024	4,387,487	481,289	2,780,388	40,389	7,689,553	
2025	4,969,778	664,431	2,894,407	48,488	8,577,104	

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Non-Operating Revenues

Last Ten Fiscal Years

Fiscal Year	Investment Income *	Property Taxes	Interest Expense	Other Income & Expenses, net	Net Non- Operating Revenue / (Expense)
2016	39,106	775,679	(417,796)	498,070	895,059
2017	25,159	839,095	(703,031)	8,468	169,691
2018	22,574	923,894	(143,774)	81,241	883,935
2019	35,893	975,085	(94,956)	62,910	978,932
2020	66,477	1,030,321	(86,262)	(121,103)	889,433
2021	6,936	1,057,540	(75,834)	(279,267)	709,375
2022	(29,611)	1,241,664	(113,485)	(354,171)	744,397
2023	90,570	1,398,325	(193,897)	(71,046)	1,223,952
2024	388,890	1,557,187	(175,275)	(185,599)	1,585,203
2025	469,670	1,550,338	(156,242)	(132,445)	1,731,321

* Includes mark-to-market valuation adjustment of LAIF holdings

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Operating Expenses by Activity

Last Ten Fiscal Years

Fiscal Year	Source of Supply	Pumping	Water Treatment	Recycled Water	Transmission & Distribution	Water Use Efficiency	Finance & Customer Service*	General & Admin*	Total Operating Expenses
2016	97,655	524,177	688,601	546,568	776,096	241,892	207,833	1,695,591	4,778,413
2017	150,614	536,653	660,704	472,105	797,494	158,507	192,925	1,706,288	4,675,290
2018	163,709	445,655	304,122	480,855	1,917,154	**	713,891	871,541	4,896,927
2019	99,307	466,512	293,069	434,404	1,849,596	**	649,335	837,784	4,630,007
2020	182,735	480,655	239,722	472,247	1,990,814	**	659,450	993,681	5,019,304
2021	111,200	464,519	284,701	590,898	2,213,808	**	1,064,016	1,163,905	5,893,047
2022	104,454	469,102	439,819	536,090	1,877,505	**	816,887	1,007,411	5,251,268
2023	104,053	488,373	310,960	847,463	2,253,229	**	1,433,076	1,321,955	6,759,109
2024	143,902	516,628	514,224	573,445	2,191,237	**	1,012,598	852,067	5,804,101
2025	170,055	620,720	313,646	666,417	2,611,672	**	3,212,976	810,240	8,405,726

* Finance included in General & Admin for the period FY 2014 through FY 2017

** Water Use Efficiency included in Finance & Customer Service for the period FY 2018 through FY 2021

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Revenue Base

Last Ten Fiscal Years

Fiscal Year	Potable Water Consumption (Million Gallons)
2016	312
2017	316
2018	344
2019	325
2020	329
2021	340
2022	332
2023	295
2024	302
2025	323

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Customers by Type

Last Ten Fiscal Years

As of June 30	Single Family Residential	Multi Family Residential	Commercial / Institutional	Fire Service	Landscape - Potable	Landscape - Recycled	Bulk Water	Total
2015	3,240	118	291	400	82	62	2	4,195
2016	3,239	117	284	403	81	62	6	4,192
2017	3,244	117	287	412	84	63	18	4,225
2018	3,262	117	290	419	84	64	20	4,256
2019	3,300	117	290	442	83	67	17	4,316
2020	3,333	117	287	453	82	65	12	4,349
2021	3,372	116	298	467	81	60	11	4,405
2022	3,388	117	298	479	79	61	21	4,443
2023	3,436	118	299	501	78	59	7	4,498
2024	3,468	118	299	510	77	60	10	4,542

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT*Outstanding Debt by Type**Last Ten Fiscal Years*

Fiscal Year	Refunding Bonds	Certificates of Participation	Notes Payable	Private Placement	Total Debt	Total Debt per Capita
2016	\$ -	\$ 2,520,000	\$ 4,325,000	\$ -	\$ 6,845,000	\$ 561.30
2017	-	-	-	6,049,548	6,049,548	496.03
2018	-	-	-	5,596,621	5,596,621	458.93
2019	-	-	-	5,136,591	5,136,591	425.14
2020	-	-	-	4,668,012	4,668,012	386.78
2021	-	-	-	4,100,714	4,100,714	334.53
2022	-	-	-	9,552,882	9,552,882	799.87
2023	-	-	-	8,640,891	8,640,891	727.84
2024	-	-	-	7,709,571	7,709,571	652.47
2025	-	-	-	6,759,760	6,759,760	571.36

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Debt Service Coverage

Last Ten Fiscal Years

Fiscal Year	Total Revenues	Operating Expenses	Net Available Revenues	Principal	Interest	Total Debt Service	Coverage Ratio
2016 *	5,361,819	4,778,413	583,406	788,351	268,352	1,056,703	0.55210
2017 *	5,422,460	4,675,290	747,170	445,881	175,881	621,762	1.20170
2018	6,674,869	4,896,927	1,777,942	452,927	143,774	596,701	2.97962
2019	7,099,553	4,630,007	2,469,546	460,030	94,956	554,986	4.44974
2020	7,891,253	5,019,304	2,871,949	468,579	86,262	554,841	5.17617
2021	8,128,370	5,893,047	2,235,323	567,298	75,834	643,132	3.47568
2022	8,768,149	5,251,268	3,516,881	662,832	113,485	776,317	4.53021
2023	9,248,077	6,759,109	2,488,968	911,991	193,897	1,105,888	2.25065
2024	9,652,313	5,804,101	3,848,212	931,320	175,275	1,106,595	3.47753
2025	10,494,606	6,182,902	4,311,704	949,811	156,242	1,106,053	3.89828

* Does not include principal and interest related to the defeasance of the 2004 Refunding Certificates of Participation and 2011 Wells Fargo Bank Loan.

Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Population Estimates – City of Scotts Valley

2015-2019 with 2010 Benchmark and 2020-2025 with 2020 Benchmark

	Santa Cruz County Scotts Valley**
April 1, 2010	11,580
January 1, 2016	12,195
January 1, 2017	12,196
January 1, 2018	12,195
January 1, 2019	12,082
April 1, 2020	12,069
January 1, 2021	12,258
January 1, 2022	11,943
January 1, 2023	11,872
January 1, 2024	11,816
January 1, 2025	11,831

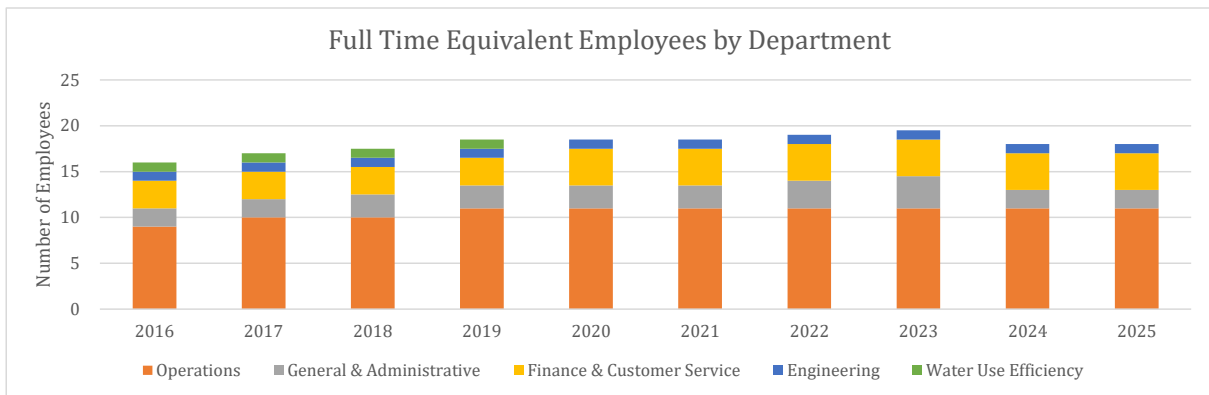
* Data source for 2010 is the 2010 U.S. Census. Data for 2020 is the 2020 U.S. Census. All other data from California Department of Finance.

** The District Service Area includes most of the incorporated area of the City of Scotts Valley as well as a portion of the unincorporated area north of the City.

Source: Provided by Santa Cruz County

SCOTTS VALLEY WATER DISTRICT
Full Time Equivalent Employees by Department
Last Ten Fiscal Years

Fiscal Year	Operations	General & Administrative	Finance & Customer Service	Engineering	Water Use Efficiency	Total
2016	9	2	3	1	1	16
2017	10	2	3	1	1	17
2018	10	2.5	3	1	1	17.5
2019	11	2.5	3	1	1	18.5
2020	11	2.5	4	1	-	18.5
2021	11	2.5	4	1	-	18.5
2022	11	3.0	4	1	-	19.0
2023	11	3.5	4	1	-	19.5
2024	11	2.0	4	1	-	18.0
2025	11	2.0	4	1	-	18.0



Source: Provided by District

SCOTTS VALLEY WATER DISTRICT

Direct and Overlapping Debt

As of June 30, 2025

	Debt Outstanding	Estimated Percentage Applicable⁽¹⁾	Estimated Share of Direct and Overlapping Debt
Direct and Overlapping Tax and Assessment Debt:			
Cabrillo Joint Community College District	\$ 84,706,903	5.730%	4,853,706
Scotts Valley Unified School District	57,015,000	61.125%	34,850,419
Scotts Valley Water District	-	100.000%	-
Santa Cruz Library Facilities Community Facilities District No. 2016-1	53,425,000	6.386%	3,411,721
City of Scotts Valley Community Facilities District No. 97-1	1,345,000	87.272%	1,173,808
Total Direct and Overlapping Tax and Assessment Debt			44,289,654
Overlapping General Fund Debt:			
Santa Cruz County General Fund Obligations	161,987,069	5.779%	9,361,233
Santa Cruz County Office of Education Certificates of Participation	6,193,926	5.779%	357,947
Santa Cruz County Pension Obligation Bonds	103,085,000	5.779%	5,957,282
Scotts Valley Unified School District General Fund Obligations	2,300,000	61.125%	1,405,875
City of Scotts Valley General Fund Obligations	6,365,000	87.732%	5,584,142
Total Overlapping General Fund Debt			22,666,479
Overlapping Tax Increment Debt (Successor Agency)	8,740,000	99.037%	8,655,834
Total Direct Debt			-
Total Overlapping Debt			75,611,967
Combined Total Debt			75,611,967⁽²⁾
2024-25 Assessed Valuation:	3,530,887,239		
Ratios to 2024-25 Assessed Valuation:			
Total Overlapping Tax and Assessment Debt	1.25%		
Total Direct Debt	0.00%		
Combined Total Debt	2.14%		
Ratios to Redevelopment Successor Agency Incremental Valuation		1,219,032,120	
Total Overlapping Tax Increment Debt		0.71%	

(1) The percentage of overlapping debt applicable to the District is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the District divided by the District's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage and non-bonded capital lease obligations.

Source: Provided by Santa Cruz County

SCOTTS VALLEY WATER DISTRICT
Assessed Valuations – Santa Cruz County
2014-2025

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016	\$ 1,977,106,591	\$ -	\$ 74,898,080	\$ 2,052,004,671
2017	2,078,152,308	-	84,632,026	2,162,784,334
2018	2,196,063,260	-	87,973,799	2,284,037,059
2019	2,340,152,176	-	103,841,992	2,443,994,168
2020	2,453,773,705	-	99,809,951	2,553,583,656
2021	2,579,219,859	-	103,267,265	2,682,487,124
2022	2,749,227,175	-	111,343,087	2,860,570,262
2023	3,019,130,440	-	131,013,415	3,150,143,855
2024	3,275,747,132	-	150,887,948	3,426,635,080
2025	3,391,056,963	-	139,830,276	3,530,887,239

2024-25 Total Local Secured Assessed Valuation Breakdown

Residential Property	Commercial Property	Industrial Property	Other Property	Total Local Secured Property
\$ 2,849,527,108	\$ 328,574,127	\$ 132,654,212	\$ 80,301,516	\$ 3,391,056,963

2024-25 Assessed Valuation of Redevelopment Agency Project Area Within the District

Project Area	Total Assessed Valuation	Base Year Valuation	Incremental Valuation
Scotts Valley	1,635,444,274	416,412,154	1,219,032,120

Source: Provided by Santa Cruz County

SCOTTS VALLEY WATER DISTRICT*Typical Total Tax Rate Per \$100 of Assessed Valuation**(TRA 004-053)*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Scotts Valley Unified School District	0.075224	0.051200	0.083657	0.068688	0.086437	0.077672	0.076107	0.071782	0.066545	0.067712
Cabrillo Community College District	0.036693	0.032597	0.024250	0.021023	0.021172	0.024746	0.023703	0.024048	0.024343	0.015332
Total All Property	<u>1.111917</u>	<u>1.083797</u>	<u>1.107907</u>	<u>1.089711</u>	<u>1.107609</u>	<u>1.102418</u>	<u>1.099810</u>	<u>1.095830</u>	<u>1.090888</u>	<u>1.083044</u>

Source: Provided by Santa Cruz County

STAFF REPORT - Finance

Scotts Valley Water District

Date: 01/08/2026
To: Board of Directors
From: General Manager
Item: Staff Reports 7.3
Subject: Preliminary Financial Reports 07/01/25 through 11/30/2025

Summary

Fiscal Year-to-Date (YTD) preliminary figures reflect the period of 07/01/25 through 11/30/25. YTD revenues total \$6.4M and expenses total \$9.0M.

Revenue

November is the fifth month of the fiscal year. YTD potable water sales revenue is \$2.3M, water services revenue is \$1.2M and \$15K from new connections. Property tax revenue of \$31K was collected. Total YTD revenue in the potable water fund, excluding grants, is \$3.66M, equal to 36% of the budget and 1% lower than last year due to decreased water sales.

YTD recycled water sales revenue is \$412K, water services revenue is \$44K, and \$0 from new connections for the period. Total YTD revenue of \$456K in the recycled water fund equals 62% of the budget, which is 4% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are in-line with the budget, with expenses of \$2.95M representing 39% of the budget. Net project expenditures total \$3.2M and the debt service principal payments of \$950K have been made.

Fund Balance

At the end of November, cash reserves were approximately \$8.9M. An additional \$2.0M are held in investments and \$1.1M is booked in Accounts Receivable.

Enclosed

Budget Status Balance 07/01/25 – 11/30/25
Budget Status Revenue 07/01/25 – 11/30/25
Budget Status Expense 07/01/25 – 11/30/25
Projects Expense 07/01/25 – 11/30/25
Balance Sheet 11/30/25
Check Register 11/01/25 – 11/30/25

Budget Status - Balance



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

	FY 2025 YTD Actual 07/01/24 - 11/30/2024	FY 2026 YTD Actual 07/01/25 - 11/30/2025	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Period: 4 months							
Potable Water - Fund 01							
Water Sales & Services (R10, R20)	\$ 3,571,746	\$ 3,482,817	\$ (88,929)	-2%	\$ 8,042,900	\$ 4,560,083	57%
New Connections (R25)	\$ 500	\$ 14,598	\$ 14,098	2820%	\$ 84,184	\$ 69,586	83%
Other Revenue (R30, R40)	\$ 138,654	\$ 2,433,271	\$ 2,294,617	1655%	\$ 5,431,116	\$ 2,997,845	55%
Potable Water Total	\$ 3,710,900	\$ 5,930,686	\$ 2,219,786	60%	\$ 13,558,200	\$ 7,627,514	56%
Recycled Water - Fund 02							
Water Sales & Services (R10, R20)	\$ 436,277	\$ 455,608	\$ 19,331	4%	\$ 713,400	\$ 257,792	36%
New Connections (R25)	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
Other Revenue (R30, R40)	\$ -	\$ -	\$ -	-	\$ 16,600	\$ 16,600	100%
Recycled Water Total	\$ 436,277	\$ 455,608	\$ 19,331	4%	\$ 730,000	\$ 274,392	38%
TOTAL REVENUE	\$ 4,147,178	\$ 6,386,294	\$ 2,239,117	54%	\$ 14,288,200	\$ 7,901,906	55%
Expenses - Fund 01 and Fund 02 Combined							
Salaries & Benefits (E01)	\$ 1,305,866	\$ 1,205,977	\$ (99,889)	-8%	\$ 3,334,641	\$ 2,128,664	64%
Services & Supplies (E03-E80)	\$ 1,143,506	\$ 3,710,900	\$ 2,567,394	225%	\$ 4,199,784	\$ 488,884	12%
Project Expenses	\$ 410,826	\$ 3,226,901	\$ 2,816,075	685%	\$ 13,391,410	\$ 10,164,509	76%
Debt Service - Principal	\$ 931,320	\$ 949,811	\$ 18,491	2%	\$ 949,811	\$ -	0%
TOTAL EXPENSES *	\$ 3,791,518	\$ 9,093,588	\$ 5,302,071	140%	\$ 21,875,646	\$ 12,782,057	58%
NET REVENUE	\$ 355,660	\$ (2,707,294)	\$ (3,062,954)		\$ (7,587,446)	\$ (4,880,151)	

Budget Status - Revenue



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

		FY 2025	FY 2026	FY 2026	YOY	FY 2026	FY 2026	
		YTD Actual	YTD Actual	vs. FY 2025	% change	Budget	Remaining Balance	%
Fund 01	Potable Water							
R10	Operating Revenue - Water Sales							
01-000-41101	Residential Consumption - SF	\$ 1,415,628	\$ 1,320,550	\$ (95,079)	-7%	\$ 2,938,200	\$ 1,617,650	55%
01-000-41102	Residential Consumption - MF	\$ 95,996	\$ 101,798	\$ 5,802	6%	\$ 239,200	\$ 137,402	57%
01-000-41103	CII Consumption	\$ 533,722	\$ 488,738	\$ (44,984)	-8%	\$ 1,288,700	\$ 799,962	62%
01-000-41105	Irrigation Consumption	\$ 310,626	\$ 293,986	\$ (16,640)	-5%	\$ 514,000	\$ 220,014	43%
01-000-41106	CII Consumption - Other	\$ 56,235	\$ 56,270	\$ 34	0%	\$ -	\$ (56,270)	
01-000-41200	Other - Bulk Water	\$ 22,044	\$ 13,625	\$ (8,419)	-38%	\$ 31,000	\$ 17,375	56%
	R10 Sub Totals:	\$ 2,434,252	\$ 2,274,967	\$ (159,285)	-7%	\$ 5,011,100	\$ 2,736,133	55%
R20	Operating Revenue - Water Services							
01-000-41300	Other - Late Penalty	\$ 10,742	\$ 12,382	\$ 1,640	15%	\$ 18,100	\$ 5,718	32%
01-000-42100	Standby Basic Meter Charge	\$ 1,089,983	\$ 1,156,586	\$ 66,603	6%	\$ 2,920,300	\$ 1,763,714	60%
01-000-42121	Standby FP Basic Meter Charge	\$ 33,044	\$ 35,254	\$ 2,210	7%	\$ 84,700	\$ 49,446	58%
01-000-43300	Other Operating Revenue	\$ 3,725	\$ 3,628	\$ (97)	-3%	\$ 8,700	\$ 5,072	58%
	R20 Sub Totals:	\$ 1,137,495	\$ 1,207,850	\$ 70,356	6%	\$ 3,031,800	\$ 1,823,950	60%
R25	Operating Revenue - New Connections							
01-000-42101	Other Meter Fee	\$ -	\$ 353	\$ 353		\$ 1,300	\$ 947	73%
01-000-42102	Other Capacity Fee	\$ -	\$ 13,300	\$ 13,300		\$ 82,184	\$ 68,884	84%
01-000-42120	Other FP Meter Fee	\$ -	\$ 945	\$ 945		\$ 700	\$ (245)	-35%
01-000-43100	Other Will Serve	\$ 500	\$ -	\$ (500)	-100%	\$ -	\$ -	
01-000-43200	Other Dev Proj Review	\$ -	\$ -	\$ -		\$ -	\$ -	
	R25 Sub Totals:	\$ 500	\$ 14,598	\$ 14,098	2820%	\$ 84,184	\$ 69,586	83%
R30	Non-Operating Revenue - Other							
01-000-46000	Property Taxes	\$ 27,208	\$ 31,276	\$ 4,068	15%	\$ 1,637,492	\$ 1,606,216	98%
01-000-47110	Interest & Dividend	\$ 34,526	\$ 47,417	\$ 12,892	37%	\$ 110,494	\$ 63,077	57%
01-000-47120	Interest - LAIF	\$ 76,208	\$ 53,737	\$ (22,470)	-29%	\$ 309,700	\$ 255,963	83%
01-000-47520	Misc. Non-Operating Revenue	\$ 712	\$ 26,629	\$ 25,917	3638%	\$ 9,600	\$ (17,029)	-177%
01-000-47540	Third-Party Reimbursements	\$ -	\$ -	\$ -		\$ -	\$ -	
01-000-47560	Rental Revenue	\$ -	\$ -	\$ -		\$ -	\$ -	
	R30 Sub Totals:	\$ 138,654	\$ 159,060	\$ 20,406	15%	\$ 2,067,286	\$ 1,908,226	92%
01-000-45230	State Grant - DWR 2021	\$ -	\$ 2,274,211	\$ 2,274,211		\$ 3,363,830	\$ 1,089,619	32%
01-000-45231	State Grant - DWR 2022	\$ -	\$ -	\$ -		\$ -	\$ -	
	R40 Sub Totals:	\$ -	\$ 2,274,211	\$ 2,274,211		\$ 3,363,830	\$ 1,089,619	32%
	Fund 01 Revenue:	\$ 3,710,900	\$ 5,930,686	\$ 2,219,786	60%	\$ 13,558,200	\$ 7,627,514	56%
	Fund 01 Rev Excl Grants & Cap	\$ 3,710,900	\$ 3,656,475	\$ (54,425)	-1%	\$ 10,194,370	\$ 6,537,895	64%

Budget Status - Revenue



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 02	Recycled Water							
R10	Operating Revenue - Water Sales							
02-000-41105	Irrigation Consumption	\$ 392,889	\$ 410,238	\$ 17,349	4%	\$ 607,200	\$ 196,962	32%
02-000-41200	Other - Bulk Water	\$ 1,302	\$ 1,608	\$ 306	24%	\$ -	\$ (1,608)	
	R10 Sub Totals:	\$ 394,191	\$ 411,846	\$ 17,655	4%	\$ 607,200	\$ 195,354	32%
02-000-41300	Other - Late Penalty							
02-000-42100	Standby Basic Meter Charge	\$ 41,987	\$ 43,637	\$ 1,651	4%	\$ 106,200	\$ 62,563	59%
02-000-43300	Other Operating Revenue	\$ 100	\$ 125	\$ 25	25%	\$ -	\$ (125)	
	R20 Sub Totals:	\$ 42,087	\$ 43,762	\$ 1,676	4%	\$ 106,200	\$ 62,438	59%
R25	Operating Revenue - New Connections							
02-000-42101	Other Meter Fee	\$ -	\$ -	\$ -		\$ -	\$ -	
02-000-42102	Other Capacity Fee	\$ -	\$ -	\$ -		\$ -	\$ -	
	R25 Sub Totals:	\$ -	\$ -	\$ -		\$ -	\$ -	
R30	Non-Operating Revenue - Other							
02-000-47110	Interest & Dividend	\$ -	\$ -	\$ -		\$ 6,600	\$ 6,600	100%
02-000-47560	Notes Receivable Payments	\$ -	\$ -	\$ -		\$ 10,000	\$ 10,000	100%
	R30 Sub Totals:	\$ -	\$ -	\$ -		\$ 16,600	\$ 16,600	100%
	Fund 02 Revenue:	\$ 436,277	\$ 455,608	\$ 19,331	4%	\$ 730,000	\$ 274,392	38%
	Fund 02 Rev Excl Grants & Cap	\$ 436,277	\$ 455,608	\$ 19,331	4%	\$ 730,000	\$ 274,392	38%
Revenue Totals:		\$ 4,147,178	\$ 6,386,294	\$ 2,239,117	54%	\$ 14,288,200	\$ 7,901,906	55%
Revenue Total Excl Grants & Cap Contributions		\$ 4,147,178	\$ 4,112,083	\$ (35,095)	-1%	\$ 10,924,370	\$ 6,812,287	62%

Budget Status - Expense



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 01 and Fund 02 Combined								
Dept	Administration							
E01	Salaries & Benefits	\$ 242,632	\$ 223,160	\$ (19,471)	-8%	\$ 645,819	\$ 422,659	65%
E03	General & Admin - Services	\$ 130,054	\$ 137,552	\$ 7,498	6%	\$ 453,995	\$ 316,443	70%
E05	General & Admin - Supplies	\$ 6,436	\$ 6,122	\$ (313)	-5%	\$ 16,670	\$ 10,548	63%
E10	Source of Supply	\$ -	\$ -	\$ -		\$ 205,307	\$ 205,307	100%
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 100 Sub Totals:	\$ 379,121	\$ 366,834	\$ (12,287)	-3%	\$ 1,321,791	\$ 954,957	72%
Dept	Finance/Customer Service							
E01	Salaries & Benefits	\$ 263,180	\$ 233,805	\$ (29,376)	-11%	\$ 653,111	\$ 419,306	64%
E03	General & Admin - Services	\$ 116,433	\$ 227,026	\$ 110,593	95%	\$ 273,250	\$ 46,224	17%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -		\$ 4,000	\$ 4,000	100%
E35	Customer Accounts	\$ 125,673	\$ 112,356	\$ (13,317)	-11%	\$ 290,835	\$ 178,479	61%
E70	Other	\$ 434	\$ 1,966,414	\$ 1,965,980		\$ 1,000		
E80	Debt Service - Interest	\$ 40,591	\$ -	\$ (40,591)	-100%	\$ 146,487	\$ 146,487	100%
	Dept 200 Sub Totals:	\$ 546,311	\$ 2,539,600	\$ 1,993,289	365%	\$ 1,368,683	\$ 794,497	58%
Dept	Operations							
E01	Salaries & Benefits	\$ 717,042	\$ 700,443	\$ (16,599)	-2%	\$ 1,821,802	\$ 1,121,359	62%
E03	General & Admin - Services	\$ 86,060	\$ 121,680	\$ 35,621	41%	\$ 384,110	\$ 262,430	68%
E05	General & Admin - Supplies	\$ 11,984	\$ 15,299	\$ 3,314	28%	\$ 58,580	\$ 43,281	74%
E07	General Production	\$ 25,819	\$ 29,024	\$ 3,204	12%	\$ 183,600	\$ 154,576	84%
E10	Source of Supply	\$ -	\$ 34,637	\$ 34,637		\$ 67,000	\$ 32,363	48%
E15	Pumping	\$ 287,069	\$ 303,867	\$ 16,797	6%	\$ 729,400	\$ 425,533	58%
E20	Water Treatment	\$ 167,434	\$ 271,195	\$ 103,761	62%	\$ 640,100	\$ 368,905	58%
E25	Transmission & Distribution	\$ 131,057	\$ 471,223	\$ 340,166	260%	\$ 475,500	\$ 4,277	1%
E35	Conservation	\$ -	\$ 274	\$ 274		\$ 100	\$ (174)	-174%
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 300 Sub Totals:	\$ 1,426,466	\$ 1,947,641	\$ 521,175	37%	\$ 4,360,192	\$ 2,412,551	55%
Dept	Engineering							
E01	Salaries & Benefits	\$ 54,666	\$ 14,828	\$ (39,837)	-73%	\$ 134,148	\$ 119,320	89%
E03	General & Admin - Services	\$ 3,035	\$ 14,233	\$ 11,198	369%	\$ 249,750	\$ 235,518	94%
E05	General & Admin - Supplies	\$ 11,427	\$ -	\$ (11,427)	-100%	\$ 1,000	\$ 1,000	100%
	Dept 400 Sub Totals:	\$ 69,127	\$ 29,061	\$ (40,067)	-58%	\$ 384,898	\$ 355,837	92%
Dept	Board of Directors							
E01	Salaries & Benefits	\$ 28,346	\$ 33,740	\$ 5,395	19%	\$ 79,761	\$ 46,021	58%
E03	General & Admin - Services	\$ -	\$ -	\$ -		\$ 18,400	\$ 18,400	100%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -		\$ 800	\$ 800	100%
	Dept 900 Sub Totals:	\$ 28,346	\$ 33,740	\$ 5,395	19%	\$ 98,961	\$ 65,221	66%

Budget Status - Expense



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Summary								
E01	Salaries & Benefits	\$ 1,305,866	\$ 1,205,977	\$ (99,889)	-8%	\$ 3,334,641	\$ 2,128,664	64%
E03	General & Admin - Services	\$ 335,581	\$ 500,491	\$ 164,909	49%	\$ 1,379,505	\$ 879,014	64%
E05	General & Admin - Supplies	\$ 29,847	\$ 21,421	\$ (8,426)	-28%	\$ 81,050	\$ 59,629	74%
E07	General Production	\$ 25,819	\$ 29,024	\$ 3,204	12%	\$ 183,600	\$ 154,576	84%
E10	Source of Supply	\$ -	\$ 34,637	\$ 34,637		\$ 272,307	\$ 237,670	87%
E15	Pumping	\$ 287,069	\$ 303,867	\$ 16,797	6%	\$ 729,400	\$ 425,533	58%
E20	Water Treatment	\$ 167,434	\$ 271,195	\$ 103,761	62%	\$ 640,100	\$ 368,905	58%
E25	Transmission & Distribution	\$ 131,057	\$ 471,223	\$ 340,166	260%	\$ 475,500	\$ 4,277	1%
E35	Customer Accounts	\$ 125,673	\$ 112,630	\$ (13,043)	-10%	\$ 290,835	\$ 178,479	61%
E70	Other	\$ 434	\$ 1,966,414	\$ 1,965,980		\$ 1,000	\$ -	0%
E80	Debt Service - Interest	\$ 40,591	\$ -	\$ (40,591)	-100%	\$ 146,487	\$ 146,487	100%
District Expense Total:		\$ 2,449,372	\$ 4,916,877	\$ 2,467,505	101%	\$ 7,534,425	\$ 4,583,236	61%
Fund 01 and 02 Combined								
E01	Salaries & Benefits	\$ 1,305,866	\$ 1,205,977	\$ (99,889)	-8%	\$ 3,334,641	\$ 2,128,664	64%
E03-E80	Services & Supplies	\$ 1,143,506	\$ 3,710,900	\$ 2,567,394	225%	\$ 4,199,784	\$ 488,884	12%
District Expense Total:		\$ 2,449,372	\$ 4,916,877	\$ 2,467,505	101%	\$ 7,534,425	\$ 2,617,548	35%

Projects - Expense



Period: 07/01/25 - 11/30/2025

FY Remain: 58%

		FY 2026 YTD Actual	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 01 and Fund 02 Combined					
Project	Description				
C15007	Grace Wy Well	\$ 145,676	\$ 930,866	\$ 785,190	84%
C16024	Bethany Tank Rehabilitation	\$ 1,035	\$ 481,387	\$ 480,352	100%
C17011	Automated Metering Infrastructure (AMI)	\$ -	\$ 16,000	\$ 16,000	100%
C19020	El Pueblo Water Treatment Plant Improvements	\$ -	\$ 181,410	\$ 181,410	100%
C19070	Vehicle Replacement Program	\$ 61,977	\$ 180,000	\$ 118,023	66%
C20010	Main Replacement Program - Potable	\$ 450,605	\$ 542,000	\$ 91,395	17%
C20040	Administrative Building Improvements	\$ 8,528	\$ 20,000	\$ 11,472	57%
C21010	Well 10 WTP Improvements	\$ -	\$ 200,000	\$ 200,000	100%
C22010	Well 3B Replacement	\$ 178,962	\$ 339,951	\$ 160,989	47%
C22020	Specialized Operations Equipment	\$ -	\$ 49,227	\$ 49,227	100%
C23010	SCWD-SVWD System Intertie	\$ 1,964,667	\$ 7,756,878	\$ 5,792,212	75%
C24010	Glenwood Tank Landslide Evaluation & Repair	\$ 19,930	\$ 495,000	\$ 475,070	96%
C24020	Monte Fiore PS Rehab	\$ 4,033	\$ 502,412	\$ 498,379	99%
C24030	System wide pressure reduction program	\$ 194,444	\$ 339,402	\$ 144,958	43%
C24040	Distribution system improvements in Monteville	\$ -	\$ 112,045	\$ 112,045	100%
C24050	Corp Yard Improvements	\$ -	\$ 35,425	\$ 35,425	100%
C25000	SCADA Improvements- Teledesign Radio and Kingfi	\$ 18,344	\$ 202,127	\$ 183,783	91%
C26010	Orchard Run Well Rehab	\$ 78,876	\$ 255,000	\$ 176,124	69%
C26020	VFD installation at Orchard WTP	\$ -	\$ 175,000	\$ 175,000	100%
C26030	Solar Installation	\$ -	\$ 25,000	\$ 25,000	100%
C26040	Sequoia Tank Roof Recoat	\$ 88,586	\$ 292,280	\$ 203,694	70%
M17011	Meter Replacement Program	\$ 11,237	\$ 60,000	\$ 48,763	81%
-	PW Tank Seam Resealing	\$ -	\$ 125,000	\$ 125,000	100%
-	RW Tank Seam Resealing	\$ -	\$ 75,000	\$ 75,000	100%
Projects Expense Totals:		\$ 3,226,901	\$ 13,391,410	\$ 10,164,509	76%

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

	11/30/24	11/30/25
Assets		
Cash	\$9,388,749	\$8,877,825
Investments	\$1,975,477	\$1,969,000
Accrued Interest	\$91,252	\$53,737
A/R Customer-Water	\$1,304,229	\$1,109,145
A/R - Other	(\$13,135)	\$2,282,512
Interfund Loan Receivable	\$1,093,007	\$1,093,007
Inventory	\$234,904	\$263,194
Prepaid Expense	\$16,812	\$55,951
Note Receivable	\$35,000	\$25,000
JPA Investment	\$149,345	\$149,345
Land & Right-of-ways	\$1,218,697	\$1,218,697
Construction-in-progress	\$3,336,280	\$6,949,736
Water Rights / Intangible Assets	\$5,267,833	\$5,267,833
Plant & Equipment	\$45,908,923	\$47,914,474
Depreciation/Amortization	(\$28,278,656)	(\$29,545,826)
Deferred Pension Outflows	\$1,366,327	\$888,208
Unfunded OPEB Liability	\$115,583	\$116,097
	\$43,210,626	\$48,687,936
Liabilities		
A/P & Accrued Expenses	\$133,404	\$2,015,197
Accrued Interest Payable	\$40,591	\$14,606
Customer Deposits	\$56,010	\$51,631
Interfund Loans	\$1,093,007	\$1,093,007
LT Liabilities Due in 1 Yr	\$1,013,357	\$796,317
Unearned Revenue	\$70,005	\$70,578
Long-term Liabilities	\$9,146,010	\$8,277,872
Deferred Pension Inflows	\$1,187,814	\$694,399
	\$12,740,198	\$13,013,606
Fund Balance		
Investment in Capital Assets	\$23,190,237	\$23,190,237
Unrestricted Net Position	\$5,545,730	\$10,786,424
	\$28,735,967	\$33,976,661
Total Liabilities and Fund Balance:	\$41,476,165	\$46,990,267
Total Retained Earnings:	\$1,398,391	\$1,697,669
Total Fund Balance and Retained Earnings:	\$30,134,358	\$35,674,329
Total Liabilities, Fund Balance, and Retained Earnings:	\$42,874,556	\$48,687,935

Vendor Name	Check Date	Check Number	Description	Amount
AAA WORKSPACE	11/6/2025	34364	Calendar, Erasable	\$ 35.90
AAA WORKSPACE	11/6/2025	34364	Credit Memo Calendar, Erasable	(35.90)
AAA WORKSPACE	11/6/2025	34364	OPS Mgr Office Furniture / Install	3,525.38
AAA WORKSPACE	11/20/2025	34400	Copy Paper, 5x8 Pads, Fingertip Moistener	109.27
ACWA	11/6/2025	34365	ACWA Annual Dues - 2026	21,110.00
ACWA/JPIA	11/20/2025	ACH	EE & Retiree Benefits - November 2025	30,559.37
ACWA/JPIA	11/20/2025	ACH	WC Insurance QTR ending 09/30/2025	8,645.33
ADP, INC	11/6/2025	34366	ADP Payroll - PW 42 October 2025	216.69
ADP, INC	11/6/2025	34366	ADP Payroll - PW 44 October 2025	216.69
ADP, INC	11/6/2025	34366	ADP Time and Attendance October 2025	228.00
ADP, INC	11/6/2025	34366	ADP Workforce Now October 2025	116.00
AFLAC	11/6/2025	34367	EE Self Funded Supplemental Benefits October 2025	479.97
AFSCME COUNCIL 57	11/20/2025	34401	Union Dues-October 2025	963.85
AFSCME COUNCIL 57	11/20/2025	34401	Union Dues-September 2025	1,080.00
AMOS LAND LLC	11/20/2025	34402	Refund Check 013490-000, 4637 SCOTTS VALLEY DR	72.53
AT&T MOBILITY	11/20/2025	34403	October 2025 Service	529.12
BADGER METER	11/6/2025	34368	Cell Charges PW/RW Meter Reads October 2025	4,491.48
BARSS ALEXANDER	11/20/2025	34404	Refund Check 014934-000, 552 BEAN CREEK RD #214	93.82
BIOAIR SOLUTIONS, LLC	11/20/2025	34405	EcoGrow Nutrients, 50 lb Bucket	8,384.90
BRASS KEY LOCKSMITH	11/20/2025	34406	80 Master Padlocks	1,328.80
BRENNTAG PACIFIC, INC	11/6/2025	ACH	Credit-Paid Late Fee, wasn't late	(111.23)
BRENNTAG PACIFIC, INC	11/6/2025	ACH	L A Chemchlor Sodium	6,095.76
BRENNTAG PACIFIC, INC	11/6/2025	ACH	Sodium Hydroxide 30% Diaphragm	3,769.00
BRENNTAG PACIFIC, INC	11/20/2025	ACH	L A Chemchlor Sodium	4,342.58
CALIFORNIA MUNICIPAL STATISTICS, INC	11/6/2025	34369	Statistical Data FY 2025	750.00
CALPERS	11/6/2025	ACH	CalPERS Unfunded Liability Payment-October	10,129.50
CALPERS	11/12/2025	ACH	CalPERS Retirement - PW-44 Ended 10/27/2025	14,083.57
CALPERS	11/25/2025	ACH	CalPERS Unfunded Liability-November Classic	10,129.50
CALPERS	11/26/2025	ACH	CalPERS Retirement - PW-46 Ended 11/10/2025	14,318.15
CHOMENTOWSKI KEITH	11/20/2025	34407	Refund Check 012896-000, 555 SKYPARK DR	6.86
CITY OF SANTA CRUZ WATER DEPT	11/6/2025	34370	Grant Funds to City of Santa Cruz Period Ended 06/30/24	6,338.14
CITY OF SANTA CRUZ WATER DEPT	11/6/2025	34370	Grant Funds to City of Santa Cruz Period Ended 06/30/25	2,175,207.96
CITY OF SCOTTS VALLEY	11/6/2025	34371	Sewer: El Pueblo September 2025	1,917.31
CITY OF SCOTTS VALLEY	11/6/2025	34371	Sewer: Old LG Hwy September 2025	8,162.57
CITY OF SCOTTS VALLEY	11/6/2025	34371	Sewer: Well 10 September 2025	15,111.76
CITY OF SCOTTS VALLEY	11/20/2025	34408	Tertiary Treatment Plant Maint. Q1 FY2026	96,823.01
CIVIL CONSULTANTS GROUP INC	11/20/2025	34409	General Engineering	1,030.00
CIVIL CONSULTANTS GROUP INC	11/20/2025	34409	Glenwood Tank Engineering	880.00
CIVIL CONSULTANTS GROUP INC	11/20/2025	34409	Grace Way Well Engineering	2,500.00
COASTAL EVERGREEN	11/20/2025	34410	Monthly Maintenance November 2025	650.00
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Grace Way Well October 2025	156.25
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Grace Way Wellhead October 2025	225.00
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Granite Creek Water Main October 2025	1,377.50
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Meadow Way Well October 2025	156.25
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Sequoia Tank Venting October 2025	156.25
CONTRACTOR COMPLIANCE & MONITORING	11/20/2025	34411	Labor Compliance Services Water Main Replacement October 2025	1,160.00
COUNTY OF SANTA CRUZ - DPW	11/20/2025	34412	60-Soil ticket 003-02433269	654.98
COUNTY OF SANTA CRUZ - DPW	11/20/2025	34412	60-Soil ticket 003-02433417	565.80
DASSELLS PETROLEUM	11/20/2025	34413	#47465 Diesel Charges for October 2025	2,605.06
DASSELLS PETROLEUM	11/20/2025	34413	#47465 October Overpayment	(1,712.35)
DOCTORS ON DUTY	11/20/2025	34414	Employee Visits 9/22 & 10/1	391.00
DOCTORS ON DUTY	11/20/2025	34414	Pre-Employment Physical Exam 10/29	100.00
DOUBLE O DEVELOPMENT	11/20/2025	34415	Refund Check 005428-000, 4444 SCOTTS VALLEY DR	183.18
DOWDESWELL AMANDA	11/20/2025	34416	Refund Check 015160-000, 310 SHERMAN DR	7.00
DOWNTOWN FORD SALES	11/20/2025	ACH	2025 Ford F150 Lightning 4X4 28735	61,310.19
DU-ALL SAFETY, LLC	11/20/2025	34417	Professional Safety Consultation October 2025	1,858.00
EMPLOYEE RELATIONS, INC	11/6/2025	ACH	Pre-Employment Background Check	88.70
EUROFINS EATON ANALYTICAL	11/6/2025	ACH	Compliance Well Testing Well 10	45.60
EUROFINS EATON ANALYTICAL	11/20/2025	ACH	Compliance Well Testing	865.20
EUROFINS EATON ANALYTICAL	11/20/2025	ACH	Compliance Well Testing El Pueblo	60.00
EUROFINS EATON ANALYTICAL	11/20/2025	ACH	Compliance Well Testing Well 10A	604.50
FARR CONSTRUCTION CORPORATION	11/6/2025	34372	Sequoia Tank-Recoating Roof	73,197.50
FLORES CARLOS	11/6/2025	34373	Flores Backflow Testers Course x 6 days = 517.2 miles	362.04
GARRISON PLUMBING INC	11/20/2025	34418	Scotts Valley Drive Well	481.00
GOLDEN STATE CONSTRUCTION & UTILITY	11/20/2025	34419	Meadow Way Pressure Reducing Valve	184,300.00
GRANITE CONSTRUCTION CO	11/6/2025	34374	Aggregatebase	399.21
GRANITE ROCK COMPANY	11/6/2025	34375	Quikrete Liquid Cement	45.93
GRANITE ROCK COMPANY	11/6/2025	34375	Utility Trench Sand	296.23
GREENWASTE RECOVERY, LLC	11/20/2025	34420	Credit, Overpaid September Balance	(0.81)
GREENWASTE RECOVERY, LLC	11/20/2025	34420	Waste Service 70 El Pueblo October 2025	563.75
GRISWOLD INDUSTRIES	11/20/2025	34421	8" Pressure Reducing 8" 90 Series	940.00
HAIGHT JUANELLA	11/6/2025	34376	Premium Reimbursement November 2025	415.59
HAIGHT JUANELLA	11/6/2025	34376	Premium Reimbursement October 2025	415.59
HEALTH EQUITY, INC	11/6/2025	34377	Monthly Fees - October 2025	32.45
HEWITT TYSON	11/6/2025	34378	Haul off Pallets	375.00
HOSE SHOP	11/6/2025	34379	Hose Asy	100.76
ICONIX WATERWORKS (US), INC	11/6/2025	ACH	Brass Bushings, Bell Reducer, Nipples	187.69
ICONIX WATERWORKS (US), INC	11/6/2025	ACH	Mega Flange Kit	186.96
ICONIX WATERWORKS (US), INC	11/6/2025	ACH	Mega Flange KitBrass Hose apters, Frnst Swivel x FIP Swiv	1,167.11
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	2 Watts LF25AUB-23 Prv NL FIPXFIP	875.58
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	4X3 FLG Conc Reducer, FXP DI Spool, Hymax 2 Flip FCA EPDM	830.22
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	6 AVK 45 FLG'D OS&Y AWWZ Gate Valve	3,989.07
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	6 Cast Iron Blind Flange	405.19
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	6 Clow 2639 FLGXFLG NRS AWWA C509 DI	(2,282.91)
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	6 Ubolt Galv HD Pipe Support	1,560.05
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	6" FEBCO	1,585.88
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	Bolt Set Up, Flange-TYTE SBR Gasket, , DI Spools, Clow 2639 FLGX	6,188.72
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	Cast Iron Companion Flange, Bolt Up Set, Flange-Tyte SBR Gasket	492.98
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	Liquid Fill Pressure Gauge	133.64
ICONIX WATERWORKS (US), INC	11/20/2025	ACH	Liquid Fill Pressure Gauge, Ford MIP X Fip Ballcorp, Brass Hose	1,055.71
INFOSEND	11/6/2025	34380	Statement Data Processing & Mailing October 2025	2,205.16
JORDAN NOREEN	11/20/2025	34422	Refund Check 006349-000, 292 GRACE WAY	48.05
KASSIS JANETTE	11/6/2025	34381	Premium Reimbursement November 2025	506.29

KASSIS JANETTE	11/6/2025	34381	Premium Reimbursement October 2025	506.29
LANPHEIR TAVIN	11/20/2025	34423	Lawn Rebate x 265 Sq. Ft.	530.00
LEISHMAN WADE	11/6/2025	34382	Premium Reimbursement November 2025	873.15
LEISHMAN WADE	11/6/2025	34382	Premium Reimbursement October 2025	873.15
LENNAR HOMES	11/20/2025	34424	Refund Check 014363-000, 411 POLO RANCH RD	53.55
LENNAR HOMES	11/20/2025	34425	Refund Check 013877-000, 202 COASTAL OAK CT	46.85
LLOYD'S TIRE SERVICE	11/6/2025	34383	Blown Fuse, Passed Smog - Truck 9	165.00
LLOYD'S TIRE SERVICE	11/6/2025	34383	Engineering Truck, Knock Sensor replaced: rodent intrusion	1,779.98
LLOYD'S TIRE SERVICE	11/6/2025	34383	Smog Check - Truck 12	65.00
LLOYD'S TIRE SERVICE	11/6/2025	34383	Smog Check - Truck 14	65.00
LLOYD'S TIRE SERVICE	11/6/2025	34383	Smog Check - Truck 21	65.00
MAILCHIMP	11/3/2025	ACH	Digital Marketing	116.00
MBH PAINTING	11/6/2025	34384	Repaint Well 10 & 2 Civic Ctr	10,900.00
McCROMETER, INC	11/6/2025	34385	6" Ultra Mag 5000 Procomm Max A/C Power	10,664.70
MILLER MAXFIELD, INC	11/20/2025	34426	Public Outreach Consulting Services for October 2025	8,079.30
MISSION UNIFORM SERVICE	11/6/2025	34386	Uniform Laundering Service 10/28/25	108.87
MISSION UNIFORM SERVICE	11/20/2025	34427	Uniform Laundering Service 11/4/25	180.26
MISSION UNIFORM SERVICE	11/20/2025	34427	Uniform Laundering Service 11/11/25	108.87
MISSION UNIFORM SERVICE	11/20/2025	34427	Uniform Laundering Service 11/18/25	180.26
MONTEREY BAY ANALYTICAL SERVICES	11/6/2025	ACH	Samples 10/22/25	140.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 10/13/25	47.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 10/21/25	136.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 10/31/25	518.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/4/25	133.50
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/5/25	165.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/6/25	30.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/04/25	257.50
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/10/25	90.00
MONTEREY BAY ANALYTICAL SERVICES	11/20/2025	ACH	Samples 11/12/25	90.00
MONTEREY BAY PROPERTY MGMT	11/20/2025	34428	Refund Check 013796-000, 5521 SCOTTS VALLEY DR	149.29
MONTGOMERY & ASSOCIATES, INC	11/20/2025	ACH	Professional Services Grace Way Well	2,394.00
MURPHY TAMELA	11/20/2025	34429	Claim-Water Main ruptured, Backflow & Union Damaged.	201.71
NATIONWIDE RETIREMENT SOLUTIONS	11/14/2025	ACH	IRS 457 Plan -PW-44 Paydate 10-27-25	2,723.10
NATIONWIDE RETIREMENT SOLUTIONS	11/25/2025	ACH	IRS 457 Plan - PW-46 Ended 11/10/25	2,723.10
NATIONWIDE RETIREMENT SOLUTIONS	11/26/2025	ACH	IRS 457 Plan PW-48 Ended 11/24/25	2,723.10
NORTH BAY FORD	11/6/2025	34387	Service: 2018/Ford/F 150 VIN#16876	250.33
NORTH BAY FORD	11/20/2025	34430	Ford Mobile Charger	482.90
NORTH BAY FORD	11/20/2025	34430	Wall Outlet Connector	183.65
NORTON PATRICIA	11/6/2025	34388	Retiree Dental- Oct 2025	67.44
NORTON PATRICIA	11/6/2025	34388	Retiree Medical - Oct 2025	512.45
NORTON PATRICIA	11/6/2025	34388	Retiree Medical- Oct 2025	512.45
NORTON PATRICIA	11/6/2025	34388	Retiree Vision- Oct 2025	37.12
O'REILLY AUTOMOTIVE INC	11/6/2025	34389	1/32 Ratchet	64.73
O'REILLY AUTOMOTIVE INC	11/6/2025	34389	J Case Fuse, Blue Def	42.64
OLIVE SPRINGS QUARRY	11/20/2025	34431	3/8" MM HMA	185.71
PACIFIC CREST ENGINEERING, INC	11/20/2025	34432	Professional Services October 2025 - Bethany Tank Replacement	345.00
PATHPOINT MERCHANT SERVICES	11/18/2025	20251106	PathPoint CC Processing Fees - October 2025	5,942.00
PERRI CHRISTOPHER	11/6/2025	34390	Premium Reimbursement November 2025	1,024.90
PERRI CHRISTOPHER	11/6/2025	34390	Premium Reimbursement October 2025	1,024.90
PG&E CFM/PPC DEPT	11/20/2025	34433	Gas & Electric Extension Agreement Notification 131365665	9,579.01
PIED PIPER EXTERMINATORS	11/20/2025	34434	Monthly Rodent Control November 2025	100.00
PITNEY BOWES INC	11/20/2025	34435	Postage Machine Ink	291.47
PRESS BANNER	11/20/2025	34436	1/4 Monthly Ad 1/4/S-New Tab	410.00
REBER DANIEL	11/6/2025	34391	Premium Reimbursement November 2025	1,728.02
REBER DANIEL	11/6/2025	34391	Premium Reimbursement October 2025	1,728.02
RED WING BUSINESS ADVANTAGE ACCOUNT	11/20/2025	ACH	Work Boots - Flores	344.29
REGIONAL WATER MGMNT FOUNDATION	11/20/2025	34437	Intertie Project: Urban and Multi-Benefit Relief Grant	11,048.89
REIN & REIN	11/20/2025	34438	Legal Counsel October 2025	3,500.00
SABRE BACKFLOW, INC	11/6/2025	34392	Calibration Accuracy Check Mid-West Model 830	151.13
SANTA CRUZ RECORDS MANAGEMENT	11/6/2025	34393	Document Destruction	50.00
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/6/2025	ACH	Air Freshener Spray, Irwin Spring Clamps	64.54
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/6/2025	ACH	Safety Glasses	24.12
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	5/8" X3" Threaded Rod	33.79
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	Bucket, Pail Lid Opener, Garden Sprayer, Seal Crack	70.60
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	Bulk Propane	25.62
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	DB Rope Neon Green	13.16
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	Home/Garden Green 48x50	62.55
SCARBOROUGH LUMBER & BUILDING SUPPLY	11/20/2025	ACH	Test Plug Slip, Proof Coil Chn Glnz	106.56
SCHAAF & WHEELER	11/6/2025	34394	On-Call Support & Meetings	3,637.50
SCHAAF & WHEELER	11/6/2025	34394	SA101-Reviewed Civil Plans Marriott Residence Inn	410.00
SCHAAF & WHEELER	11/6/2025	34394	SA222-Reviewed Civil Plans 4444 Scotts Valley Dr	1,845.00
SCHAAF & WHEELER	11/20/2025	34439	On-Call Support & Meetings October 2025	5,535.00
SCHAAF & WHEELER	11/20/2025	34439	SA101 On-Call Support Marriott Residence	922.50
SCHAAF & WHEELER	11/20/2025	34439	SA224 On-Call Support 4444 Scotts Valley Dr	3,997.50
SCOTTS VALLEY SPRINKLER	11/6/2025	34395	Citrus Scrub Towels, Teflon Tape, Thread Tape, Truck 28	44.96
SCOTTS VALLEY SPRINKLER	11/20/2025	34440	Male Adapter, Bushing, Banjo 3" Adapter x Hose Shank, PVC Pipe	286.39
SCOTTS VALLEY SPRINKLER	11/20/2025	34440	PVC Pipe, Red. Coup. Sch 40	164.60
SCOTTS VALLEY SPRINKLER	11/20/2025	34440	Red. Coup. Sch 40	28.51
STEVENSON LANDSCAPING	11/6/2025	34396	Landscaping Service October 2025	750.00
STILES RUTH	11/6/2025	34397	Premium Reimbursement November 2025	398.21
STILES RUTH	11/6/2025	34397	Premium Reimbursement October 2025	398.21
SYCAL ENGINEERING, INC	11/6/2025	ACH	Graceway Engineering, Win911 Tag Inputs and Testing	936.00
SYCAL ENGINEERING, INC	11/6/2025	ACH	Sucinto Engineering	13,172.26
SYCAL ENGINEERING, INC	11/20/2025	ACH	Engineering	600.00
SYCAL ENGINEERING, INC	11/20/2025	ACH	Engineering Sucinto	1,240.00
SYCAL ENGINEERING, INC	11/20/2025	ACH	Grace Way Engineering	2,808.00
THE ENCORE AT 4104 LLC	11/20/2025	34441	Refund Check 014884-000, 4104 SCOTTS VALLEY DR #303	47.93
TIMES PUBLISHING GROUP, INC	11/2/2025	ACH	Monthly Advertising	178.50
UNITED RENTALS, INC	11/20/2025	34442	Forklift Rental	4,215.09
UNITED SITE SERVICES	11/20/2025	34443	Restroom Rental 10/29/25 - 11/25/25	336.90
UNITED SITE SERVICES	11/20/2025	34443	Restroom Rental 11/4/25 - 12/1/25	381.34
UNITED SITE SERVICES	11/20/2025	34443	Restroom Rental 11/12/25 - 12/9/25	384.79
UNIVERSAL BUILDING SERVICES	11/6/2025	34398	Monthly Janitorial Services - October 2025 2 Civic Ctr	610.00
UNIVERSAL BUILDING SERVICES	11/20/2025	34444	Roll Towels, Tissue Paper, Soap	292.31

USABUEBOOK	11/6/2025	ACH	Fluorescent Purple Paint, Gray Primer, Marking Wand, pipe locator	390.44
USABUEBOOK	11/6/2025	ACH	Hach Alkaline Cyanide tests, HACH DPD 1 and 4 for Samples	5,184.12
USABUEBOOK	11/6/2025	ACH	Hach PhosVer 3 Powder Pillows	126.33
USABUEBOOK	11/6/2025	ACH	Sample Cells for Hach Pocket Colorimeter	2,088.69
USABUEBOOK	11/20/2025	ACH	Low Lead Corp Stop and Nozzle; 1 in NPT; CPVC Nozzle	607.81
VANDERWALDE PAUL	11/20/2025	34445	Refund Check 014724-000, 152 NAVIGATOR DR	220.00
VERIZON WIRELESS	11/1/2025	ACH	Monthly Service - Tablets 09/13 - 10/12	371.36
VERTEXONE SOFTWARE LLC	11/6/2025	ACH	Monthly WaterSmart Maint - September 2025	86.26
VERTEXONE SOFTWARE LLC	11/20/2025	ACH	Monthly WaterSmart Maint. October 2025	68.06
VOMVOLAKIS STEPHANIE	11/6/2025	34399	Springbrook 2025 - Vomvolakis Out of Pocket Expenses	58.90
WATER RESOURCES ECONOMICS	11/20/2025	34446	SVWD 2025 Rate Study	682.50
WELLS FARGO	11/12/2025	ACH	WFB CC Payment - October (September Charges)	4,645.42
WELLS FARGO	11/25/2025	ACH	WFB CC Payment-November (October Charges)	4,802.32
WEST COAST COMMUNITY BANK	11/14/2025	ACH	WCCB CC Payment November 2025 (Oct Charges)	5,216.04
XPRESS BILL PAY	11/7/2025	ACH	Xpress Bill Payment Processing Fees-October 2025	3,712.86
	Total	Total	Total	\$ 2,965,976.51

Vendor Name	Transaction Date	Description	Amount
A T & T	11/3/2025	Back-up Internet - El Pueblo	\$ 107.00
A T & T	11/3/2025	Back-up Internet - El Pueblo	107.00
ADOBE	11/3/2025	Adobe Licensing 10/11/25 - 11/10/25	287.88
AMAZON	10/26/2025	Amazon Business Account	383.03
AMAZON	10/31/2025	Coffee Pods	111.57
AMAZON	10/31/2025	Post-It Notes, Plant Covers, Color Coded Labels	49.44
AWWA-CA/NV SECTION	10/18/2025	Backflow Exam - Carlos Flores	340.00
CHIPOTLE MEX	10/8/2025	Chips/Dip for Lunch & Learn	23.85
CHIPOTLE MEX	10/8/2025	H & W Meeting Lunch	358.88
COMCAST	10/6/2025	Internet Civic Center 9/14/25-10/13/25	501.42
COMCAST	10/6/2025	Internet El Pueblo 10/1/25-10/31/25	501.42
CRUISE COFFEE	10/9/2025	Coffee & Breakfast for OPS 1/2 Day Training	123.91
DAVIS INSTRUMENTS	10/9/2025	Weather Station Annual Subscription	220.00
EVO STUDIOS INC.	10/22/2025	Website Hosting / Maint	124.00
ICON CLOUD SOLUTIONS, LLC	10/21/2025	Phones - Civic Center	315.10
ICON CLOUD SOLUTIONS, LLC	10/21/2025	Phones - El Pueblo	105.04
MAILCHIMP	11/3/2025	Digital Marketing	116.00
PLANET ORANGE	10/16/2025	Credit - Pest Control 2 Civic Center Oct	-110.00
PLANET ORANGE	10/16/2025	Pest Control 2 Civic Center Oct	110.00
PLANET ORANGE	10/14/2025	Pest Control El Pueblo-Oct	75.00
PLANET ORANGE	10/16/2025	Credit - Pest Control El Pueblo	-75.00
POSTAL ANNEX - SCOTTS VALLEY, CA	10/9/2025	Shipping for C12 Pumps	226.92
SAFEWAY SCOTTS VALLEY CA	10/8/2025	Drinks for H&W Benefits Lunch	29.24
TIMES PUBLISHING GROUP, INC	11/2/2025	Monthly Advertising	178.50
UPS STORE	10/16/2025	Ship Calibration Kit for Backflow Test Kit	48.17
VERIZON WIRELESS	11/1/2025	Monthly Service - Tablets 09/13 - 10/12	371.36
WELLS FARGO	10/28/2025	Finance Charge for October WFB CC Balance	132.59
ZOOM	10/25/2025	Zoom Cloud Recording 10/25 - 11/24	40.00
Total			\$ 4,802.32
CARHARTT	10/28/2025	Work Clothing - Justice Locatelli	444.43
CARHARTT	10/28/2025	Work Clothing - Matt DeBrito	438.94
CARHARTT	10/28/2025	Work Clothing - Rhett Beaton	433.39
CARHARTT	10/28/2025	Work Clothing - Ryan Ritchie	384.00
CARHARTT	10/28/2025	Work Clothing -Alan Bainbridge	433.44
CARHARTT	10/28/2025	Work Clothing -Baylen Urman	438.91
CARHARTT	10/28/2025	Work Clothing -Dan Scott	438.86
GREENLEE'S BAKERY	10/27/2025	Meals for Springbrook Conference-Ballinger & Vomvolakis	10.46
HOME DEPOT	10/15/2025	Replacement Icemaker for Water Quality Sampling	1314.00
MISC PARKING	10/29/2025	San Jose Mineta Airport Parking-Springbrook Conf. CS	90.00
PORT OF SUBS	10/29/2025	Meals for Springbrook Conference-Ballinger & Vomvolakis	44.17
VDARA HOTELS - LAS VEGAS	10/27/2025	Lodging-Springbrook Conference-Ballinger	339.01
VDARA HOTELS - LAS VEGAS	10/27/2025	Lodging-Springbrook Conference-Vomvolakis	339.01
WESTERN CAB COMPANY	10/27/2025	Cab Fare from Airport to Hotel	33.71
WESTERN CAB COMPANY	10/29/2025	Cab Fare from Hotel to Airport	33.71
Total			\$ 5,216.04



12/3/2025

ACWA JPIA

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95661-9082

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916.786.5742
800.231.5742

www.acwajpia.com

Core Values

- People
- Service
- Integrity
- Innovation

Scotts Valley Water District (S027)
2 Civic Center Drive
Scotts Valley, CA 95066-4159

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the **"President's Special Recognition Award"** certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Scotts Valley WD with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2026.

Sincerely,

Melody McDonald
President

Enclosure: President's Special Recognition Award(s)

President's Special Recognition Award

*The President of the
ACWA JPIA*

Hereby presents this Special Recognition Award to

Scotts Valley Water District

In recognition of outstanding performance in the Workers' Compensation program, demonstrated by maintaining exceptionally low claim costs relative to contributions during the period 07/01/2021 - 06/30/2024 announced at the ACWA JPIA Board of Directors' meeting held in San Diego, California.



Melody McDonald, President



December 01, 2025

President's Special Recognition Award

*The President of the
ACWA JPIA*

Hereby presents Special Recognition Award to

Scotts Valley Water District

In recognition of outstanding performance in the Property program, demonstrated by maintaining exceptionally low claim costs relative to contributions during the period 07/01/2021 - 06/30/2024 announced at the ACWA JPIA Board of Director's meeting held in San Diego, California.



Melody McDonald, President



December 01, 2025

NEWSLETTER



SCOTTS VALLEY
WATER DISTRICT

OFFICE CLOSED for the HOLIDAYS Dec. 24 - Jan. 2

HIGHLIGHTS

Holiday Office Closure

Tips Ahead of the Rainy
Season

Apply to Work at SVWD

Take note: Holiday hours at SVWD

Just a friendly reminder to customers that the Scotts Valley Water District offices will be closed starting Wednesday, Dec. 24, reopening Monday, Jan. 5. Customers can view and pay their bills anytime online using the WaterSmart

Glenwood/Southwood Tanks Project Kicks Off

platform. Access the platform by visiting the [SVWD website](#).

During the holidays, water emergencies can be reported by calling 831-438-2363.



Winterize before weekend rains

Ready for the rain this weekend? It's been relatively dry this month, but precipitation is in the forecast. Now's the time to prepare for the wetter weather. Here are three tips to be more water efficient in and around the home:

- **Adjusting Irrigation:** For the gardeners, now is the time to adjust the irrigation schedule for the wetter months to prevent over-watering plants.
- **Rainwater Capture Systems:** Whether it's a small container or a rain barrel placed next to your gutters, installing a rainwater capture system creates a new source of water that you can tap into during the hotter months. This water is ideal for everything from washing the driveway to watering the garden bed.

- **Drought-Tolerant Plants:** Take advantage of the soft soil and dry weather by planting drought-tolerant plants in your garden. Not only do they use less water, they're also more suited for California's long dry summers and rainy but short winters.

It will feel great to start the new year by being more water efficient at home!



Apply Now: SVWD hiring for Assistant Administrative Analyst

The Scotts Valley Water District is seeking an Assistant Administrative Analyst to perform a variety of office administrative and clerical work. This position reports to the District's Executive Assistant/Board Clerk and supports management staff, assists the public and performs other related work.

Some of the typical duties in this role include:

- Preparing correspondence, memos, reports, contracts and other documents
- Assisting in outreach of water systems education programs to customers, community groups, students and other stakeholders
- Organizing and maintaining paper and electronic filing systems in accordance to District standards

To learn more about the position and apply, [click here](#).

CIP Work: Glenwood & Southwood Tanks Resealing Project begins

The Scotts Valley Water District began the Glenwood and Southwood Tanks Resealing Project earlier this month. Both tanks are approximately 25 years old and are beginning to show signs of wear along the seam panels.

The District is resealing the seams to extend the life of the storage tanks. The tanks are critical pieces of infrastructure for the Scotts Valley Water District. The Glenwood Tank has a capacity of 1 million gallons, and the Southwood Tank can store up to 400,000 gallons.

[Click here](#) to see updates on this and other District projects.



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svwd.org

