

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
VISTA IRRIGATION DISTRICT

January 4, 2023

The Regular and Special Meetings of the Board of Directors of Vista Irrigation District were held concurrently on Wednesday, January 4, 2023 at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

President MacKenzie called the meetings to order at 9:01 a.m.

2. ROLL CALL

Directors present: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez (via teleconference).

Directors absent: None.

Staff present: Brett Hodgkiss, General Manager; Lisa Soto, Secretary of the Board; Don Smith, Director of Water Resources; Randy Whitmann, Director of Engineering; and Shallako Goodrick, Director of Administration. Frank Wolinski, Director of Operations and Field Services was present via teleconference. General Counsel Elizabeth Mitchell of Burke, Williams & Sorensen was also present.

Other attendees: Shannon Ayala, Davis Farr LLP; and LaVonne Peck, San Luis Rey Indian Water Authority. David Caron, Aquatic EcoTechnologies was also present via teleconference.

3. PLEDGE OF ALLEGIANCE

Director Miller led the Pledge of Allegiance.

4. APPROVAL OF AGENDA

23-01-01 *Upon motion by Director Miller, seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors approved the agenda as presented.*

5. ORAL COMMUNICATIONS

No public comments were presented on items not appearing on the agenda.

6. CONSENT CALENDAR

23-01-02 *Upon motion by Director Sanchez, seconded by Director Miller and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 23-01 approving disbursements.*

A. Materials for mainline replacement

See staff report attached hereto. Staff recommended and the Board approved the purchase of pipeline materials from Ferguson Waterworks for mainline replacement on Camino Loma Verde and Grandview Road in the amount of \$105,813.32.

B. Minutes of Board of Directors meeting on December 7, 2022

The minutes of December 7, 2022 were approved as presented.

C. Resolution ratifying check disbursements

RESOLUTION NO. 23-01

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 71013 through 71195 drawn on Union Bank totaling \$1,432,572.58.

FURTHER RESOLVED that the Board of Directors does hereby authorize the execution of the checks by the appropriate officers of the District.

PASSED AND ADOPTED unanimously by a roll call vote of the Board of Directors of Vista Irrigation District this 4th day of January 2023.

7. FISCAL YEAR 2022 AUDIT

See staff report attached hereto.

Director of Administration Shallako Goodrick introduced the topic and Shannon Ayala of Davis Farr presented the results of the District’s Fiscal Year 2022 audit. Ms. Ayala stated that the District’s financial statements and best practices were reviewed, and the auditors found no material weaknesses involving the District’s internal control structure or its operation. She explained the auditor’s rationale for the best practice recommendation to discontinue cashing personal checks for employees. Ms. Goodrick commented that, per the auditor’s recommendation, the District had implemented a procedure that no longer allows for this practice. President MacKenzie suggested that staff prepare a policy for inclusion in the District’s Rules and Regulations prohibiting the cashing of personal checks by the District. The Board and General Manager Brett Hodgkiss joined in thanking Ms. Ayala for her report and staff for another clean audit.

23-01-03 *Upon motion by Director Miller, seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors accepted the Fiscal Year 2022 audit report by Davis Farr LLP.*

8. FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

See staff report attached hereto.

Ms. Goodrick presented the Financial Report for the year ended June 30, 2022. She stated that this report contains statements of revenues and expenses directly related to operating Lake Henshaw and the surrounding Warner Ranch as well as three special reports comparing actual results to budgeted amounts

approved by the Board. Ms. Goodrick stated that the District experienced a \$6.3 million operating gain versus a projected \$2.4 million operating loss this fiscal year. She explained that the operating gain was primarily the result of increased investment earnings on the pension plan portfolio and lower than anticipated expenditures on the San Pasqual Undergrounding Project. Ms. Goodrick reviewed and explained the revenue and expense budget comparison as well as property revenues and legal expenses.

9. DIVISION REPORTS

See staff report attached hereto.

Director of Operations and Field Services Frank Wolinski clarified that the relocation of the 12-inch mainline in the intersection of Nordahl and Rock Springs roads for the County of San Diego's (County) road improvement project was at the District's expense because the County has prior rights. He stated that the District will be required to obtain permits from the County in order to complete the relocation project; the cost would be approximately \$2,000 - \$3,000.

Director of Engineering Randy Whitmann provided an update regarding the Nutmeg Homes development for a 137 homes along Nutmeg Street between Centre City Parkway and Interstate 15 in Escondido. He stated that the project is in the design phase and requires District review and approval of grading, street and utility improvement plans along Nutmeg Street and adjacent to/over the Caldwell Siphon. Draft plans call for additional fill over approximately 400 feet of the Caldwell Siphon, which would require pipeline relocation per Section 3.9.1 of the District's Rules and Regulations. Mr. Whitmann said that staff is currently discussing the matter with the developer to evaluate acceptable alternatives. He pointed out that a vicinity map, an aerial view, and a site plan were provided for the Board's information (attached hereto as Exhibit A). He stated that this is a unique matter that is still under review and solutions are still being sought. Mr. Hodgkiss stated that this item would be presented for the Board's consideration at a future Board meeting.

Director Miller requested a photographic update at a future Board meeting of the Edgehill (E) Reservoir Replacement and Pump Station project.

10. MANAGEMENT AND MITIGATION OF HARMFUL ALGAL BLOOMS IN LAKE HENSHAW – PHASE II

See staff report attached hereto.

Director of Water Resources Don Smith stated the Lake Henshaw and Lake Wohlford Harmful Algal Blooms (HABs) Management and Mitigation Plan (HABs Plan) has been finalized without significant revisions from the draft that was discussed at the August 9, 2022 Board meeting. He reviewed the minor changes and the recommendations made in the final HABs Plan. Mr. Smith stated that there are additional services and studies needed in order to implement the recommendations; therefore, staff recommends executing a "Phase II" professional services agreement with Stillwater Sciences (Stillwater) to provide the needed services, the cost of which will be shared equally by the District and City of Escondido.

Mr. Smith stated that staff also recommends increasing the existing as-needed professional services agreement with Stillwater Sciences to an amount not-to-exceed \$60,000 (up from \$27,000) for HABs and water quality-related matters outside the scope of the Phase II HABs Study such as responding to questions and initiatives raised by the Indian Bands or other outside parties.

The Board expressed frustration with the prospect of additional studies in light of the limited progress made thus far towards a solution to HABs in Lake Henshaw. The Board discussed its sincere desire

to release water from Lake Henshaw, not only to fulfill contractual obligations of the San Luis Rey Indian Water Rights Settlement, but also to support recreational activities on the San Luis Rey River, which runs through the La Jolla Band of Luiseño Indians (La Jolla Band) campgrounds. Mr. Smith assured the Board that the work of the Phase II Stillwater agreement was necessary to design and implement long-term HABS mitigation measures in a cost effective manner.

Ms. LaVonne Peck of the San Luis Rey Indian Water Authority (SLRIWA) thanked the Board for its comments and its proactive stance on the matter. She stated that another season of no water releases for the La Jolla Campground would be very detrimental to the La Jolla Band's finances. She thanked the Board for the opportunity to address them.

Mr. David Caron of Aquatic EcoTechnologies commented that he understood the desire to move forward beyond studies to resolving HABS in the lake. He stated that it is a complex matter and solutions will not be simple or quick. He stated that most of the solutions remaining on the table at this point are short-term solutions, and options have been further narrowed by avoiding the use of copper rather than peroxide as an algacide treatment. Mr. Caron stated that monitoring the cyanobacteria levels in the lake is essential in order to head off a bloom before it begins; once a HABS bloom begins, it is very difficult to control.

Mr. Caron commented that he believes it would be cost effective at this time to pursue permits for chemical sediment sealing to help prevent HABS. He stated that chemical sediment sealing would likely be the treatment to be pursued rather than oxygenation of the water, which is a much more complex process that is not effective in every lake. Mr. Caron cautioned that without further study to ascertain whether oxygenation would be effective in Lake Henshaw, pursuing oxygenation could result in a great deal of money being wasted.

23-01-04	<i>Upon motion by Director Sanchez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors executed a professional services agreement with Stillwater Sciences to provide services related to implementing alternatives for long-term management and mitigation of harmful algal blooms in Lake Henshaw for an amount not to exceed \$275,000 and amended the existing as-needed professional services agreement with Stillwater Sciences to increase the not-to-exceed amount from \$27,000 to \$60,000.</i>
----------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

President MacKenzie requested that the Board be provided with the synopsizes that are prepared by Stillwater and attached to its monthly billing to keep the Board abreast of the status of the project.

A brief break was taken from 11:21 a.m. until 11:29 a.m.

11. DISTRICT COMMITTEES AND REPRESENTATIVES TO OUTSIDE ORGANIZATIONS

See staff report attached hereto.

President MacKenzie stated that her committee assignments were incorporated into the staff report. She noted one additional assignment; Director Vasquez be added as the Alternate to Director Miller on the Southern California Water Coalition (SCWC). She added that other Board members may also attend meetings or programs of the SCWC, if interested; however, prior authorization from the Board would be needed.

23-01-05

Upon motion by Director Miller seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors ratified President MacKenzie's appointments to District committees and outside organizations.

12. MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

See staff report attached hereto.

Director Miller reported that the San Diego County Water Authority (Water Authority) approved the final phase of the intake and discharge system modifications at the Carlsbad Desalination Plant. He noted that this modification will be costly and will increase the cost of water from this source to over \$3,000 per acre-foot.

Director Miller stated that new Metropolitan Water District (MWD) Board Chair Aidan Ortega would be announcing his committee assignments at the MWD Board of Directors meeting the following week.

13. MEETINGS AND EVENTS

See staff report attached hereto.

Director Miller reported on his attendance at the recent Colorado River Water Users Association (CRWUA) Conference where the bulk of the discussion was about the Colorado River being in distress due to drought, and how all of the stakeholders will need to come together to agree on a solution.

Director Miller reported on his attendance at a meeting of the Local Agencies Formation Commission (LAFCO) Special Districts Advisory Committee in which the proposed reorganizations of Rainbow Municipal Water District (Rainbow) and Fallbrook Public Utility District (Fallbrook) were discussed.

Director Sanchez reported on his attendance at the CRWUA Conference via an audio news report on the conference from the National Public Radio website, the verbiage from which was provided to the Board in a printed article by reporter Alex Hager (attached hereto as Exhibit B).

Director Vásquez reported on his attendance at the CRWUA Conference where he attended the Colorado River 101 session by Brenda Burman, which he stated was informative; he noted that no big news was revealed at the conference, which felt like a bit of a letdown.

Director Vásquez reported on his virtual attendance at a meeting of the Association of California Water Agencies (ACWA) Region 10 Board of Directors in which presentations were made by the four applicants for the open seat on the Region 10 Board. Following the presentations and deliberation by the Region 10 Board, Alexandra Berenter of the City of San Diego Public Utilities was selected to fill the position.

President MacKenzie reported on her attendance at the CRWUA Conference in which she attended a meeting of the Upper Colorado River Commission; the discussion centered on working together to develop a conservation plan and reworking existing guidelines that govern the shrinking Colorado River.

Director Miller stated that he will be hosting an MWD tour of the State Water Project & Bay-Delta, March 2-3, 2023. He requested that any Board members wishing to attend the tour let him know as soon as possible so he can secure the needed spots on this limited-space tour.

Director Sanchez requested authorization to attend the State Water Project & Bay-Delta tour, March 2-3, 2023. Director Vásquez requested to attend the Urban Water Spring Conference in Palm Springs, February 22-24, 2023 and the next Council of Water Utilities (COWU) meeting (to be announced). He noted that details for the COWU meeting were not yet available, and after the agenda is published, he will make a final decision as to whether to attend.

23-01-06 *Upon motion by Director Miller, seconded by Director Sanchez and unanimously carried (5 ayes: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie), the Board of Directors authorized Director Sanchez to attend the State Water Project & Bay-Delta tour, March 2-3, 2023 and Director Vásquez to attend the Urban Water Spring Conference in Palm Springs, February 22-24, 20-23; and the upcoming Council of Water Utilities meeting (January or February 2023).*

14. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

President MacKenzie requested an agenda item in March 2023 to revisit the Board meeting schedule for the year to resolve any conflicts that may have come up since the calendar was adopted in October 2022. Director Miller suggested also selecting a date for sexual harassment prevention training (due in November 2023) during that discussion in March.

15. COMMENTS BY DIRECTORS

Director Kuchinsky commented that he received his certificate from the Registrar of Voters certifying the election. Director Kuchinsky suggested that the 100th Anniversary Celebration ad hoc committee consider creating a display at the Vista Historical Society commemorating the District's 100th anniversary. Director Kuchinsky commented on the ACWA Newsletter regarding grants for projects. Director Kuchinsky complimented staff on promoting the Vista Irrigation District Scholarship Contest; he noted that he has received some inquiries on the contest from constituents.

Director Sanchez said he provided a copy of a newsletter from the water agency for a property he owns in another state, which he thought might be of interest for the Board.

President MacKenzie commented on Senate Bill (SB) 1439 regarding campaign contributions. President MacKenzie also commented that the gift limit under the Fair Political Practices Commission rules will be increased in 2023.

16. COMMENTS BY GENERAL COUNSEL

Ms. Mitchell presented a brief update on legislation including expanded details regarding SB 1439.

17. COMMENTS BY GENERAL MANAGER

Mr. Hodgkiss informed the Board that since December 27, 2022 the rainfall received at Lake Henshaw has been just over 4.5 inches, resulting in the water level in the lake increasing by 283 acre-feet. He stated the water level of the lake was currently at about 4,500 acre-feet. Mr. Hodgkiss commented that

according to an email he received from Water Authority General Manager Sandra Kerl, the statewide snowpack is at 174 percent of average for this time of year.

18. CLOSED SESSION TO CONDUCT PUBLIC EMPLOYEE PERFORMANCE EVALUATION—GENERAL MANAGER

President MacKenzie adjourned the meeting to closed session at 12:50 p.m. to conduct a performance evaluation of the General Manager, pursuant to Government Code section 54957.

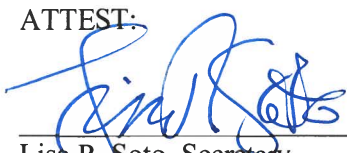
The meeting reconvened in open session at 1:16 p.m. President MacKenzie declared that no reportable action had been taken.

19. ADJOURNMENT

There being no further business to come before the Board, at 1:17 p.m. President MacKenzie adjourned the meeting to January 18, 2023 at 9:00 a.m.



Jo MacKenzie, President

ATTEST:


Lisa R. Soto, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



STAFF REPORT

Agenda Item: 6.A

Board Meeting Date: January 4, 2023
Prepared By: Frank Wolinski
Approved By: Brett Hodgkiss

SUBJECT: MATERIALS FOR MAINLINE REPLACEMENT

RECOMMENDATION: Approve the purchase of pipeline materials from Ferguson Waterworks for mainline replacement on Camino Loma Verde and Grandview Road in the amount of \$105,813.32.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: \$105,813.32 including tax and freight.

SUMMARY: The District solicited bids from Core & Main, Ferguson Waterworks and Pacific Pipeline Supply. All bids were responsive to District specifications; Ferguson Waterworks submitted the lowest bid.

DETAILED REPORT: This mainline project will replace approximately 1,850 feet of various sizes of steel, Nipponite and non-Nipponite AC pipe in Camino Loma Verde and Grandview Road installed in the early 1960s. This project will also relocate and replace a system regulator. Staff recommends the replacement of this main as it will eliminate a priority segment of Nipponite pipe and enhance flow capabilities in this area.

Materials being purchased for this project include 6-inch, 8-inch and 10-inch PVC pipe and various fittings.

Bid Results:	Ferguson Waterworks	\$105,813.32
	Core & Main	\$106,870.19
	Pacific Pipeline Supply	\$109,014.25



Cash Disbursement Report

Payment Dates 11/23/2022 - 12/14/2022

Payment Number	Payment Date	Vendor	Description	Amount
71013	11/30/2022	Refund Check 71013	Customer Refund	2,511.30
71014	11/30/2022	Refund Check 71014	Customer Refund	218.62
71015	11/30/2022	A-1 Irrigation, Inc	Straw Waddles (42), Stakes (150)	1,399.75
	11/30/2022		Waddle (14)	(431.29)
	11/30/2022		Waddle (9)	(277.26)
	11/30/2022		Spray Texture, Furniture Sliders	64.48
71016	11/30/2022	Airgas USA LLC	Oxygen & Acetylene	772.56
71017	11/30/2022	Allied Electronics Inc	E Reservoir SCADA Panel Enclosure	3,289.00
71018	11/30/2022	Amazon Capital Services	First Aid Supplies	237.30
	11/30/2022		Camping Chairs (2) - Retirement Gift	161.32
	11/30/2022		First Aid	85.26
	11/30/2022		Sledge Hammers (2)	187.94
71019	11/30/2022	Answering Service Care, LLC	Answering Service	509.00
71020	11/30/2022	AT&T	9391013680/CALNET 10/13/21-11/12/17 -Phones	428.19
	11/30/2022		9391060230/CALNET 10/13/22-11/12/22 Teleconference	47.37
71021	11/30/2022	AT&T	Voice & Data Service	1,111.18
71022	11/30/2022	Boot World Inc	Footwear Program	180.00
	11/30/2022		Footwear Program	43.82
71023	11/30/2022	Cecilia's Safety Service Inc	Traffic Control Plan - Chaparral Dr/Thibodo Rd	35.00
	11/30/2022		Traffic Control Plan - Dos Aarons Way/Park Center	35.00
	11/30/2022		Traffic Control - Chaparral Dr / Thibodo Rd	950.00
	11/30/2022		Traffic Control - Sycamore Ave	950.00
	11/30/2022		Traffic Control - Independence Way / Elm Dr	760.00
	11/30/2022		Traffic Control - Buena Vista Dr / Mar Vista Dr	2,802.50
71024	11/30/2022	City Of Escondido	Escondido Water Treatment Plant 09/2022 -10/2022	140,988.00
71025	11/30/2022	CleanCapital HC4 Borrower LLC	Solar Energy	4,819.43
71026	11/30/2022	Akeso Occupational Health	DOT Physical (1)	95.00
	11/30/2022		Rapid PCR Testing (2)	338.00
71027	11/30/2022	Columbia Bank	E Res Replacement & Pump Station 10/2022 -Retainage D2346	20,302.93
71028	11/30/2022	Core & Main	Gate Valve 6" FL R/W (2)	1,840.25
	11/30/2022		12" Butterfly Valve 150 PSI (1)	2,803.68
	11/30/2022		8" Pipe Restrainer with T-Bolts (1)	54.13
71029	11/30/2022	Diamond Environmental Services	Portable Restroom Service	137.56
	11/30/2022		Portable Restroom Service	85.69
71030	11/30/2022	Direct Energy	Electric 10/2022 - VID Headquarter	1,963.45
	11/30/2022		Electric 11/2022 - Henshaw Buildings & Grounds	442.89
	11/30/2022		Electric 11/2022 - Henshaw Well Field	20,332.96

Payment Number	Payment Date	Vendor	Description	Amount
	11/30/2022		Electric 11/2022 - T & D / Cathodic Protection	44.04
	11/30/2022		Electric 11/2022 - Reservoirs	16.34
	11/30/2022		Electric 11/2022 - Pump Stations	1,756.06
	11/30/2022		Electric 11/2022 - Treatment Plants	42.91
71031	11/30/2022	DIRECTV	Direct TV Service	107.99
71032	11/30/2022	Dudek	E Reservoir Replacement & Pump Station 09/2022	6,710.00
71033	11/30/2022	Ferguson Waterworks	4" PO Rubber Gaskets (10)	60.08
	11/30/2022		Coupling 1" Copper (No Stop) (20)	75.78
	11/30/2022		6" PO Rubber Gaskets (20)	140.73
	11/30/2022		8" PO Rubber Gaskets (20)	166.71
	11/30/2022		Pipe Joint Lube - Pro-Select - 32oz (12)	58.46
71034	11/30/2022	Gateway Pacific Contractors, Inc	E Reservoir Replacement & Pump Station 10/2022	(20,302.93)
	11/30/2022		E Reservoir Replacement & Pump Station 10/2022	406,058.65
71035	11/30/2022	Glennie's Office Products Inc	Office Supplies	127.24
	11/30/2022		Office Supplies	191.90
71036	11/30/2022	Grainger	Needle Valve	224.23
	11/30/2022		Float Valve	30.82
71037	11/30/2022	Ciao Pizzeria Ristorante	Employee Appreciation Holiday Event	3,584.59
71038	11/30/2022	Hach Company	Lab Supplies	758.03
	11/30/2022		PH Buffer Kits	88.53
	11/30/2022		PH Probe Gel Cartridge	25.72
	11/30/2022		CL17 Buffer Reagents	667.04
71039	11/30/2022	Iconix Waterworks (US) Inc.	Meter 5/8" x 3/4" electronic read (120)	13,912.29
71040	11/30/2022	Joe's Paving	Patch Paving	2,352.45
71041	11/30/2022	Kelly Spicers Stores	Door Hangers (4000)	192.44
71042	11/30/2022	NAPA Auto Parts	Filters, Metal Markers	90.05
71043	11/30/2022	NIGP	Membership	195.00
71044	11/30/2022	North County Auto Parts	Electrical Grease	10.84
	11/30/2022		Battery - E2	197.64
	11/30/2022		Turn Rotors (2) - Truck 55	70.00
	11/30/2022		Battery Core	(17.32)
71045	11/30/2022	North County Powder Coating Inc	Trash Grates - BeeHive Flume	924.55
71046	11/30/2022	Pacific Pipeline Supply	Angle Stop (2)	461.51
71047	11/30/2022	Powerland Equipment, Inc	Fork Attachement for Tractor	1,869.46
71048	11/30/2022	Ramco Petroleum	Fuel 10/2022	3,043.10
71049	11/30/2022	Randy Whitmann	Reimburse - AWWA M22 Reference Manual	132.50
71050	11/30/2022	San Diego Gas & Electric	Electric 11/2022 - Warner Ranch House	55.00
	11/30/2022		Electric 10/2022 - Cathodic Protection & T&D	310.36
	11/30/2022		Electric 10/2022 - Reservoirs	139.85
	11/30/2022		Electric 10/2022 - Pump Stations	9,200.06
	11/30/2022		Electric 10/2022 - Plants	149.73
71051	11/30/2022	Southern Counties Lubricants, LLC	Fuel Use 11/01/22 - 11/15/22	9,284.42

Payment Number	Payment Date	Vendor	Description	Amount
71052	11/30/2022	Shred-it	Shredding Service	165.17
71053	11/30/2022	Sunrise Materials Inc	8** x 2" x 16" Cap Blocks (300)	1,055.44
	11/30/2022		Wooden Lathe (bundle of 50) (6)	513.11
	11/30/2022		Pallet Deposit (2)	80.10
	11/30/2022		Delivery Charge (1)	173.20
	11/30/2022		Cement 10lb Quikrete (20)	1,030.06
	11/30/2022		Cement 50lb Quikrete (15)	1,267.55
71054	11/30/2022	Bend Genetics, LLC	HABs Lab Analysis	2,555.00
71055	11/30/2022	TS Industrial Supply	Air Hammer Punch/Tools	78.02
	11/30/2022		Striping Paint White #710 (12)	91.19
	11/30/2022		Striping Paint Blue #750 (12)	91.19
	11/30/2022		Striping Paint Asphalt Black #770 (12)	91.19
	11/30/2022		Metal Cutoff Wheel/618070/ 4 12" x 0.45 x 5/8 (20)	87.25
	11/30/2022		Gatorade Lemon Lime 2.12 oz./ 144 per carton (1)	140.29
	11/30/2022		White Paint Brushes - 2" (24)	15.07
	11/30/2022		2" Black Pipe Wrap Tape (24)	227.33
	11/30/2022		Wood Wedges / 2" x 4" x 12" (90)	126.65
	11/30/2022		Wire Brush / Stainless Steel / Plastic Handle (10)	26.63
71056	11/30/2022	UniFirst Corporation	Uniform Service	345.27
71057	11/30/2022	Valley CM, Inc	E Reservoir Replacement & Pump Station 10/2022	45,757.99
71058	11/30/2022	Verizon Wireless	Air Cards	152.04
	11/30/2022		Cell Phones 10/10/22 - 10/15/22	2,518.66
71060 - 71061	12/07/2022	Refund Checks 71060 - 71061	Customer Refunds	1,882.38
71062	12/07/2022	Allied Electronics Inc	Relay Sockets	163.73
71063	12/07/2022	Amazon Capital Services	Stihl Chainsaw Parts	27.93
	12/07/2022		Funnels (4)	65.85
	12/07/2022		Quick Links	35.95
	12/07/2022		Chainsaw Parts	36.78
	12/07/2022		Warehouse Supplies	(35.97)
71064	12/07/2022	Bennett-Bowen & Lighthouse Inc	LED Strobe Lights	720.18
71065	12/07/2022	Brett Hodgkiss	ACWA Fall Conference - R Whitmann	64.60
	12/07/2022		ACWA Fall Conference - M Miller	58.57
	12/07/2022		ACWA Fall Conference - P Sanchez	58.57
	12/07/2022		ACWA Fall Conference - J MacKenzie	64.60
	12/07/2022		ACWA Fall Conference - B Hodgkiss	910.95
71066	12/07/2022	Bryan and the Bee's	Live Bee Removal (1)	175.00
	12/07/2022		Live Bee Removal (1)	175.00
71067	12/07/2022	Cal Pacific Truck Center-LLC	Clutch Pedal Bumper - Truck 52	19.94
71068	12/07/2022	California Chamber of Commerce	Membership Dues 01/03/23 - 01/03/24	879.00
71069	12/07/2022	Cecilia's Safety Service Inc	Traffic Control - Valley Ave	1,035.00
	12/07/2022		Traffic Control - Buena Vista Dr / Mar Vista Dr	3,087.50
	12/07/2022		Traffic Control - Independence Way / Elm Dr	902.50

Payment Number	Payment Date	Vendor	Description	Amount
	12/07/2022		Traffic Control - Monte Mar Rd	7,742.50
71070	12/07/2022	Core & Main	Tracer Lids 4" Cast Iron (20)	692.80
	12/07/2022		Fire Hydrant Spool 6x12 DI (2)	333.41
	12/07/2022		Tee 10x8 DI Flange (1)	592.13
	12/07/2022		Ball Mtr Valve .75" Lockwing FIPxSwivel Mtr Nut(7)	575.90
	12/07/2022		Tubing 1" Copper Soft 60' (540)	4,968.65
	12/07/2022		Ball Meter Valve 1" Lckwg FIPxSwivel Mtr Nut (24)	2,883.78
	12/07/2022		Corp Stop 1" MIP X Flare (10)	752.34
	12/07/2022		Ell 6"x16" POxFL Bury DI (2)	868.17
	12/07/2022		Service Saddle 6x2 PVC (2)	357.23
	12/07/2022		Sleeve 8"x12" Galvanized Top Sections (50)	622.44
	12/07/2022		Coupling 6" Deflection C900 (7)	371.30
	12/07/2022		Ball Valve .75" FIP x FIP with handle PSI 150 (5)	90.66
	12/07/2022		Service Saddle 4x1 PVC (1)	129.90
	12/07/2022		Ell 6" DI PO 22.5 Degree (1)	136.40
	12/07/2022		Grease No-Oxide 1 gal (2)	162.38
	12/07/2022		Fire Hydrant Spool 6x12 DI (1)	166.71
	12/07/2022		Ell 6" DI FL 90 Degree (1)	186.19
	12/07/2022		Ell 8" DI PO 45 Degree (1)	221.91
	12/07/2022		Nut Bolt Gasket Kit 6"-8" (6" gskt) 3/4 x 3 1/4 (20)	259.80
	12/07/2022		Gate Valve 6" POxFL R/W (2)	1,883.55
	12/07/2022		Adapter 6" DI POxFL (2)	303.10
	12/07/2022		Flange 4" SOW (4)	108.25
	12/07/2022		Service Saddle 6x2 PVC (1)	152.64
	12/07/2022		Ell 8" DI POxFL 45 Degree (1)	296.61
	12/07/2022		Gate Valve 6" POxFL R/W (4)	3,767.10
	12/07/2022		Gate Valve 8" FL R/W (1)	1,310.92
71071	12/07/2022	CWEA	Certification Renewal	95.00
71072	12/07/2022	Diamond Environmental Services	Stationary Restroom Service	109.95
71073	12/07/2022	Dudek	E Reservoir Replacement & Pump Station 10/2022	3,085.00
71074	12/07/2022	EDCO Waste & Recycling Services Inc	Trash & Recycle - VID Headquarter	440.23
71075	12/07/2022	Employee Relations, Inc	Background Checks (3)	724.51
71076	12/07/2022	Fastenal Company	Battery Powered Grease Gun	238.15
71077	12/07/2022	Ferguson Waterworks	DFW Meter Box Small DFW1324CH4-12 (160)	18,878.80
	12/07/2022		DFW Meter Box Lid Medium 1220E (VID Stamp) (60)	3,117.60
71078	12/07/2022	Flyers Energy, LLC	Fuel Use	81.51
71079	12/07/2022	Government Finance Officers Association	Membership Renewal 02/2023 - 01/2024 SGoodrick	150.00
71080	12/07/2022	Grainger	Lubricant	28.58
	12/07/2022		Saw Blades - BeeHive Roof	137.32
71081	12/07/2022	Hello Deli	Lunch 12/05/22 (4) - Customer Svc Representative Interviews	79.66
71082	12/07/2022	Hi-Line Inc	Hardware/Supplies - Garage	419.31
	12/07/2022		Hardware/Clamps (10) - Garage	9.96

Payment Number	Payment Date	Vendor	Description	Amount
	12/07/2022		Supplies/Hardware - Garage	157.08
71083	12/07/2022	Home Depot Credit Services	Christmas Lights	32.41
	12/07/2022		Hand Tools	34.13
	12/07/2022		Saw Horse, Blades	78.59
	12/07/2022		Aluminum Bar for Brackets	18.33
	12/07/2022		Levels & Supplies to Hang Cabinets	200.32
	12/07/2022		Saw Blades, Spray Texture	138.76
	12/07/2022		Drywall, Studs, Joint Compound	92.16
	12/07/2022		Baseboard - Road House	351.20
	12/07/2022		Cabinet Hardware	55.86
	12/07/2022		Supplies for Road House Project	316.85
	12/07/2022		Tools & Supplies	253.91
71084	12/07/2022	iFlow Energy Solutions, Inc	3" Water Meter (1) - Shadowridge Dr	1,465.15
71085	12/07/2022	J & R Concrete Products, Inc	Precast concrete vault - 72 x 72 x 48 (1)	8,551.75
71086	12/07/2022	Jackson & Blanc	Igniter Switch	296.06
71087	12/07/2022	Jo MacKenzie	Reimburse - ACWA Fall Conference	807.22
71088	12/07/2022	Joe's Paving	Patch Paving	4,725.10
71089	12/07/2022	Ken Grody Ford Carlsbad	Plug Wire Set - Truck 40	141.11
71090	12/07/2022	Kimball Midwest	Supplies - Garage	249.57
71091	12/07/2022	Kronick Moskovitz Tiedemann & Girard	Legal 10/2022	9,864.05
71092	12/07/2022	Lawnmowers Plus Inc	Diamond Chain for Concrete Saw	649.49
71093	12/07/2022	Major League Pest	Monthly Pest Control	225.00
71094	12/07/2022	McMaster-Carr Supply Company	Lube/Grease	189.67
71095	12/07/2022	Moody's	Dump Fee (1) - Yard Stock	300.00
	12/07/2022		Dump Fees (3)	900.00
71096	12/07/2022	NAPA Auto Parts	Mud/Water Protection Kit	339.60
71097	12/07/2022	North County Auto Parts	Wiper Blades, Shop Chemicals	216.27
	12/07/2022		Diesel Exhaust Fluid	86.30
	12/07/2022		Diesel Exhaust Fluid	43.15
	12/07/2022		Shop Chemicals	22.71
	12/07/2022		Emission Parts - Truck 15	262.34
	12/07/2022		Spark Plug - Truck 40	122.63
	12/07/2022		Part - Truck 15	(126.81)
71098	12/07/2022	Pacific Pipeline Supply	Bolt Kits	1,136.44
	12/07/2022		Parts for Valve Install	781.77
71099	12/07/2022	Rancho Environmental Service	Removal of Trees (2) - Daley Flume Rd	7,500.00
71100	12/07/2022	Randy Whitmann	Reimburse - ACWA Fall Conference	612.31
71101	12/07/2022	Volvo Construction Equipment & Services	Filter, Oil - E2	271.17
71102	12/07/2022	Santa Fe Car Wash	Car Washes (25)	275.00
71103	12/07/2022	Southern Counties Lubricants, LLC	Fuel - Unit 40	104.06
	12/07/2022		Equipment Grease	94.92
71104	12/07/2022	Southland Pipe Corp.	Bored Flanges (2)	969.75

Payment Number	Payment Date	Vendor	Description	Amount
71105	12/07/2022	Steven Engineering	Bond Paper	159.59
71106	12/07/2022	Stillwater Sciences	HABs Consulting 10/2022	3,381.56
71107	12/07/2022	Bend Genetics, LLC	HABs Lab Analysis	1,620.00
71108	12/07/2022	TS Industrial Supply	Hardware	41.16
	12/07/2022		Pry Bar 18" Rolling Head (1)	32.37
	12/07/2022		Suction Hose - VE2	695.51
	12/07/2022		Drill Bits (2)	66.10
71109	12/07/2022	UniFirst Corporation	Uniform Service	332.10
71110	12/07/2022	Verizon Wireless	SCADA Remote Access	383.18
71111	12/07/2022	Vista Paint Corporation	Primer Paint	417.65
71112	12/07/2022	White Cap Construction Supply	Saw Blades (2) - BeeHive Flume	90.28
	12/07/2022		Saw Blades (2) - BeeHive Flume	90.28
71113	12/07/2022	Xerox Corporation	Xerox Service & Supplies	201.29
71114	12/07/2022	Refund Check	Customer Refund	2,312.44
71115 - 71121	12/14/2022	Refund Checks 71115 - 71121	Customer Refunds	6,050.93
71122	12/14/2022	A-1 Irrigation, Inc	Brass Cap, Staples	19.60
	12/14/2022		Barbed Wire	271.42
71123	12/14/2022	ACWA/JRIA	Medical & Dental Insurance 01/2023	33.72
	12/14/2022		Medical & Dental Insurance 01/2023	33.72
	12/14/2022		Medical & Dental Insurance 01/2023	33.72
	12/14/2022		Medical & Dental Insurance 01/2023	69.09
	12/14/2022		Medical & Dental Insurance 01/2023	69.09
	12/14/2022		Medical & Dental Insurance 01/2023 - Employees	159,634.33
	12/14/2022		Medical & Dental Insurance 01/2023 - Retirees	40,933.89
	12/14/2022		Medical & Dental Insurance 01/2023 - P Sanchez	1,537.77
	12/14/2022		Medical & Dental Insurance 01/2023 - R Vasquez	2,021.67
	12/14/2022		Medical & Dental Insurance 01/2023 - J MacKenzie	1,537.77
	12/14/2022		Medical & Dental Insurance 01/2023 - P Kuchinsky	1,537.77
	12/14/2022		Medical & Dental Insurance 01/2023 - M Miller	1,537.77
71124	12/14/2022	Amazon Capital Services	Backup Lamps - Truck 1	31.81
	12/14/2022		Footwear Program	148.51
	12/14/2022		Footwear Program	(150.26)
	12/14/2022		Warehouse Supplies	152.64
	12/14/2022		Office Supplies	29.56
	12/14/2022		Head Lamp - Truck 62	107.35
	12/14/2022		First Aid Supply	9.92
	12/14/2022		Office Supplies	42.84
	12/14/2022		Footwear Program	158.25
	12/14/2022		Fire Alarm Stickers	21.54
	12/14/2022		Footwear Program	159.71
	12/14/2022		Coolers (4) - HABs	119.60
	12/14/2022		Right Side Mirror Assembly - Truck 44	156.96

Payment Number	Payment Date	Vendor	Description	Amount
	12/14/2022		Warehouse Supplies	278.37
	12/14/2022		Faucet	42.02
	12/14/2022		Battery Operated Grease Gun	250.96
71125	12/14/2022	Answering Service Care, LLC	Answering Service	509.00
71126	12/14/2022	Asbury Environmental Services	Used Oil Disposal	95.00
71127	12/14/2022	ASCE	Membership Renewal	305.00
71128	12/14/2022	Burke, Williams & Sorensen, LLP	Legal 11/2022	24.00
	12/14/2022		Legal 11/2022	3,120.00
	12/14/2022		Legal 11/2022	145.00
71129	12/14/2022	Cal Pacific Truck Center LLC	Crankcase Filter - Truck 44	320.76
	12/14/2022		EGR Cooler - Truck 52	3,087.04
71130	12/14/2022	California Account Service	Collection Commission	432.26
71131	12/14/2022	California Department of Justice	Fingerprinting (3) - New Hire Background Checks	147.00
71132	12/14/2022	Canon Solutions America, Inc	Canon Supplies & Services	75.26
	12/14/2022		Canon Supplies & Services	84.19
71133	12/14/2022	CDW Government Inc	InformaCast Advanced Paging Software Renewal	2,610.00
71134	12/14/2022	Cecilia's Safety Service Inc	Traffic Control - Olive Ave	665.00
	12/14/2022		Traffic Control - Buena Vista Dr / Mar Vista Dr	1,472.50
	12/14/2022		Traffic Control - West Drive	1,140.00
	12/14/2022		Traffic Design - Activity Dr	35.00
	12/14/2022		Traffic Control - Lazy Circle Dr	1,377.50
	12/14/2022		Traffic Control - Buena Vista Dr/Mar Vista Dr	5,272.50
	12/14/2022		Traffic Control - Black Hawk/Drifting Circle	1,235.00
71135	12/14/2022	CODE 3 Media	Pre-Construction Video - Mar Vista Dr	1,440.00
71136	12/14/2022	CleanCapital HC4 Borrower LLC	Solar Energy Use - VID Headquarter	4,419.52
71137	12/14/2022	WestPrint	Universal Door Hanger (1000)	389.70
71138	12/14/2022	Consor North America, Inc	Deodar Reservoir Rehabilitation Design 10/2022	31,767.92
71139	12/14/2022	Core & Main	Grease No-Oxide 1 gal (2)	162.37
	12/14/2022		Fire Hydrant Spool 6x12 DI (1)	166.71
	12/14/2022		Ball Meter Valve 1" Lockwing FIPxSwivel Mtr Nut(4)	480.63
	12/14/2022		Angle Ball Mtr Valve 1" Flare Swl Mtr Nut Lckwg (5)	822.70
	12/14/2022		Pipe Restrainers (18)	2,481.61
71140	12/14/2022	County of San Diego	Permit Fees 10/2022 - Rock Springs	310.78
	12/14/2022		Permit Fees 10/2022 - Vista Grande	3,013.10
71141	12/14/2022	Craneworks Southwest Inc	Installed Valve Turner Skid - Truck 11	1,653.80
71142	12/14/2022	Davis Farr LLP	Audit Services 11/2022	6,000.00
71143	12/14/2022	Streamline	Website Hosting, Maintenance & Support 12/2022	300.00
71144	12/14/2022	Drug Testing Network Inc	Annual Administrative Fee 01/2023 - 01/2024	125.00
71145	12/14/2022	E&M Electric and Machinery, Inc	SCADA Support - Henshaw	1,479.75
	12/14/2022		SCADA Support - VID Headquarter	8,385.25
71146	12/14/2022	Electrical Sales Inc	LED Lamp	368.27
71147	12/14/2022	Eurofins Eaton Analytical Inc	Henshaw Well Samples	140.00

Payment Number	Payment Date	Vendor	Description	Amount
71148	12/14/2022	Ferguson Waterworks	DFW Meter Box Lid Small D1324 (VID Stamp) (19)	1,295.75
	12/14/2022		Angle Ball Valve 2" FNPT X MNPT (CurbStop) (6)	2,273.12
	12/14/2022		DFW Meter Box Lid Small D1324 (VID Stamp) (41)	2,796.10
	12/14/2022		Air Vent Enclosure VCAS1424 14x24 Sandstone (7)	2,652.13
71149	12/14/2022	Freedom Window Cleaning	Quarterly Front Window Cleaning	395.00
71150	12/14/2022	Freeway Trailer Sales	Brake Drum Kits - T23	598.88
71151	12/14/2022	George and Leroy Trust	Rental of Property - Mar Vista/Miramar	210.00
71152	12/14/2022	Glennie's Office Products Inc	Office Supplies	118.86
71153	12/14/2022	Grainger	SCADA UPS	514.99
	12/14/2022		Exhaust Fan Motor	50.50
71154	12/14/2022	Hach Company	Fluoride Reagents	236.64
71155	12/14/2022	Hardy Diagnostics	Lab Supplies	174.93
71156	12/14/2022	Hello Deli	Lunch 12/08/22 (6) - Laborer Trainee Interviews	89.87
71157	12/14/2022	IDEXX Distribution Corporation	Colilert & Bottles	2,849.12
	12/14/2022		Bac-T Bottle Labels	133.12
71158	12/14/2022	Joe's Paving	Asphalt Repair & Striping - Vista Grande Dr	111,310.00
	12/14/2022		Patch Paving - Dos Aarons & Park Center	29,276.25
	12/14/2022		Patch Paving - Dos Aarons & Park Center	10,771.38
	12/14/2022		Patch Paving - Dos Aarons & Park Center	1,760.55
71159	12/14/2022	Jan-Pro of San Diego	Janitorial Service 12/2022	4,497.00
71160	12/14/2022	Ken Grody Ford Carlsbad	Crank Case Filter - Truck 65	129.59
71161	12/14/2022	Lanair Technology Group	Breach Prevention Platform 100 users	180.00
71162	12/14/2022	Laura Rivera	Customer Service Representative Interviews - Spanish Testing	350.00
71163	12/14/2022	Mallory Safety and Supply, LLC	Vest Lime Hi-Viz MED (8)	178.83
	12/14/2022		Boots 11 Knee-high Steel Toe (1)	21.60
	12/14/2022		Jacket Rain MED (1)	108.20
	12/14/2022		Jacket Rain XL (1)	108.20
	12/14/2022		Pant Rain LG (1)	100.40
	12/14/2022		Stop/Slow 18" Hi Intensity (1)	50.88
	12/14/2022		Boots 10 Knee-high Steel Toe (1)	21.60
71164	12/14/2022	MTC	28" Base 7Lb Night Cone Rec 6" + 4" Collar (50)	1,144.20
71165	12/14/2022	Marty Miller	Reimburse ACWA Fall Conference 11/2022 - M Miller	203.00
	12/14/2022		Reimburse ACWA Fall Conference 11/2022 - P Sanchez	20.50
71166	12/14/2022	Moody's	Dump Fees (3)	900.00
	12/14/2022		Dump Fees (2)	600.00
	12/14/2022		Dump Fees (2)	600.00
71167	12/14/2022	NAPA Auto Parts	Filters (3)	90.37
	12/14/2022		Tire Plugs	107.96
	12/14/2022		Batteries (2), Filter (1)	97.31
	12/14/2022		Brake Assemblies, Seals - T23	492.49
	12/14/2022		Wheel Seals (2) - T23	29.21
	12/14/2022		Wheel Seal (1)- T23	14.60

Payment Number	Payment Date	Vendor	Description	Amount
	12/14/2022		Filters, License Plate Frames	52.65
71168	12/14/2022	North County Auto Parts	Ignition Coil	170.58
	12/14/2022		Test Tool - Garage	51.03
	12/14/2022		Radiator Cap, Oil	54.36
	12/14/2022		Front Brake Pads - Truck 1	99.87
	12/14/2022		Front Brake Rotors (2) - Truck 1	234.32
	12/14/2022		Shop Chemicals	28.72
	12/14/2022		Filter - Truck 1	20.08
	12/14/2022		Diesel Oil	87.65
	12/14/2022		Bearing Grease	94.72
	12/14/2022		Shop Chemicals, Wipers	172.75
	12/14/2022		Batteries (2) - AZ2	488.25
71169	12/14/2022	North County Pool Center Inc	Chlorine	107.14
71170	12/14/2022	O'Reilly Auto Parts	Tire Safety Cage	1,095.49
71171	12/14/2022	Pacific Pipeline Supply	Clamp 6x12 Repair Full Circle SS Romac (1)	422.18
	12/14/2022		Service Saddle 4x1 PVC (1)	506.61
	12/14/2022		Service Saddle 8x1 PVC (9)	2,221.29
71172	12/14/2022	Parkhouse Tire Inc	Tire (1) - T7	294.72
71173	12/14/2022	Paychex of New York LLC	Onboarding/Recruiting Service	812.50
71174	12/14/2022	Richard Vasquez	Reimburse - ACWA Fall Conference & CSDA Mtg	386.56
71175	12/14/2022	Rincon del Diablo MWD	MD Reservoir Water Service	43.67
71176	12/14/2022	San Diego Door Controls, Inc	100hp Motor Soft Starters (2)	2,663.67
71177	12/14/2022	San Diego Friction Products	Shop Supplies - Garage	52.77
71178	12/14/2022	San Diego Gas & Electric	Gas Use 11/2022	1,280.88
	12/14/2022		Electric 11/2022 - Henshaw Buildings & Ground	711.44
	12/14/2022		Electric 11/2022 - Henshaw Wellfield	17,519.16
	12/14/2022		Electrical Use 11/2022	5,139.85
	12/14/2022		Electric 11/2022 - T&D	111.54
	12/14/2022		Electric 11/2022 - Reservoirs	265.78
71179	12/14/2022	Sloan Electric Company	100hp Motor Replacement (1) - Station 12	10,705.93
	12/14/2022		100hp Motor Soft Starters (2)	7,891.79
71180	12/14/2022	Southern Counties Lubricants, LLC	Fuel Use 11/16/22 - 11/30/22	8,300.99
71181	12/14/2022	Spok, Inc	Pagers	50.01
71182	12/14/2022	Shred-it	Shredding Service	167.04
71183	12/14/2022	The UPS Store 0971	Shipping 11/2022 - HABs	612.47
	12/14/2022		Shipping 11/2022	41.58
71184	12/14/2022	Bend Genetics, LLC	HABs Lab Analysis	1,620.00
71185	12/14/2022	Midas Service Experts	Alignment - Truck 9	79.99
71186	12/14/2022	TS Industrial Supply	Fire Hose (3)	570.12
	12/14/2022		Fire Hoses (3)	344.34
	12/14/2022		Coupling Sets (3)	228.50
	12/14/2022		Suction Hose Fittings, Parts	152.51

Payment Number	Payment Date	Vendor	Description	Amount
	12/14/2022		Striping Paint Black #770 (12)	91.19
	12/14/2022		Striping Paint White #710 (12)	91.19
	12/14/2022		Metal Cutting Wheel Type 27 / PN 618070 (20)	87.25
	12/14/2022		Metal Grinding Wheel Type 27 / PN 620110 (20)	109.33
	12/14/2022		2" Pipe Wrap Tape / 100' / 10 Mil (18)	170.49
	12/14/2022		Striping Paint Blue #750 (12)	91.19
	12/14/2022		Construction Marking Paint White #255 (12)	55.73
	12/14/2022		Electrical Tape / 3/4" x 60' / 7 Mil (20)	31.39
	12/14/2022		Sea 1" Teflon Tape / 1" x 520" (20)	24.90
	12/14/2022		Construction Marking Paint Blue #254 (12)	55.73
	12/14/2022		Pressure Walker Spray Nozzle (1)	104.66
	12/14/2022		Gauge 160lb Pressure Oil (2)	47.63
	12/14/2022		Probe Soil 3/8"x4' SSP 400 SS (1)	83.35
	12/14/2022		Lifter SS 36" Meter Lid (2)	90.91
	12/14/2022		Gloves Welding LG (4)	105.00
	12/14/2022		Poly Sprayer 1 gallon (2)	148.95
	12/14/2022		Strap 1"x12' Ratchet (4)	75.43
	12/14/2022		Towel Scrub in a Bucket (6)	149.39
	12/14/2022		Hammer 10" Tomahawk (4)	216.28
	12/14/2022		Ratchet .5" Long Handle (1)	73.93
	12/14/2022		Gloves Thickster Nitrile XL 100 per box (10)	281.45
	12/14/2022		Measuring Tape Holder 25' (4)	64.30
	12/14/2022		Wrench Crescent 10" Adjustable (1)	33.99
	12/14/2022		Towel Wypall X80 (10)	493.62
	12/14/2022		Blade Replacement VP-30 PVC (1)	29.23
	12/14/2022		Gauge 100lb Pressure Oil (1)	23.82
	12/14/2022		Gauge 30lb Pressure Oil (1)	23.82
	12/14/2022		Blade 14" Diamond Concrete (3)	701.46
	12/14/2022		Welding Cutting Tip 1-1-101 (15)	349.11
	12/14/2022		Pry Bar 18" Rolling Head (1)	32.37
71187	12/14/2022	Underground Service Alert of Southern California	New DigAlert Tickets 11/2022 (224)	402.00
	12/14/2022		Underground Safety Board Fees	147.15
71188	12/14/2022	UniFirst Corporation	Uniform Service	264.39
	12/14/2022		Uniform Service	269.09
	12/14/2022		Uniform Service	331.59
	12/14/2022		Uniform Service	260.35
71189	12/14/2022	Valley CM, Inc	E Reservoir Replacement & Pump Station 11/2022	31,596.50
71190	12/14/2022	Vista Lock & Safe Co	Large Master Pad Locks & Keys (15)	522.65
71191	12/14/2022	Vista Paint Corporation	Metal Primer	125.46
	12/14/2022		Paint - BeeHive Flume	976.42
71192	12/14/2022	Vulcan Materials Company and Affiliates	Cold Mix	2,456.13
	12/14/2022		Cold Mix	2,413.47

Payment Number	Payment Date	Vendor	Description	Amount
71193	12/14/2022	Western Water Works Supply Company	Angle Ball Mtr Valve 1" Flare Swl Mtr Nut Lockwing (50)	8,454.33
71194	12/14/2022	Yo Fire	Ell 6"x16" POxFL Bury DI (4)	1,729.84
71195	12/14/2022	YSI, Inc	ODO Sensor for ProDSS Data Collector	1,150.96
	12/14/2022		PH Sensor for ProDss Data Collector	525.81
Grand Total:				1,432,572.58



STAFF REPORT

Agenda Item: 7

Board Meeting Date: January 4, 2023
Prepared By: Shallako Goodrick
Approved By: Brett Hodgkiss

SUBJECT: FISCAL YEAR 2022 AUDIT

RECOMMENDATION: Accept the Fiscal Year 2022 audit report by Davis Farr LLP.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None by this action. The fees for Fiscal Year 2022 audit services are \$24,500.

SUMMARY: The District's independent auditors, Davis Farr LLP, are issuing an unmodified opinion on the District's Financial Section in the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. The ACFR will be discussed in detail during the Board meeting.

The independent auditors found no material weaknesses involving the internal control structure or its operation. As requested, the auditors have reviewed the District's best practices to evaluate potential enhancements to District procedures and have communicated, via memorandum, other matters that could enhance the District's best practices. Management's response to their finding is included in the letter. The letter will be discussed in detail during the Board meeting.

DETAILED REPORT: See attached financial statements and the auditor's letters. Shannon Ayala, CPA, Principal, Davis Farr LLP, will be in attendance to present the audit.

ATTACHMENTS:

- ACFR for the year ended June 30, 2022
- Summary of Audit Results Letter for the year ended June 30, 2022
- Management Letter for the year ended June 30, 2022
- Best Practices Letter for the year ended June 30, 2022



2022

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2022**

Prepared by:

*The Finance Department
Vista Irrigation District
Vista, CA*



VID VISTA IRRIGATION DISTRICT

1391 Engineer Street · Vista, California 92081

Phone: (760) 597-3100 · Fax: (760) 598-8757

www.vidwater.org



A public agency serving the city of Vista and portions
of San Marcos, Escondido, Oceanside and San Diego County

**Vista Irrigation District
Annual Comprehensive Financial Report
For Fiscal Year Ended June 30, 2022
Table of Contents**

Table No. Page Number

Introductory Section

Organization Chart	i
Transmittal Letter	ii
Certificate of Achievement for Excellence in Financial Reporting	vii

Financial Section

Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements	
• Statements of Net Position	9
• Statements of Revenues, Expenses and Changes in Net Position	11
• Statements of Cash Flows	12
• Notes to Financial Statements	14
Required Supplementary Information	
• Schedule of the Proportionate Share of the Plan’s Net Pension Liability and Related Ratios	39
• Schedule of Contributions - Pension Plan	40
• Schedule of Changes in the net OPEB Liability and Related Ratios	41
• Schedule of Contributions - OPEB	42

Statistical Section

Table of Contents		43
Net Position by Component - Last Ten Fiscal Years	I	44
Changes in Net Position - Last Ten Fiscal Years	II	45
Water Sales by User Type - Last Ten Fiscal Years	III	46
Service Connections - Last Ten Fiscal Years	IV	47
Water Rates - Last Ten Fiscal Years	V	48
Principal Water Customers - Current and nine years prior	VI	49
Demographic and Economic Statistics - Last Ten Fiscal Years	VII	50
Principal Employers - Current and nine years prior	VIII	51
Number of Employees - Last Ten Fiscal Years	IX	52
Operating and Capital Indicators - Last Ten Fiscal Years	X	53

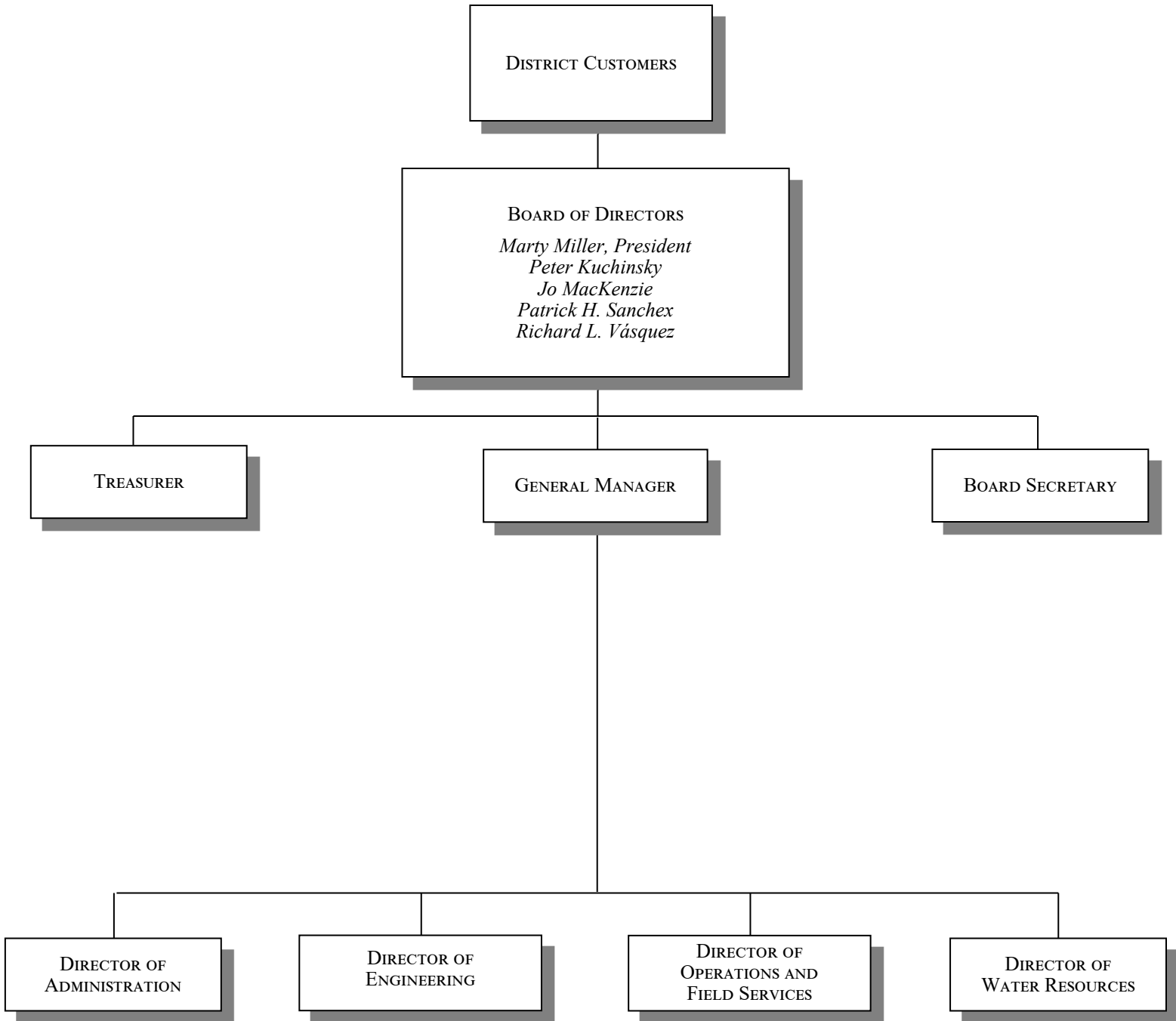
This Page Intentionally Blank



Introductory Section



**Organization Chart
As of June 30, 2022**





1391 Engineer Street • Vista, California 92081-8840
Phone (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

Board of Directors

Marty Miller, *President*
Peter Kuchinsky
Jo MacKenzie
Patrick H. Sanchez
Richard L. Vásquez

Administrative Staff

Brett L. Hodgkiss
General Manager
Lisa R. Soto
Board Secretary

November 18, 2022

To the Board of Directors and customers served by the Vista Irrigation District:

We are pleased to present the Vista Irrigation District's (the District's) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. The purpose of the report is to provide the Board of Directors, our customers, and any other interested parties with reliable financial information about the District.

The report was prepared by the District's Finance Department following guidelines set forth by the Governmental Accounting Standards Board (GASB) and generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including disclosures, rests with the District. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner that provides a fair representation of the financial position and results of operations of the District. Included are all disclosures we believe necessary to enhance your understanding of the financial condition of the District. Internal controls are an important part of any financial reporting framework, and management of the District has established a comprehensive framework of internal controls to provide a reasonable basis for asserting that the financial statements are fairly presented. Because the cost of an internal control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Davis Farr LLP, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, 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. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's

financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Profile of the District

District's Service Area

The District's service area consists of a 33-square mile area in the northwestern quadrant of San Diego County that lies west of the Interstate 15 Freeway and east of the Interstate 5 Freeway, encompassing approximately 21,152 acres. Within the District's boundaries are the City of Vista; portions of the cities of San Marcos, Escondido and Oceanside; and unincorporated areas of the county. The District provides potable water to its service area.

District's Authority

Vista Irrigation District is a special district of the State of California organized in 1923 under the Irrigation District Act (Water Code §20500, et. Seq.) and authorizing statutes (Water Code §22975, et. Seq.) and approved by voters on August 28, 1923 which coincided with the building of Henshaw Dam in 1923 by the San Diego County Water Company. Completion of the dam made it possible for the Vista community to receive a reliable source of water, instead of relying on wells in the area. In June 1946, the District purchased the San Diego County Water Company. Included in the purchase was the 43,000-acre Warner Ranch, which includes Henshaw Dam and Lake Henshaw. In 1954, the District became a member of the San Diego County Water Authority (SDCWA) in order to receive water imported from the Colorado River and Northern California.

The State of California Water Code also authorizes the District to exercise the power of eminent domain; to fix, revise and collect rates or other charges for the delivery of water, use of facilities or property, or provision of service; and to fix in each fiscal year, a water standby or availability charge on land within the boundaries of the District to which water is made available by the District. The District may also issue bonds, borrow money and incur indebtedness.

Governance

The District's Board of Directors is comprised of five members elected by the citizens within their geographical area. Each Director serves a four year staggered term and must be a resident of the division he or she represents. The District operates under a Board-Manager form of government. The General Manager is appointed by the Board, and administers the daily affairs of the District and carries out policies of the Board of Directors. The District budgets a staff of 88 under the direction of the Board-appointed General Manager.

Water Services

The District serves more than 29,000 customers. Typically, 15 to 25 percent of the District's water comes from its local water supply, Lake Henshaw, and remainder comes from three other water sources, the Colorado River, the Pacific Ocean (desalination), and

the Sacramento River/San Joaquin River Delta in Northern California. The District currently delivers approximately 16,400 acre feet of water annually to its customers.

The water system operates over 429 miles of pipe, 12 storage reservoirs, and 7 pumping stations. The District jointly owns the Escondido-Vista water treatment plant with the City of Escondido. The Escondido-Vista water treatment plant (EVWTP) has a permitted capacity of 75 MGD and treats raw water before it is delivered to customers.

Local Economy

District Economic Results

The estimated population of the District is 134,305 as of fiscal year 2022. According to the San Diego Association of Governments (SANDAG), the median age of residents within the District as calculated during the most recent US Census, was 34.8 years and the per capita personal income of residents in the City of Vista, which encompasses the majority of the District, was \$57,048. From 2011 to 2021 the population increased 6.6%, and median household income (adjusted for inflation) increased by 51.7%.

The demand for new connections increased with the District's total service connections increasing in fiscal year 2022 from 29,007 connections to 29,056. Water sales for fiscal year 2022 were 16,444 acre feet, down 878 acre feet or -5.1% from sales of 17,322 in fiscal year 2021. Of the 16,444 acre feet, or 5.4 billion gallons sold in fiscal year 2022, 71% was distributed for residential use, 11% for industrial and commercial use, 12% for landscape irrigation use, 4% for agricultural use and 2% for governmental use.

Until the Lake Henshaw area receives several years of average to above average rainfall, surface water run-off totals will not appreciably increase the lake level nor will a significant amount of groundwater recharge take place. As a result, the District will continue to need to purchase water from the regional wholesaler, SDCWA, to meet the balance of customer needs.

Bay-Delta Fix

The Bay-Delta, a 1,000 square mile network of islands and waterways at the confluence of the Sacramento and San Joaquin rivers east of San Francisco Bay, is a key water supply source for California, including the 3.1 million residents and business community in San Diego County.

Water supplies from the Bay-Delta come to San Diego County via the State Water Project. The Metropolitan Water District of Southern California (MWD) purchases the water from the state Department of Water Resources under a water supply contract. This water has become increasingly unreliable in recent years, as deteriorating ecological conditions have led to regulatory restrictions on pumping water supplies from the Bay-Delta. How much and when the District would begin paying for a Bay-Delta fix is undetermined at this time.

MWD Lawsuit

During 2021 and 2022, the SDCWA was successful in its decade-long rate case litigation against MWD and received payments for damages interest and legal fees from MWD totaling over \$91.1 million. Consistent with a decision made by the SDCWA Board of Directors in 2021, the total amount of monies received was distributed pro-rata to its member agencies. There were a total of four distributions made to each member agency, two in each year; three of the distributions were based on each member agency's purchases of municipal and industrial (M&I) water from 2011 to 2014 and one distribution was based on each member agency's purchases of M&I water from 2015 through 2017.

Vista Irrigation District received its pro-rata share of the disbursements totaling \$3,183,170.62 during 2021 and 2022 (\$1,571,006 in February 2021; \$1,227,642.91 in November 2021; \$369,938.92 in June 2022; and \$14,582.44 in August 2022). The District's Board of Directors approved using the monies received to offset the financial impact of SDCWA rate increases beginning in April 2022 and continuing over a five-year period.

Long-Term Financial Planning

New facilities and system improvements are funded by water rates and service fees. Water rates and service fees are increased over time based on the long-range capital improvement plan. Replacement facilities are financed by depreciation and interest on accumulated depreciation. Expanded facilities are funded by developer fees and capacity charges.

Items in the long-range capital improvement plan are determined not only by the depreciation schedule, but through a process which assesses a combination of factors including age, condition and the critical nature of the facility. The long-range capital improvement plan spreads projects over several years to maintain a constant level of capital projects to maximize the efficiency of District resources. Funds collected or accumulated in years in which there are no new or expanded facilities are placed into the District's capital improvement reserve account. Funds in the capital improvement reserve account are used to pay for construction projects in years that the costs of construction projects exceed the amount collected from water rates.

Major Initiatives

Mainline Replacement Program

In 1995, the District's Board of Directors initiated an on-going Main Replacement Program with the goal of replacing aging pipelines before they reach the end of their useful life and become a maintenance liability. Formalizing a Main Replacement Program has allowed pipe replacements to be prioritized based on the age of the line, leak history, and pipe material as well as factors related to site conditions. Another important factor is input from District crews, who evaluate the line's condition at the time repairs are being made.

Since its inception, the Board of Directors has allocated \$34.6 million to the program, which has allowed the replacement of nearly 37.94 miles of older pipe ranging in size from 4 to 20 inches.

Accomplishments

Financial Statement Awards and Acknowledgements

Awards

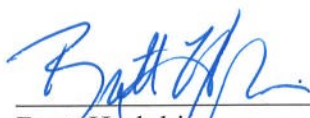
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

We would like to express our appreciation to the Finance Department staff and the independent accounting firm of Davis Farr LLP for the efforts made to prepare this report. We would also like to thank the members of the District's Board of Directors for their continued interest and support in all aspects of the District's financial management.

Respectfully submitted,



Brett Hodgkiss
General Manager



Shallako Goodrick, CPA
Director of Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Vista Irrigation District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

This Page Intentionally Blank



Financial Section

This Page Intentionally Blank

Independent Auditor's Report

Board of Directors
Vista Irrigation District
Vista, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Vista Irrigation District (the District), as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the District, as of June 30, 2022, and the respective changes in financial position and cash flows thereof for the year 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

Emphasis of Matter

As described further in Note 10 to the financial statements, during the year ended June 30, 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No.87, Lease Accounting. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's 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 one year after the date that the financial statements are issued.

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

In performing an audit in accordance with GAAS, 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, the Schedule of the Proportionate Share of the Plan's Net Pension Liability and Related Ratios, Schedule of Contributions – Pension Plan, Schedule of Changes in the Net OPEB Liability and Related ratios and Schedules of Contributions – OPEB* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we 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.

Report on Summarized Comparative Information

We have previously audited the District’s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 19, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *introductory section* and *statistical section* but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

DavisFarrLLP

Irvine, California
November 18, 2022

This Page Intentionally Blank

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Our discussion and analysis of the Vista Irrigation District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements, which begin on page 9. This annual financial report consists of two parts -- Management's Discussion and Analysis (this section) and the Financial Statements.

Financial Statements

The District's financial statements include four components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to Financial Statements

The Statement of Net Position includes all of the District's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net Position is displayed in two categories:

- Investment in capital assets
- Unrestricted

The Statement of Net Position provides the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.

The Statement of Revenues, Expenses and Changes in Net Position presents information, which shows how the District's net position changed during each year. All of the year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The Statement of Revenues, Expenses and Changes in Net Position measures the success of the District's operations during the year and determines whether the District has recovered its costs through user fees and other charges.

The Statement of Cash Flows provides information regarding the District's cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operating
- Noncapital financing
- Capital and related financing
- Investing

This statement differs from the Statement of Revenues, Expenses and Changes in Net Position by only accounting for transactions that result in cash receipts or cash disbursements.

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by accounting principles generally accepted in the United States of America that are not otherwise present in the financial statements.

Financial Highlights

- Overall, operating revenues increased 0.8%, while operating expenses decreased by 8.3%.
- The District realized \$6.2 million in operating income for fiscal year 2022 compared to \$1.4 million in operating income for fiscal year 2021. The increase is primarily a result of increased investment earnings in the pension plan portfolio (approximately \$2.9 million in pension income in the current fiscal year and \$4.5 million in pension expense in the prior fiscal year).
- The District suspended the assessment of late penalties and charges on past due payments during the entirety of fiscal year 2021 because of the COVID-19 pandemic. The District resumed assessing late penalties and charges on past due payments in September 2021, as COVID-19 restrictions began being lifted.

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Financial Analysis of the District

Net Position - The District's overall net position increased \$5.9 million between fiscal years 2021 and 2022, from \$133.7 to \$139.6 million, primarily due to operating income of \$6.2 million, as well as \$0.9 million in contributed capital. The investment in capital assets increased \$1.8 million in 2022, which reflect the excess of net capital additions over the current year depreciation and dispositions.

**Vista Irrigation District's Net Position
(In Millions of Dollars)**

	<u>2022</u>	<u>2021</u>
Current assets	\$ 59.9	\$ 56.7
Noncurrent assets	<u>115.1</u>	<u>109.2</u>
Total Assets	<u>175.0</u>	<u>165.9</u>
Deferred outflows of resources	<u>5.3</u>	<u>5.9</u>
Current liabilities	17.0	14.7
Noncurrent liabilities	<u>10.6</u>	<u>21.0</u>
Total Liabilities	<u>27.6</u>	<u>35.7</u>
Deferred inflows of resources	<u>13.1</u>	<u>2.4</u>
Net Position:		
Investment in capital assets	111.0	109.2
Unrestricted	<u>28.6</u>	<u>24.5</u>
Total Net Position	<u>\$ 139.6</u>	<u>\$ 133.7</u>

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Change in Net Position – In fiscal year 2022, the District's operating revenues increased by 0.8% to \$54.9 million; 97.1% of operating revenues came from water sales and service charge revenues, which increased due to the implementation of water rate adjustments effective April 1, 2022. The increase in aforementioned revenue sources was the primary driver in the increase in overall operating revenues.

During fiscal year 2022, the District's operating expenses decreased 8.3% to \$48.7 million primarily due to pension income resulting from increased investment earnings in the pension plan portfolio.

**Vista Irrigation District's Changes in Net Position
(In Millions of Dollars)**

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Water sales, net	\$ 53.4	\$ 52.5
Property rentals	0.9	0.8
System fees	0.3	0.8
Other services	0.3	0.5
Total Operating Revenues	<u>54.9</u>	<u>54.6</u>
Operating Expenses	<u>48.7</u>	<u>53.2</u>
Operating Income	<u>6.2</u>	<u>1.4</u>
Nonoperating Revenues (Expenses)		
Property taxes	0.6	0.5
Investment income	(0.1)	0.1
Gain (Loss) on disposal of capital	(1.7)	-
Total Nonoperating Revenues	<u>(1.2)</u>	<u>0.6</u>
Contributed Capital	<u>0.9</u>	<u>1.4</u>
Changes in Net Position	5.9	3.4
Total Net Position - beginning	<u>133.7</u>	<u>130.3</u>
Total Net Position - ending	<u>\$ 139.6</u>	<u>\$ 133.7</u>

**VISTA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Capital Assets

At June 30, 2022, the District had invested \$208.4 million in capital assets with \$97.4 million in accumulated depreciation. Net capital assets increased \$1.8 million as a result of capital acquisitions exceeding the annual depreciation and dispositions. During the year, the District added \$7.2 million of capital assets. The largest capital additions were \$2.9 million in costs for several mainline replacement projects, \$2.7 million for reservoir rehabilitation, and \$0.4 million for a flume replacement study. This year’s capital reductions included the transfer of \$4.0 million (\$1.8 million net of depreciation) in fixed assets required per the Settlement Agreement (discussed in Note 9), \$0.3 million in reservoir rehab disposals, and \$0.4 million in replacement/disposals of vehicles and other capital assets, for a total historical cost of \$4.7 million in disposals. Depreciation for the year was \$3.6 million.

**Vista Irrigation District’s Capital Assets, Net
(In Millions of Dollars)**

	2022	2021
Land, franchises and water rights	\$ 5.4	\$ 5.4
Buildings, canals, pipelines, reservoirs and dams	95.7	97.6
Equipment	2.6	2.9
Henshaw pumping project	0.2	0.3
Construction in progress	7.1	3.0
Total Capital Assets, Net	\$ 111.0	\$ 109.2

For more detailed information on capital asset activity, please refer to “Note 4 – Capital Assets” in the notes to the financial statements.

Long-term Debt

At June 30, 2022, the District had no debt and has no immediate need to issue debt.

Contacting the District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for and the stewardship of the financial resources and facilities it manages and maintains. If you have questions about this report or need additional financial information, contact the Vista Irrigation District’s Finance Department at 1391 Engineer Street, Vista, California 92081.

**VISTA IRRIGATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022
(with prior year comparative data)**

	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents (note 2)	\$ 29,697,941	\$ 27,074,285
Investments (note 2)	19,271,410	19,494,561
Accounts receivable, net (note 3)	9,238,601	8,898,121
Lease receivable, short-term (note 8)	454,849	110,301
Taxes receivable	42,669	37,394
Accrued interest receivable	27,408	11,545
Other receivable	112,209	127,330
Inventories of materials and supplies	723,669	636,305
Prepaid expenses and other current assets	309,384	314,998
Total Current Assets	59,878,140	56,704,840
Noncurrent Assets:		
Capital assets: (note 4)		
Depreciable assets, net of accumulated depreciation:		
Buildings, canals, pipelines, reservoirs and dams	95,658,312	97,637,645
Equipment	2,584,834	2,868,872
Henshaw pumping project	210,788	253,158
Nondepreciable assets:		
Land, franchises and water rights	5,453,295	5,453,295
Construction in progress	7,125,220	3,001,940
Total capital assets	111,032,449	109,214,910
Net OPEB asset (note 7)	1,178,104	-
Lease receivable, long-term (note 8)	2,892,144	-
Total Noncurrent Assets	115,102,697	109,214,910
Total Assets	174,980,837	165,919,750
Deferred Outflows of Resources		
Pension related (note 6)	5,207,549	5,568,316
Other post-employment benefits (OPEB) related (note 7)	162,991	403,617
Total Deferred Outflows of Resources	5,370,540	5,971,933

The accompanying notes are an integral part of the financial statements.

(Continued)

**VISTA IRRIGATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022
(with prior year comparative data)**

	2022	2021
Liabilities		
Current Liabilities:		
Accounts payable	\$ 13,694,981	\$ 10,204,541
Deposits	494,330	517,111
Compensated absences, short-term (note 1)	461,017	418,815
Accrued expenses and other liabilities, short term (note 5)	2,392,259	2,202,762
Total Current Liabilities	17,042,587	13,343,229
Noncurrent Liabilities:		
Compensated absences, long-term (note 1)	1,193,370	1,007,030
Accrued expenses and other liabilities, long-term (note 5)	2,445,805	1,413,906
Net pension liability (note 6)	6,936,401	18,800,669
Net OPEB liability	-	1,155,368
Total Noncurrent Liabilities	10,575,576	22,376,973
Total Liabilities	27,618,163	35,720,202
Deferred Inflows of Resources		
Pension related (note 6)	8,230,655	2,300,979
OPEB related (note 7)	1,656,363	111,112
Lease related (note 8)	3,176,944	-
Total Deferred Inflows of Resources	13,063,962	2,412,091
Net Position		
Investment in capital assets	111,032,449	109,214,910
Unrestricted	28,636,803	24,544,480
Total Net Position	\$ 139,669,252	\$ 133,759,390

The accompanying notes are an integral part of the financial statements.

VISTA IRRIGATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022
(with prior year comparative data)

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Water sales, net (note 3)	\$ 53,384,918	\$ 52,527,704
Property rentals	903,963	836,723
System fees	353,720	754,464
Other services	352,059	454,878
Total Operating Revenues	<u>54,994,660</u>	<u>54,573,769</u>
Operating Expenses		
Purchased water	27,362,036	27,010,218
Wages and benefits	8,510,447	16,257,820
Contractual services	7,034,273	5,492,856
Depreciation	3,582,582	3,400,480
Supplies	1,717,651	1,330,707
Power	707,904	466,942
Office and general	440,896	361,044
Professional fees	420,146	281,135
Insurance	255,617	14,072
Communications	50,340	49,299
Burden allocation	(1,339,074)	(1,507,279)
Total Operating Expenses	<u>48,742,818</u>	<u>53,157,294</u>
Operating Income	<u>6,251,842</u>	<u>1,416,475</u>
Nonoperating Revenues (Expenses)		
Property taxes	573,205	539,949
Other nonoperating revenues	4,494	-
Investment income (loss)	(85,371)	61,093
Gain (loss) on disposal of capital assets	(1,739,448)	50,523
Total Nonoperating Revenues (Expenses)	<u>(1,247,120)</u>	<u>651,565</u>
Income Before Contributed Capital	5,004,722	2,068,040
Contributed Capital	905,140	1,364,069
Changes in Net Position	<u>5,909,862</u>	<u>3,432,109</u>
Total Net Position - beginning	<u>133,759,390</u>	<u>130,327,281</u>
Total Net Position - ending	<u>\$ 139,669,252</u>	<u>\$ 133,759,390</u>

The accompanying notes are an integral part of the financial statements.

**VISTA IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(with prior year comparative data)**

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities		
Receipts from customers	\$ 54,516,560	\$ 53,521,040
Payments to suppliers	(39,788,502)	(37,251,971)
Payments to employees	(8,327,791)	(8,188,978)
Collection of deposits	620,489	939,408
Return of deposits	(643,270)	(912,779)
MWD rebate proceeds	1,597,582	1,571,006
Net Cash Provided by Operating Activities	<u>7,975,068</u>	<u>9,677,726</u>
Cash Flows From Noncapital Financing Activities		
Receipts from property taxes	<u>567,930</u>	<u>540,693</u>
Net Cash Provided by Noncapital Financing Activities	<u>567,930</u>	<u>540,693</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from disposal of capital assets	35,393	63,363
Acquisition and construction of capital assets	(6,269,821)	(8,929,302)
Proceeds from property leases	193,169	-
Net Cash Used by Capital and Related Financing	<u>(6,041,259)</u>	<u>(8,865,939)</u>
Cash Flows From Investing Activities		
Proceeds from maturities of investments	19,500,000	19,500,000
Interest on cash and investments	(51,969)	59,638
Purchase of investments	<u>(19,326,114)</u>	<u>(19,479,525)</u>
Net Cash Provided by Investing Activities	<u>121,917</u>	<u>80,113</u>
Net Increase in Cash and Cash Equivalents	2,623,656	1,432,593
Cash and Cash Equivalents - beginning	<u>27,074,285</u>	<u>25,641,692</u>
Cash and Cash Equivalents - ending	<u>\$ 29,697,941</u>	<u>\$ 27,074,285</u>

The accompanying notes are an integral part of the financial statements.

(Continued)

**VISTA IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(with prior year comparative data)**

	2022	2021
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 6,251,842	\$ 1,416,475
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,582,582	3,400,480
Other nonoperating expenses	(358,728)	-
 Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
Accounts receivable, net	(230,172)	(1,050,947)
Other receivable	15,121	(1,785)
Inventories of materials and supplies	(87,365)	80,417
Prepaid expenses and other assets	5,613	(34,396)
Net OPEB asset	(1,178,104)	-
Deferred outflows of resources	601,393	148,563
Accounts payable	3,490,440	1,495,602
Deposits	(22,781)	26,629
Accrued expenses and other liabilities	1,221,394	2,033,078
Compensated absences	228,542	127,824
Net pension liability	(11,864,268)	2,093,209
Net OPEB liability	(1,155,368)	152,942
Deferred inflows of resources	7,474,927	(210,365)
Net Cash Provided by Operating Activities	<u>\$ 7,975,068</u>	<u>\$ 9,677,726</u>
 Noncash Investing, Capital and Financing Activities		
Contributed capital assets	\$ 905,140	\$ 1,364,069
Change in fair value of investments	\$ (49,266)	\$ 31,101

The accompanying notes are an integral part of the financial statements.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies

Description of the Reporting Entity

Vista Irrigation District (District) is a public entity established in 1923, pursuant to the Irrigation District Act of the California Water Code, for the purpose of providing water services to the properties in the District. The District's service area lies within the northwestern quadrant of San Diego County, encompassing approximately 21,088 acres. Historically, the District has received between 15% to 25% of its water supply from Lake Henshaw which, along with the surrounding 43,000 acre Warner Ranch, is owned and operated by the District. The remainder of the District's supply comes from Northern California through the State Water Project and from the Colorado River. These sources are conveyed to the District via aqueducts owned and operated by water wholesalers, the Metropolitan Water District of Southern California and the San Diego County Water Authority. The District is governed by a Board of Directors consisting of five directors elected by geographical divisions, based on District population, for four-year alternating terms.

The criteria used in determining the scope of the reporting entity are based on the provisions of the Governmental Accounting Standards Board (GASB). The District is the primary government unit and currently has no component units. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the District.

Basic Financial Statements

The basic financial statements are comprised of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows and the Notes to the Basic Financial Statements.

Basis of Presentation

The accounts of the District are reported as an enterprise fund. An enterprise fund is a Proprietary type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Under the economic measurement focus all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect: the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, all investment instruments are considered to be cash equivalents if purchased with a maturity of three months or less and are readily convertible to known cash amounts.

Investments

Investments are reported at fair value in the Statement of Net Position. All investment income, including changes in the fair value of investments, is recognized as revenues in the Statement of Revenues, Expenses, and Changes in Net Position. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

Accounts Receivable

Accounts receivable includes both billed and unbilled water sales provided to District customers. An allowance for doubtful accounts is provided for uncollectible accounts based on the District’s bad debt experience and on management’s estimate.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Inventories of Materials and Supplies

Inventories of materials and supplies consist primarily of materials used in the construction and maintenance of the water system and are valued at average cost.

Prepaid Expenses

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

Capital Assets and Depreciation

The District records at cost the acquisition of capital assets greater than \$5,000 and with a useful life of 3 or more years. Contributed assets are recorded at their acquisition value at the date of acceptance by the District. Self-constructed assets are recorded in the amount of labor, material, and overhead incurred. Depreciation is charged to expense and is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

	<u>Useful Life</u>
Buildings, canals, pipelines, reservoirs and dams	15 - 80 years
Equipment	3 - 25 years
Henshaw pumping project	10 - 20 years

Burden Allocation

The District allocates overhead burden costs to pipeline installation jobs, inspection work, fixed fee jobs, damage claims, and other small jobs. The overhead burden costs include management salaries, benefits, use of equipment, warehousing, and handling.

Vacation, Sick Leave, and Compensatory Time Off

The District records a liability equal to 100% of vacation earned and compensatory time off, and an applicable percentage of sick leave available to employees at year end (25%-100%), which is included in compensated absences, current and long-term portions. At June 30, 2022, compensated absences, current portion was \$461,017, and long-term portion was \$1,193,370.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the California Public Employees Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

Postemployment Benefits Other Than Pensions (OPEB)

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

GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has pension-related and other postemployment benefits-related items in this category.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until then. The District has pension-related, other postemployment benefits-related, and lease-related items in this category.

Leases

The District is a lessor for various noncancellable leases of land for cell towers and other third parties. The District recognizes a lease receivable and a deferred inflow of resources in the Statement of Net Position.

At the commencement of the lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. During the term of the lease, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease start date. The deferred inflow of resources is recognized as lease revenue over the life of the lease term.

Estimates and judgements are made by the District to determine (1) the discount rate to use to discount the expected lease receipts to present value, (2) the term of the lease, and (3) lease receipts.

The District uses an average imputed interest rate for borrowing as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if changes occur that are expected to significantly affect the amount of the lease receivable.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Operating Revenues and Expenses

Operating activities generally result from providing services and producing and delivering goods. As such, the District considers fees received from water sales, capacity fees, connection and installation fees and property rentals to be operating revenues. The collection of deposits and return of deposits related to operating activities are reported in the District's cash flows from operating activities. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The collection of deposits and return of deposits related to the specific purpose of deferring the cost of acquiring, constructing or improving assets are reported in the District's cash flows from capital and related financing activities.

Net Position

In the Statement of Net Position, net position is classified in the following categories:

- Investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. The District has no outstanding debt at June 30, 2022.
- Restricted net position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.
- Unrestricted net position - This amount is all net position that does not meet the definition of "investment in capital assets" or "restricted net position".

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the Statement of Net Position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Property Taxes

Property taxes are attached as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due in two installments. The first installment is due on November 1, and is payable through December 10 without penalty. The second installment is due February 1, and becomes delinquent on April 10. Property taxes are remitted to the District from the County of San Diego at various times throughout the year.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; and natural disasters. To help mitigate this risk, the District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The Authority is a risk-pooling self-insurance authority, created under provisions of California Government Code Sections 6500 et. seq. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

The District participates in the following self-insurance programs of the Authority:

Property Loss - Insured up to \$500,000,000 per occurrence, except boiler & machinery \$100,000,000 per occurrence, earthquake \$2,500,000 program aggregate, and flood \$25,000,000 (total insurable value \$34,226,772). Deductibles are as follows: \$5,000 for buildings, personal property, mobile equipment, licensed vehicles/trailers; \$25,000 for boiler & machinery, except \$50,000 if turbine or power generation equipment; 5% of TIV for earthquake; and \$100,000 for flood. The Authority is self-insured up to \$100,000 per occurrence and excess insurance coverage has been purchased.

General Liability - Insured up to \$55,000,000 per occurrence with no deductible; the Authority is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Auto Liability - Insured up to \$55,000,000 per occurrence with no deductible for property damage; the Authority is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Public Officials' Liability - Insured up to \$55,000,000 per occurrence; the Authority is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Crime - Insured up to \$100,000 per occurrence with \$1,000 deductible; the Authority is self-insured.

Cyber Liability - Insured up to \$5,000,000 per occurrence/\$5,000,000 aggregate with up to \$100,000 deductible depending on total insurable values.

Workers' Compensation (WC) and Employer's Liability (EL) - Insured up to statutory limits per occurrence for WC and up to \$4,000,000 for EL. The Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

The District also purchases Dam Failure Liability insurance - up to \$4,000,000 per occurrence; the District's self-insured retention is \$1,000,000 and excess coverage has been purchased.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Risk Management (Continued)

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims experience. The nature and amounts of these adjustments cannot be estimated and are charged to expense as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's prior year financial statements, from which this selected financial data was derived. In addition, certain minor reclassifications of the prior year data have been made to enhance their comparability to the current year.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2 - Cash and Investments

The following is a detail of cash and cash equivalents as of June 30, 2022:

Cash on hand	\$ 5,361
Deposits	3,594,250
Local Agency Investment Fund (LAIF)	14,884,792
California Asset Management Program	11,213,538
Total cash and cash equivalents	<u>\$ 29,697,941</u>

As of June 30, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	
LAIF	less than 12 months	\$ 14,884,792
California Asset Management Program	less than 12 months	11,213,538
Total cash equivalents		<u>\$ 26,098,330</u>
U.S. Treasury bills	6 months weighted average	\$ 19,271,410
Total Investments		<u>\$ 19,271,410</u>

Authorized deposits and investments of the District are governed by the California Government Code as well as policies set forth by the District's Board of Directors. Within the contents of these limitations, permissible instruments include FDIC-insured institutions' certificates of deposit and savings accounts, corporate medium-term notes, U.S. government agency/instrumentalities, money market instruments, money market mutual funds, mortgage backed securities, U.S. government bills, notes and bonds, and asset backed securities. Funds may also be invested in the local government investment pools.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts 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 that portfolio).

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2 - Cash and Investments (Continued)

The District is a voluntary participant in the California Asset Management Program (CAMP), an investment pool managed by Public Financial Management, Inc. CAMP was established under provisions of the California Joint Exercise of Powers Act. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio).

Interest Rate Risk. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting investment maturities to five years. Express authority is granted to invest in investments with term to maturity of greater than five years with a maximum term of ten years, provided the investments are in accordance with stated policy and total investments shall not exceed the amount of long term liabilities outstanding. Investments exceeding five years will be matched with a corresponding liability.

Credit Risk. State law and District policy limits investments in money market funds to the top ratings issued by nationally recognized statistical rating organizations. The District's investment in the California Asset Management Program was rated AAAM by Standard & Poor's Corporation. The District's investment in the California State Treasurer's investment pool (LAIF) was unrated. U.S. Treasury bills are exempt from rating disclosures.

Concentration of Credit Risk. The District manages the concentration of credit risk by limiting local government investment pools and money market funds to a maximum of 40% and 20%, respectively, of the District's total available investment capital as outlined in the District investment policy. Furthermore, no more than 10% of the District's available investment capital can be invested in a single money market fund.

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. All deposits are entirely insured or collateralized. State law requires banks to secure the District's deposits by pledging government securities valued at 110% of the amount of the deposit as collateral. The District may waive the collateral requirement for deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC). Beginning on January 1, 2013, combined deposits are insured by the FDIC up to \$250,000. As of June 30, 2022, the District's bank balances were \$3,724,636, of which \$250,000 were insured and the remaining \$3,474,636 were collateralized with securities held by the pledging institution's trust department.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2 - Cash and Investments (Continued)

Fair Value Measurements

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

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

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Fixed Income Securities:				
Treasury Bills	\$ -	\$ 19,271,410	\$ -	\$ 19,271,410
Total Leveled Investments	<u>\$ -</u>	<u>\$ 19,271,410</u>	<u>\$ -</u>	<u>19,271,410</u>
LAIF*				14,884,792
California Asset Management Program*				<u>11,213,538</u>
 Total Investment Portfolio				 <u>\$ 45,369,740</u>

*Not subject to fair value measurement.

Note 3 - Accounts Receivable, Net

As of June 30, 2022, the net balance was comprised of accounts receivable balances of \$9,553,596 less the allowances for doubtful accounts of \$314,995.

On the Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2022, the balance of water sales, net of uncollectible accounts expense, was comprised of water sales revenue of \$53,427,049 less uncollectible amounts of \$42,131.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 4 - Capital Assets

Capital assets consist of the following at June 30, 2022:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land, franchises, and water rights	\$ 5,453,295	\$ -	\$ -	\$ 5,453,295
Construction in progress	3,001,940	6,123,374	(2,000,094)	7,125,220
Total capital assets not being depreciated	<u>8,455,235</u>	<u>6,123,374</u>	<u>(2,000,094)</u>	<u>12,578,515</u>
Capital assets being depreciated:				
Buildings, canals, pipelines, reservoirs and dams	187,078,190	2,909,880	(4,345,139)	185,642,931
Equipment	7,231,876	141,801	(315,460)	7,058,217
Henshaw pumping project	3,111,870	-	-	3,111,870
Total capital assets being depreciated	<u>197,421,936</u>	<u>3,051,681</u>	<u>(4,660,599)</u>	<u>195,813,018</u>
Less accumulated depreciation for:				
Buildings, canals, pipelines, reservoirs and dams	(89,440,545)	(3,114,372)	2,570,298	(89,984,619)
Equipment	(4,363,004)	(425,840)	315,461	(4,473,383)
Henshaw pumping project	(2,858,712)	(42,370)	-	(2,901,082)
Total accumulated depreciation	<u>(96,662,261)</u>	<u>(3,582,582)</u>	<u>2,885,759</u>	<u>(97,359,084)</u>
Total capital assets being depreciated, net	<u>100,759,675</u>	<u>(530,901)</u>	<u>(1,774,840)</u>	<u>98,453,934</u>
Total capital assets, net	<u>\$ 109,214,910</u>	<u>\$ 5,592,473</u>	<u>\$ (3,774,934)</u>	<u>\$ 111,032,449</u>

Note 5 – Accrued Expenses and Other Liabilities

In March and November 2021, the District received \$1,571,006 and \$1,227,643, respectively, from the San Diego County Water Authority (Water Authority), as their pro-rata share of a rebate from a case litigation between the Water Authority and the Metropolitan Water District of Southern California, and was recorded to income as non-operating. The District determined the funds do not belong to the District but rather to the rate payers. The rebate is being returned to the rate payers, as a reduction to rates, over the next five years beginning in April 2022. A non-operating expense and a liability to the rate payers was recognized. Amortization of the case rebate liability in the amount of \$139,932 was recorded for the June 2022 quarter. The District received an additional case rebate distribution of \$369,939 in June 2022, which will be returned to the rate payers in the same manner, beginning in calendar year 2023. The net liability balance of \$3,028,656 for the case rebate is recorded in Accrued Expenses and Other Liabilities under current and noncurrent portions.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan Description

The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information is listed in the Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. The actuarial valuation report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan's provisions and benefits in effect at measurement date June 30, 2021 are summarized as follows:

	Miscellaneous Plan		
	Tier 1	Tier 2	PEPRA
Hire date	prior to 1/1/2012	from 1/1/12 to 12/31/12	on or after 1/1/13
Benefit formula	3% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.092% - 2.418%	1.0% to 2.5%
Required employee contribution rates	4.5%	7.0%	6.25%
Required employer contribution rates			
Normal cost rate	19.837%	8.794%	7.732%
Payment of unfunded liability	\$1,183,563	\$4,310	\$7,862

Contributions

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

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability

The District's net pension liability was measured as of June 30, 2021 using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement periods ended June 30, 2021, the total pension liability was determined by actuarial valuations as of June 30, 2020, with update procedures used to roll forward the total pension liability. The total pension liability for the Plan was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

(1) Annual increases vary by category, entry age, and duration of service.

(2) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

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

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class at measurement date June 30, 2021 are as follows:

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

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

(b) An expected inflation of 2.00% used for this period

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

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. 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.

C. Proportionate Share of Net Pension Liability

The following table shows the Plan’s proportionate share of the net pension liability over the measurement period.

Miscellaneous Plan:

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2020 (VD)	\$ 104,274,315	\$ 85,473,646	\$ 18,800,669
Balance at: 6/30/2021 (MD)	\$ 106,932,363	\$ 99,995,962	\$ 6,936,401
Net Changes during 2020-21	\$ 2,658,048	\$ 14,522,316	\$ (11,864,268)

Valuation Date (VD), Measurement Date (MD).

The District’s proportionate share of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The change in the District’s proportionate share of the collective net pension liability was as follows:

Proportionate Share - June 30, 2020	<u>0.44572%</u>
Proportionate Share - June 30, 2021	<u>0.36530%</u>
Change - Increase (Decrease)	<u><u>(0.08042%)</u></u>

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

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

The following presents the District’s proportionate share of the net pension liability of the Plan as of the June 30, 2021 measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous Plan's Net Pension Liability - 2021	\$ 21,054,776	\$ 6,936,401	\$ (4,735,060)

Pension Plan Fiduciary Net Position

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

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6 - Defined Benefit Pension Plan (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the fiscal year ending June 30, 2022, the District incurred pension income of \$(2,846,072) for the Plan.

As of June 30, 2022, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,727,753	\$ -
Differences between expected and actual experience	777,843	-
Net difference between projected and actual earnings on pension plan investments	-	6,055,110
Differences between the employer's contributions and the employer's proportionate share of contributions	-	2,175,545
Changes in employer's proportion	1,701,953	-
Total	\$ 5,207,549	\$ 8,230,655

\$2,727,753 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 fiscal year ending June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense (income) as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources, Net
2023	\$ (1,400,788)
2024	(1,325,745)
2025	(1,351,006)
2026	(1,673,320)
2027	-
Thereafter	-
	\$ (5,750,859)

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 7 – OPEB Plan

Plan Description

The District provides post-retirement medical benefits to retirees through the Association of California Water Agencies (ACWA) health program and managed through the California Employers’ Retiree Benefit Trust (CERBT).

The plan is an agent multiple-employer defined benefit healthcare plan that provides retiree medical benefits to eligible retirees and spouses. The plan pays 100% of the cost (premiums) for benefits. To be eligible for retiree health benefits, an employee must retire under CalPERS on or after age 50 with at least 15 years (10 years for at-will employees) of service with the District. Coverage is available to the retiree and the spouse for a combined maximum of 15 years (20 years for at-will employees). The maximum coverage period for the retiree is 10 years and the spouse can be covered for up to the same number of years as the retiree subject to the combined maximum. Employees hired on or after January 1, 2012 are not eligible to continue health benefits at retirement. A separate financial report is not prepared for the plan.

Employees Covered

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	28
Active employees	<u>45</u>
Total	<u><u>73</u></u>

Contributions

The Plan and its contribution requirements are established by District policy and may be amended by the Board of Directors. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2021, the District’s contribution was \$145,464.

Net OPEB Liability (Asset)

The District’s net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2021. A summary of the principal assumptions and methods used to determine the total OPEB liability (asset) is shown below.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 7 – OPEB Plan (Continued)

Actuarial Assumptions

The total OPEB liability (asset) in the June 30, 2021 actuarial valuations was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.50%
Projected Salary Increase	2.75% per annum, in aggregate
Expected long term investment rate of return	6.75%
Healthcare Cost Trend Rates	4.0% HMO/4.0% PPO
Pre-retirement Turnover	Derived from termination rates under the CalPERS pension plan
Mortality	Derived from CalPERS pension plan updated to reflect most recent experience study

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation at measurement date June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
CERBT		
All Equities	59.00%	7.55%
All Fixed Income	25.00%	4.25%
REITs	8.00%	4.25%
All Commodities	3.00%	7.55%
Treasury Inflation Protected Securities (TIPS)	5.00%	3.00%
Total	<u>100.00%</u>	

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 7 – OPEB Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability (asset) was 6.75%. The projection of cash flows used to determine the discount rate assumed that District’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

Changes in the Net OPEB Liability (Asset)

The changes in the net OPEB liability (asset) during measurement period June 30, 2021 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2020	\$ 6,269,754	\$ 5,114,386	\$ 1,155,368
Changes in the Year:			
Service cost	138,859	-	138,859
Interest on the total OPEB liability	423,875	-	423,875
Differences between actual and expected experience	(718,289)	-	(718,289)
Changes in assumptions	(338,687)	-	(338,687)
Changes in benefit terms	(323,788)	-	(323,788)
Contribution - employer	-	145,464	(145,464)
Net investment income	-	1,371,860	(1,371,860)
Administrative expenses	-	(1,882)	1,882
Benefit payments	(632,759)	(632,759)	-
Net Changes	(1,450,789)	882,683	(2,333,472)
Balance at June 30, 2021	\$ 4,818,965	\$ 5,997,069	\$ (1,178,104)

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 7 – OPEB Plan (Continued)

Change of Assumptions

The inflation assumption was adjusted from 2.75% to 2.5% for the valuation completed June 30, 2021.

Change of Benefit Terms

Retirees eligible for Medicare are required to enroll in a Medicare Advantage Plan effective 6/30/2021.

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

The following presents the net OPEB liability (asset) of the District as of the June 30, 2021 measurement date, as well as what the District’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability (Asset)	\$ (897,429)	\$ (1,178,104)	\$ (1,436,999)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Health-Care Cost Trend Rates

The following presents the net OPEB liability (asset) of the District as of the June 30, 2021 measurement date, as well as what the District’s net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease (3.00% HMO/ 3.00% PPO)	Current Healthcare Cost Trend Rates (4.00% HMO/ 4.00% PPO)	1% Increase (5.00% HMO/ 5.00% PPO)
Net OPEB Liability (Asset)	\$ (1,516,903)	\$ (1,178,104)	\$ (794,520)

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 7 – OPEB Plan (Continued)

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

For the year ended June 30, 2022, the District recognized OPEB income of \$(453,095).

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 94,500	\$ -
Differences between actual and expected experience	52,854	676,581
Change in assumptions	15,637	277,107
Differences between projected and actual earnings	-	702,675
Total	\$ 162,991	\$ 1,656,363

\$94,500 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense (income) as follows:

Fiscal Year Ending June 30:	Amount
2023	\$ (317,039)
2024	(372,639)
2025	(381,512)
2026	(420,596)
2027	(96,086)
Thereafter	-

Payable to the OPEB Plan

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

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 8 – Leases

Lease Receivable

The District leases land to various third parties on a noncancellable basis. These leases range in terms from two to twenty-four years as of the beginning of the current fiscal year. Leases which have monthly payments, range from \$1,147 to \$4,563 per month, and certain other lease payments are received twice a year or on an annual basis, ranging from \$14,400 to \$80,000 per year. The District recognized \$416,627 in lease revenue and \$72,411 in interest revenue during the current fiscal year related to these leases. As of June 30, 2022, the District's receivable for these leases, current portion was \$371,239, and long-term portion was \$2,892,144. Also, the District has a deferred inflow of resources associated with these leases of \$3,176,944 at June 30, 2022, that will be recognized as lease revenue over the lease terms.

Note 9 - Commitments and Contingencies

Commitments

On May 17, 2017 the District settled its long-standing water rights lawsuit with various Indian bands. Per the terms of the Settlement Agreement, the District and the City of Escondido are responsible for all costs associated with maintaining and operating the local water system, including the cost of undergrounding of a canal on the San Pasqual Indian Reservation. The cost of the undergrounding project (Project) will be divided evenly between the District and the City of Escondido. Per the terms of the Settlement Agreement, the Project must be completed no later than May 17, 2023. During fiscal year 2022, the District incurred \$2.4 million in expenses related to the Project, with a remaining current estimated expense of \$19 million. The District was also required to transfer certain capital assets to the City of Escondido as part of the Settlement Agreement.

The District has been named as defendant in various other legal actions. In the opinion of management and legal counsel, it is too early to determine the outcome and effect on the District's financial position.

Note 10 – Implementation of New Accounting Standard

As described in Note 8, the District changed accounting policies related to noncancellable leases by adopting GASB 87, *Leases*, in fiscal year 2022. The District did not restate prior year balances, as it was not practicable to do so.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Schedule of the Proportionate Share of the Plan's Net Pension Liability and Related Ratios

Last 10 Fiscal Years*

	Measurement Date							
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014*
Plan's Proportion of the Net Pension Liability ¹	0.12825%	0.17279%	0.16305%	0.15349%	0.15753%	0.14938%	0.22908%	0.21738%
Plan's Proportionate Share of the Net Pension Liability	\$ 6,936,401	\$ 18,800,668	\$ 16,707,460	\$ 14,791,100	\$ 15,622,668	\$ 12,926,266	\$ 15,723,785	\$ 13,526,753
Plan's Covered Payroll ²	\$ 8,208,274	\$ 8,272,132	\$ 8,034,376	\$ 7,982,625	\$ 7,576,845	\$ 7,601,853	\$ 7,473,687	\$ 7,494,718
Plan's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll	84.50%	227.28%	207.95%	185.29%	206.19%	170.04%	210.39%	180.48%
Plan's Proportionate Share of the Fiduciary Net Position as a % of the Plan's Total Pension Liability	88.29%	75.10%	75.26%	75.26%	73.31%	74.06%	80.66%	83.03%
Plan's Proportionate Share of Aggregate Employer Contributions ³	\$ 3,932,998	\$ 3,818,933	\$ 3,448,002	\$ 3,091,757	\$ 2,954,163	\$ 2,678,414	\$ 2,268,191	\$ 1,789,539

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

² Covered Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

³ The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the Measurement Period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of fiduciary net positions, as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

Notes to Schedule:

Benefit Changes:

There were no changes in the benefit terms.

Changes in Assumptions:

There were no changes in assumptions.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Schedule of Contributions - Pension Plan

Last 10 Fiscal Years*

	Fiscal Year-End							
	2022	2021	2020	2019	2018	2017	2016	2015*
Actuarially Determined Contribution	\$ 2,727,753	\$ 2,447,195	\$ 2,155,181	\$ 2,007,718	\$ 1,862,822	\$ 1,816,735	\$ 1,924,128	\$ 1,488,966
Contributions in Relation to the								
Actuarially Determined Contribution	(2,727,753)	(2,447,195)	(2,155,181)	(2,007,718)	(1,862,822)	(1,816,735)	(9,682,740)	(1,488,966)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,758,612)	\$ -
Covered Payroll ¹	\$ 8,325,495	\$ 8,208,274	\$ 8,272,132	\$ 8,034,376	\$ 7,982,625	\$ 7,576,845	\$ 7,601,853	\$ 7,473,687
Contributions as a % of Covered Payroll	32.76%	29.81%	26.05%	24.99%	23.34%	23.98%	127.37%	19.92%

¹ Covered Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

Notes to Schedule:

Fiscal Year End: 6/30/22
Valuation Date: 6/30/19

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll
Asset Valuation Method	Fair Value of Assets
Discount Rate	7.00%
Inflation	2.50%
Payroll Growth	Annual increases vary by category, entry age, and duration of service.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Last 10 Fiscal Years***

Measurement date	Measurement Date				
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:					
Service cost	\$ 138,859	\$ 134,815	\$ 147,996	\$ 143,685	\$ 134,285
Interest on total OPEB liability	423,875	438,783	421,739	420,585	416,970
Differences between actual and expected experience	(718,289)	(133,334)	211,413	-	-
Changes in assumptions	(338,687)	-	62,548	-	-
Changes in benefit terms	(323,788)				
Benefit payments, including refunds of member contributions	(632,759)	(597,943)	(586,233)	(517,935)	(500,111)
Net Change in Total OPEB Liability	(1,450,789)	(157,679)	257,463	46,335	51,144
Total OPEB Liability - Beginning of Year	6,269,754	6,427,433	6,169,970	6,123,635	6,072,491
Total OPEB Liability - End of Year (a)	4,818,965	6,269,754	6,427,433	6,169,970	6,123,635
Plan Fiduciary Net Position:					
Contributions - employer	145,464	122,021	101,590	94,656	500,111
Net investment income	1,371,860	167,864	329,378	439,596	533,100
Administrative expenses	(1,882)	(2,563)	(1,950)	(10,309)	(2,706)
Benefit payments, including refunds of member contributions	(632,759)	(597,943)	(586,233)	(517,935)	(500,111)
Net Change in Plan Fiduciary Net Position	882,683	(310,621)	(157,215)	6,008	530,394
Plan Fiduciary Net Position - Beginning of Year	5,114,386	5,425,007	5,582,222	5,576,214	5,045,820
Plan Fiduciary Net Position - End of Year (b)	5,997,069	5,114,386	5,425,007	5,582,222	5,576,214
Net OPEB Liability (Asset) - Ending (a)-(b)	\$ (1,178,104)	\$ 1,155,368	\$ 1,002,426	\$ 587,748	\$ 547,421
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	124.45%	81.57%	84.40%	90.47%	91.06%
Covered - employee payroll	\$ 4,811,000	\$ 5,178,000	\$ 5,559,000	\$ 6,109,000	\$ 6,182,000
Net OPEB liability (asset) as percentage of covered - employee payroll	-24.49%	22.31%	18.03%	9.62%	8.86%

Notes to Schedule:

Benefit Changes:

Retirees eligible for Medicare are required to enroll in a Medicare Advantage Plan effective 6/30/2021.

Changes in Assumptions:

Inflation was changed on valuation 6/30/2021 from 2.75% to 2.5%

* Fiscal year 2018 was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Schedule of Contributions - OPEB
Last 10 Fiscal Years*

	Fiscal Year-End				
	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 13,977	\$ 231,973	\$ 225,216	\$ 200,852	\$ 195,002
Contributions in relation to the actuarially determined contributions	<u>(94,500)</u>	<u>(145,464)</u>	<u>(122,021)</u>	<u>(101,590)</u>	<u>(94,656)</u>
Contribution deficiency (excess)	<u>\$ (80,523)</u>	<u>\$ 86,509</u>	<u>\$ 103,195</u>	<u>\$ 99,262</u>	<u>\$ 100,346</u>
Covered - employee payroll	\$ 4,738,000	\$ 4,811,000	\$ 5,178,000	\$ 5,559,000	\$ 6,109,000
Contributions as a percentage of covered - employee payroll	1.99%	3.02%	2.36%	1.83%	1.55%

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017
----------------	-----------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to Determine Contribution Rates:

Single and agent employers	Entry age				
Amortization method	Level percentage of payroll, closed				
Asset valuation method	Fair Value				
Inflation		2.50%	2.75%	2.50%	2.75%
Salary increases		2.75%	3.00%	3.00%	3.00%
Investment rate of return		6.75%	7.00%	7.00%	7.00%
Mortality	CalPers pension plan				

* Fiscal year 2018 was the first year of implementation.



Statistical Section

This Page Intentionally Blank

STATISTICAL SECTION

This part of the Vista Irrigation District’s (the “District”) comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

CONTENTS	PAGE
Financial Trends	44
<i>These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	46
<i>These schedules contain information to help the reader access the District’s most significant local revenue source.</i>	
Demographic and Economic Information	50
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.</i>	
Operating Information	53
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the services the District provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table I
NET POSITION BY COMPONENT
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Position					
Investment in capital assets	\$ 111,032,449	\$ 109,214,910	\$ 102,334,860	\$ 97,849,943	\$ 94,645,829
Unrestricted	28,636,803	24,544,480	27,992,421	26,552,862	18,084,612
Total Net Position	<u>\$ 139,669,252</u>	<u>\$ 133,759,390</u>	<u>\$ 130,327,281</u>	<u>\$ 124,402,805</u>	<u>\$ 112,730,441</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net Position					
Investment in capital assets	\$ 89,924,833	\$ 84,550,252	\$ 82,551,852	\$ 81,758,263	\$ 83,082,019
Unrestricted	15,418,929	21,630,198	19,724,448	31,251,239	24,015,914
Total Net Position	<u>\$ 105,343,762</u>	<u>\$ 106,180,450</u>	<u>\$ 102,276,300</u>	<u>\$ 113,009,502</u>	<u>\$ 107,097,933</u>

Source: Vista Irrigation District

Table II
CHANGES IN NET POSITION
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenues:										
Water sales	\$ 53,384,918	\$ 52,527,704	\$ 48,703,324	\$ 47,799,794	\$ 49,802,101	\$ 45,948,385	\$ 41,193,157	\$ 44,594,810	\$ 46,858,642	\$ 44,675,640
Property rentals	903,963	836,723	771,289	807,180	823,871	770,023	718,075	738,767	705,845	666,495
Other services	352,059	454,878	408,369	569,180	451,600	645,880	657,891	428,667	454,842	206,602
System fees	353,720	754,464	924,945	1,225,043	731,240	1,029,580	622,039	853,041	667,311	228,954
Total operating revenues	54,994,660	54,573,769	50,807,927	50,401,197	51,808,812	48,393,868	43,191,162	46,615,285	48,686,640	45,777,691
Operating Expenses:										
Purchased water	27,362,036	27,010,218	20,917,710	21,287,616	22,569,140	23,826,729	18,721,053	19,235,486	21,351,934	19,438,447
Wages and benefits	8,510,447	16,257,820	16,207,874	13,591,552	14,461,797	13,492,353	11,870,598	12,298,601	12,026,730	11,902,693
Depreciation	3,582,582	3,400,480	3,247,471	3,157,173	2,968,997	2,719,379	2,581,311	3,363,263	3,222,382	3,122,974
Contractual services	7,034,273	5,492,856	4,945,888	5,240,188	4,292,413	3,495,060	4,125,191	3,827,299	3,932,249	3,551,800
Supplies	1,717,651	1,330,707	1,288,380	1,359,577	1,531,232	1,450,699	1,396,166	1,309,636	1,369,388	969,997
Professional fees	420,146	281,135	719,175	596,320	603,257	949,374	700,489	658,616	634,801	799,509
Power	707,904	466,942	411,118	466,694	405,854	525,897	656,238	662,164	603,100	735,024
Office and general	440,896	361,044	408,249	536,420	557,713	481,697	489,547	488,237	445,363	477,700
Insurance	255,617	14,072	110,882	385,026	543,145	535,788	531,811	489,023	476,242	407,580
Uncollectible accounts	-	-	-	-	-	-	-	-	60,389	54,046
Communications	50,340	49,299	49,025	51,755	53,326	56,779	49,845	55,126	57,814	61,278
Burden allocation	(1,339,074)	(1,507,279)	(1,257,841)	(1,363,958)	(1,433,392)	(1,422,130)	(1,255,779)	(945,126)	(947,821)	(934,908)
Total operating expenses	48,742,818	53,157,294	47,047,931	45,308,363	46,553,482	46,111,625	39,866,470	41,442,325	43,232,571	40,586,140
Operating Income	6,251,842	1,416,475	3,759,996	5,092,834	5,255,330	2,282,243	3,324,692	5,172,960	5,454,069	5,191,551
Nonoperating Revenues (Expenses):										
Property taxes	573,205	539,949	507,604	487,062	450,512	423,469	384,960	381,843	443,255	387,889
Investment income (loss)	(85,371)	61,093	903,373	859,164	346,063	168,777	129,591	63,423	45,451	53,471
Gain (Loss) on disposal of capital assets	(1,739,448)	50,523	35,014	3,722,423	19,210	(139,088)	(16,209)	30,557	(3,819)	9,414
Other nonoperating revenues (expenses)	4,494	-	(32,341)	49,198	-	-	-	42,810	-	64,015
Legal settlement	-	-	-	-	-	(66,961)	(83,905)	(55,173)	(94,732)	(57,090)
Total Nonoperating Revenues (Expenses)	(1,247,120)	651,565	1,413,650	5,117,847	815,785	386,197	414,437	463,460	390,155	457,699
Income Before Contributed Capital	5,004,722	2,068,040	5,173,646	10,210,681	6,071,115	2,668,440	3,739,129	5,636,420	5,844,224	5,649,250
Contributed Capital	905,140	1,364,069	750,830	1,461,683	1,315,564	1,257,820	165,021	499,911	67,345	1,176,656
Change in net position	5,909,862	3,432,109	5,924,476	11,672,364	7,386,679	3,926,260	3,904,150	6,136,331	5,911,569	6,825,906
Net Position, beginning of year	133,759,390	130,327,281	124,402,805	112,730,441	110,106,710	106,180,450	102,276,300	113,009,502	107,097,933	100,272,027
Prior Period Adjustment	-	-	-	-	(4,762,948)	-	-	(16,869,533)	-	-
Net Position, end of year	\$ 139,669,252	\$ 133,759,390	\$ 130,327,281	\$ 124,402,805	\$ 112,730,441	\$ 110,106,710	\$ 106,180,450	\$ 102,276,300	\$ 113,009,502	\$ 107,097,933

Source: Vista Irrigation District

Table III
WATER SALES BY USER TYPE
Last Ten Fiscal Years

Fiscal Year Ended	<u>Residential</u>		<u>Commercial/Industrial</u>		<u>Irrigation</u>		<u>Agricultural</u>		<u>Governmental</u>		Average Rate
	<u>Value</u>	<u>Acre Feet</u>	<u>Value</u>	<u>Acre Feet</u>	<u>Value</u>	<u>Acre Feet</u>	<u>Value</u>	<u>Acre Feet</u>	<u>Value</u>	<u>Acre Feet</u>	
2022	\$24,078,879	11,696.1	\$3,704,894	1,769.2	\$4,190,315	2,006.7	\$1,453,817	694.2	\$586,706	278.2	\$2,068
2021	\$24,139,088	12,288.3	\$3,385,503	1,670.9	\$4,486,971	2,241.2	\$1,700,825	848.6	\$553,930	272.9	\$1,978
2020	\$21,166,639	10,747.0	\$3,239,744	1,621.9	\$3,624,924	1,836.0	\$1,463,693	742.8	\$570,427	276.2	\$1,975
2019	\$20,866,138	10,747.2	\$3,441,266	1,740.4	\$3,635,381	1,820.5	\$1,593,200	815.6	\$720,781	360.6	\$1,954
2018	\$22,332,964	11,643.8	\$3,530,165	1,809.8	\$4,230,231	2,149.4	\$1,871,045	964.0	\$729,793	370.0	\$1,930
2017	\$19,568,389	10,767.2	\$3,365,773	1,720.3	\$3,237,014	1,765.9	\$1,635,378	883.5	\$704,645	359.0	\$1,840
2016	\$17,679,019	10,153.3	\$3,037,823	1,681.5	\$2,562,469	1,389.9	\$1,588,646	882.3	\$477,063	268.1	\$1,763
2015	\$20,141,952	11,900.4	\$3,214,629	1,866.1	\$3,377,886	1,954.8	\$1,646,475	954.0	\$766,433	441.3	\$1,703
2014	\$21,671,513	13,079.4	\$3,275,725	1,945.6	\$3,835,833	2,287.1	\$1,810,450	1,075.1	\$1,276,974	740.5	\$1,666
2013	\$20,750,003	13,114.2	\$3,144,742	1,953.8	\$3,384,426	2,098.8	\$1,665,459	1,031.2	\$1,159,166	706.4	\$1,592

Source: Vista Irrigation District

Table IV
SERVICE CONNECTIONS
Last Ten Fiscal Years

Fiscal Year Ended	<u>Residential</u>	<u>Commercial/Industrial</u>	<u>Irrigation</u>	<u>Agricultural</u>	<u>Fire Service</u>	<u>Governmental</u>	<u>Total</u>
2022	24,864	1,578	945	279	1,299	91	29,056
2021	24,770	1,576	957	333	1,281	90	29,007
2020	24,470	1,571	954	524	1,269	91	28,879
2019	24,393	1,581	944	515	1,258	89	28,780
2018	24,268	1,584	934	568	1,244	90	28,688
2017	24,209	1,582	928	572	1,240	91	28,622
2016	24,036	1,587	918	574	1,237	91	28,443
2015	24,191	1,606	914	586	1,236	92	28,625
2014	24,191	1,608	897	562	1,228	94	28,580
2013	24,048	1,601	889	567	1,218	92	28,415
2012	24,061	1,603	887	555	1,211	92	28,409
2011	23,974	1,630	877	557	1,183	92	28,313
2010	23,958	1,647	864	568	1,177	91	28,305

Source: Vista Irrigation District

Table V
WATER RATES
Last Ten Fiscal Years

Fiscal Year Ended	VID Commodity Charge per HCF*				Monthly ¾” Meter Charge
	Domestic - Tier 1	Domestic - Tier 2	Domestic - Tier 3**	Agricultural	
2022	\$4.72	\$5.19	\$5.19	\$5.03	\$43.30
2021	\$4.44	\$4.98	\$4.98	\$4.76	\$40.97
2020	\$4.35	\$4.89	\$4.89	\$4.67	\$40.97
2019	\$4.27	\$4.81	\$4.81	\$4.59	\$38.85
2018	\$4.24	\$4.78	\$4.78	\$4.56	\$37.05
2017	\$4.16	\$4.70	\$4.70	\$4.48	\$35.85
2016	\$4.04	\$4.58	\$4.58	\$4.36	\$34.76
2015	\$3.73	\$4.27	\$4.27	\$4.05	\$33.67
2014	\$3.61	\$4.15	\$4.15	\$3.93	\$32.85
2013	\$3.52	\$4.06	\$4.06	\$3.84	\$31.87

* HCF = One Hundred Cubic Feet

** The tier 3 rate is only imposed during times of water delivery cutbacks stipulated by the San Diego County Water Authority.
When no water delivery cutbacks are imposed by the Water Authority, Tier 3 usage is billed at the Tier 2 rate.

Source: Vista Irrigation District

Table VI
PRINCIPAL WATER CUSTOMERS
Current Fiscal Year and Nine Years Prior

<u>Customer</u>	<u>Usage in Acre Feet</u>	<u>Percent of Water Sold</u>	<u>Customer</u>	<u>Usage in Acre Feet</u>	<u>Percent of Water Sold</u>
Industrial	73.7	0.45%	Golf Course	236.0	1.28%
City Parks/Trails	67.8	0.41%	Courthouse	138.4	0.75%
Courthouse	59.4	0.36%	Industrial	66.5	0.36%
Industrial	55.3	0.34%	Agricultural	47.4	0.26%
Industrial	42.3	0.26%	Mobile Home Park	38.0	0.21%
Multi-Family	36.0	0.22%	High School	37.9	0.21%
High School	34.6	0.21%	Industrial	37.2	0.20%
Mobile Home Park	33.9	0.21%	Commercial Medical	37.1	0.20%
Mobile Home Park	33.7	0.20%	Agricultural	36.8	0.20%
Agricultural	33.6	0.20%	Mobile Home Park	35.9	0.19%
Total Top Ten Customers	470.2	2.86%	Total Top Ten Customers	711.2	3.85%
Other Customers	15,974.2	97.14%	Other Customers	17,753.5	96.15%
Total Water Sales	16,444.4	100.00%	Total Water Sales	18,464.7	100.00%

Source: Vista Irrigation District

Table VII
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Total Population	Average Household Size	Unemployment Rate*	Per Capita Personal Income*	Total Personal Income (000s)*
2021	134,305	3.12	<i>6.8%</i>	<i>\$57,048</i>	<i>\$7,638,912</i>
2020	133,764	3.13	<i>10.2%</i>	<i>\$54,004</i>	<i>\$7,223,817</i>
2019	133,625	3.15	<i>3.6%</i>	<i>\$51,123</i>	<i>\$6,831,277</i>
2018	133,851	3.16	<i>3.6%</i>	<i>\$50,670</i>	<i>\$6,782,275</i>
2017	133,797	3.17	<i>4.3%</i>	<i>\$47,207</i>	<i>\$6,316,133</i>
2016	131,006	3.17	<i>5.0%</i>	<i>\$48,129</i>	<i>\$6,305,173</i>
2015	129,801	3.17	<i>4.7%</i>	<i>\$46,701</i>	<i>\$6,061,837</i>
2014	129,144	3.17	<i>5.8%</i>	<i>\$40,220</i>	<i>\$5,194,168</i>
2013	128,358	3.16	<i>7.1%</i>	<i>\$44,534</i>	<i>\$5,716,309</i>
2012	126,844	3.14	<i>8.3%</i>	<i>\$38,221</i>	<i>\$4,848,167</i>

* NOTE: Values in italics text are for the City of Vista. All other values are for the Vista Irrigation District.

Source: SANDAG

Data for the current year is not yet available.

Amounts presented may vary from the prior year's report due to inflation adjustments or re-calculations.

Table VIII
Principal Employers – County of San Diego
Current Fiscal Year and Nine Years Prior

Fiscal Year Ended June 30, 2022 ⁽¹⁾			Fiscal Year Ended June 30, 2013 ⁽²⁾		
Employer Name	Industry	No. of Employees	Employer Name	Industry	No. of Employees
University of California, San Diego	Education	10,000+	U.S. Dept. of Defense	Military	10,000+
County of San Diego	Government	10,000+	Federal Government	Government	10,000+
United States Navy, San Diego	Government - Military	10,000+	State of California	Government	10,000+
City of San Diego	Government	10,000+	University of California, San Diego	Education	10,000+
San Diego Unified School District	Education	10,000+	County of San Diego	Government	10,000+
Sharp Healthcare	Healthcare	10,000+	Sharp Healthcare	Healthcare	10,000+
Scripps Healthcare	Healthcare	10,000+	Scripps Health	Healthcare	10,000+
Qualcomm, Inc.	Technology	5,000-9,999	San Diego Unified School District	Education	10,000+
Kaiser Medical Center	Healthcare	5,000-9,999	Qualcomm Inc.	Technology/ Communications	10,000+
San Diego State University	Education	5,000-9,999	City of San Diego	Government	10,000+

Source: ¹ San Diego's Top 10 Employers www.sandiegostop10.com/employers.aspx

² Vista Irrigation District 2013 CAFR/San Diego Source Book

Table IX
NUMBER OF EMPLOYEES
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Employees	83	85	87	87	90	89	87	88	84	90
Average Years of Service	11.5	10.8	10.2	10.8	11.6	12.8	12.0	11.6	11.9	11.7

Source: Vista Irrigation District

Note- Based on active employees at fiscal year-end.

Table X
OPERATING AND CAPITAL INDICATORS
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Service Area (acres)	21,152	21,152	21,152	21,152	21,152	21,160	21,160	21,160	21,200	21,200
Miles of water main (4" and larger) *	429	429	429	429	429	473	473	473	473	473
Number of enclosed reservoirs	12	12	12	12	12	12	12	12	12	12
Capacity of enclosed reservoirs (acre feet)	142	142	142	142	142	141	141	142	142	142
Number of open reservoirs	1	1	1	1	1	1	1	1	1	1
Capacity of open reservoirs (acre feet) **	51,832	51,832	51,832	51,774	51,774	51,774	51,774	51,774	51,774	51,774
Number of pump stations	7	7	7	7	7	7	7	7	7	7
Number of pumps	18	18	18	18	18	18	18	18	18	18
Total capacity of pumps (horsepower)	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Number of service connections	29,056	29,007	28,879	28,780	28,688	28,622	28,443	28,625	28,580	28,415
Production peak (million gallons per day)	21	22	21	22	21	22	20	24	32	28
Average production (million gallons per day)	15	16	15	14	16	15	14	16	18	18
Total rainfall (inches) - Lake Henshaw	16	15	29	35	12	34	21	16	13	14
Total rainfall (inches) - Vista	10	4	21	16	4	20	11	8	5	9
Average daily temperature (F) - Lake Henshaw	60	59	58	58	60	60	59	60	60	57
Average daily temperature (F) - Vista	62	63	63	62	64	63	64	64	63	62
Electricity purchased (1,000 kWh) - Service Area	1,016	1,007	1,017	1,075	1,060	712	1,081	1,094	1,078	1,244
Electricity purchased (1,000 kWh) - Lake Henshaw	3,316	1,368	302	1,783	1,077	1,964	3,176	3,352	3,310	3,800
Natural gas purchased (therms)	6,578	7,256	8,829	7,833	6,926	5,768	5,970	5,573	5,777	6,500
Mainline repairs	24	17	19	31	20	40	29	33	32	41

* Miles of pipe within the Vista Irrigation District system was updated consistent with the findings set forth of the 2018 Potable Water Master Plan.

** Capacity of open reservoir was updated according to a 2018 study.

Source: Vista Irrigation District

Board of Directors
Vista Irrigation District
Vista, California

We have audited the financial statements of the Vista Irrigation District (the District) as of and for the year ended June 30, 2022, and have issued our report thereon dated November 18, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 12, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence under the American Institute of Certified Public Accountants ("AICPA") independence standards, contained in the Code of Professional Conduct.

We identified self-review threats to independence as a result of non-attest services provided. Those non-attest services included the preparation of the statement of cash flows. To mitigate the risk, management has compared the draft statement of cash flows to the underlying accounting records to verify accuracy.

Additionally, we utilize a quality control reviewer to perform a second review the statement of cash flows. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

During the planning of the audit, we identified the implementation of Governmental Accounting Standards Board No. 87 – Leases as a significant risk. As a result, we reviewed the support for 86% of the receivable and deferred inflow of resources related to leases. We compared the terms of the agreements to the information included in the calculation of the lease receivable, deferred inflows of resources and recognition of revenue.

We also identified capital asset additions and water inventory as significant risks. We determined the intended useful life extending projects that should be capitalized as additions to capital assets is based on management’s knowledge of the assets and their useful lives. We determined the valuation of water inventory based on management’s procedures for physical inventory count.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. As described in Note 8 to the financial statements, the District changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, Leases, in the fiscal year 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management’s estimate of which capital projects represent ordinary maintenance activities necessary to keep an asset operational for its originally intended useful life versus significant improvement, replacement, and life extending projects that should be capitalized as additions to capital assets is based on management’s knowledge of the assets and their useful lives.
- Management’s estimate of transactions related to net pension and OPEB liabilities based on actuarial information.
- Management’s estimate of the GASB 87 lease transactions based on a single leasing model for accounting and reporting purposes.

We evaluated the key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of Capital Assets in note 4 to the financial statements.
- The disclosure of Accrued Expenses and Other Liabilities in note 5 to the financial statements.
- The disclosure of Pension in note 6 to the financial statements.
- The disclosure of OPEB in note 7 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 18, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Comprehensive Financial Report

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

DavisFarrLLP

Irvine, California
November 18, 2022

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
Vista Irrigation District
Vista, 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 the Vista Irrigation District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

DavisFarrLLP

Irvine, California
November 18, 2022

Board of Directors
Vista Irrigation District
Vista, California

In planning and performing our audit of the financial statements, we considered Vista Irrigation District's internal control over financial reporting (internal control) as a basis for designing 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 Vista Irrigation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Vista Irrigation District's internal control.

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

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

As a matter of best practice, we offer the following recommendation as an opportunity to improve the District's IT controls.

(1) Personal Check Cashing

During our audit, we performed a review of the District's internal control procedures around deposits. It was noted that the District's cashier cashes personal checks for employees. There are no written policies or procedures around this practice; however, it has been in practice for many years.

Recommendation

As a best practice, the District should refrain from cashing personal checks for employees as a matter of separation of personal transactions from employer transactions to eliminate any potential misappropriation of assets, either knowingly or unknowingly, by an employee of the District.

Management Comments

As noted, the District has cashed personal checks (\$100 maximum) in the past. Based on the Auditor's recommendation, the District has implemented a procedure that no longer allows the processing of personal checks. Customer Service employees perform the cashier function and have been informed of the new internal control procedure.

District's Response to Findings

The District's response to the findings identified in our audit is described above. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the District and is not intended to be, and should not be, used by anyone other than these specified parties.

DavisFarrLLP

Irvine, California
November 18, 2022



STAFF REPORT

Agenda Item: 8

Board Meeting Date: January 4, 2023
Prepared By: Shallako Goodrick
Approved By: Brett Hodgkiss

SUBJECT: FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

RECOMMENDATION: Informational report concerning the financial results of the District.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: Attached for review by the Board of Directors is the Financial Report for the Year Ended June 30, 2022. This report includes the following items:

FINANCIAL STATEMENTS

- Lake Henshaw Operations- Statements of Revenues and Expenses

SPECIAL REPORTS

- Water Statistics Budget Comparison
- Revenue and Expense Budget Comparison
- Capital Outlay Comparison
- Legal Expenses

The Lake Henshaw financial statements reflect revenues and expenses directly related to operating Lake Henshaw and the surrounding Warner Ranch. Lake Henshaw revenues were \$1,305,391, which included an estimated value of \$612,950 in local water that was provided to the District; expenses were \$4,842,165, which included \$2,390,789 for the San Pasqual Undergrounding Project and \$143,042 for legal fees related to implementation of the water rights settlement. Lake Henshaw operations resulted in a \$3,536,774 operating loss for Fiscal Year 2022.

The first three special reports listed above compare the actual results for the year ended June 30, 2022 with the budgeted amounts approved by the Board.

Overall, the District experienced a \$6.3 million operating gain versus a projected \$2.4 million operating loss this fiscal year. The operating gain is primarily the result of increased investment earnings on the pension plan portfolio and lower than anticipated expenditures on the San Pasqual Undergrounding Project. Water purchases from the San Diego County Water Authority totaled \$27.4 million, accounting for just over 56 percent of the District's total operating expenses.

DETAILED REPORT: See attached Financial Report for the Year Ended June 30, 2022.



FINANCIAL REPORT
For the Year Ended
June 30, 2022

(UNAUDITED)

VISTA IRRIGATION DISTRICT

Table of Contents

	<i>Page</i>
FINANCIAL STATEMENTS	
Lake Henshaw Operations – Statements of Revenues and Expenses.....	1
SPECIAL REPORTS	
Water Statistics Budget Comparison	2
Revenue and Expense Budget Comparison	3-4
Capital Outlay Comparison.....	5
Legal Expenses	6



FINANCIAL STATEMENTS

LAKE HENSHAW OPERATIONS

STATEMENTS OF REVENUES AND EXPENSES

Years Ended June 30, 2022 and 2021

(Unaudited)

	2022	2021
Revenues:		
Value of local water produced	\$ 612,950	\$ 1,114,678
Property rentals	713,323	658,725
Other services	<u>(20,882)</u>	<u>(9,837)</u>
Total Revenues	<u>1,305,391</u>	<u>1,763,566</u>
Expenses:		
Contractual services	2,993,914	910,850
Burden allocation	432,815	400,559
Depreciation	346,322	318,792
Power	325,164	158,889
Professional fees	300,905	150,261
Supplies	198,050	70,143
Wages	186,558	180,432
Insurance	38,675	34,191
Office and general	<u>19,762</u>	<u>20,397</u>
Total Expenses	<u>4,842,165</u>	<u>2,244,514</u>
Operating Loss	<u>(3,536,774)</u>	<u>(480,948)</u>
Nonoperating Revenues:		
Investment income	<u>44,815</u>	<u>-</u>
Total Nonoperating Revenues	<u>44,815</u>	<u>-</u>
NET LOSS	<u><u>\$ (3,491,959)</u></u>	<u><u>\$ (480,948)</u></u>



SPECIAL REPORTS

VISTA IRRIGATION DISTRICT

WATER STATISTICS BUDGET COMPARISON Year Ended June 30, 2022 (In Acre Feet)

	Actual	Budget	Percentage of Budget
WATER SOURCES:			
Water Purchases	16,832	13,685	123%
Local Water	<u>519</u>	<u>3,115</u>	17%
Total Water Sources	<u><u>17,351</u></u>	<u><u>16,800</u></u>	103%
WATER SALES	<u><u>16,444</u></u>	<u><u>15,800</u></u>	104%

VISTA IRRIGATION DISTRICT

REVENUE AND EXPENSE BUDGET COMPARISON Year Ended June 30, 2022

	Actual	Budget	Percentage of Budget
OPERATING REVENUES			
Water sales:			
Single family	\$ 16,848,934	\$ 15,970,000	106%
Multiple family	6,311,417	5,960,000	106%
Irrigation	4,172,273	3,890,000	107%
Commercial	2,479,290	2,370,000	105%
Agricultural	1,447,557	1,570,000	92%
Industrial	1,209,651	1,120,000	108%
Mobile homes	814,851	810,000	101%
Government	584,180	610,000	96%
Unmetered	146,457	-	-
Service charges	19,412,439	19,837,000	98%
Subtotal water sales	<u>53,427,049</u>	<u>52,137,000</u>	
Property rentals	903,963	830,900	109%
System fees:			
Capacity	336,278	746,000	45%
Annexation and detachments	17,442	-	-
Subtotal system fees	<u>353,720</u>	<u>746,000</u>	
Other services:			
Non construction services	206,043	235,000	88%
New installations	146,016	285,000	51%
Subtotal other services	<u>352,059</u>	<u>520,000</u>	
Total Operating Revenues	<u>55,036,791</u>	<u>54,233,900</u>	101%
OPERATING EXPENSES			
Purchased water	27,362,036	23,681,000	116%
Wages and benefits:			
Salaries	8,606,122	8,470,000	102%
Employee health insurance	2,198,301	2,308,000	95%
FICA & medicare	669,339	645,000	104%
Workers compensation	196,552	228,000	86%
Deferred compensation plan	114,868	113,000	102%
Life and disability insurance	78,720	82,000	96%
Uniforms	30,350	30,000	101%
Tuition reimbursement	7,021	4,000	176%
EAP counseling	2,841	3,000	95%
Unemployment insurance	-	1,500	0%
Retiree medical insurance (contra-expense)	(547,595)	-	-
PERS retirement (contra-expense)	(2,846,072)	2,740,000	-
Subtotal wages and benefits	<u>8,510,447</u>	<u>14,624,500</u>	
Contractual services	7,034,273	12,632,500	56%
Depreciation	3,582,582	3,995,000	90%

VISTA IRRIGATION DISTRICT

REVENUE AND EXPENSE BUDGET COMPARISON Year Ended June 30, 2022

	Actual	Budget	Percentage of Budget
Supplies	1,717,651	1,297,900	132%
Power	707,904	431,600	164%
Office and general:			
Fees and permits	186,539	175,600	106%
Postage	79,261	72,900	109%
Dues, subscriptions, and publications	49,670	50,000	99%
Training	36,200	41,300	88%
Employment related expense	24,801	29,000	86%
Travel	18,257	37,600	49%
Printing	16,920	16,100	105%
Office supplies	16,262	15,000	108%
Awards and contributions	10,045	13,500	74%
Computer hardware	2,941	14,000	21%
Subtotal office and general	<u>440,896</u>	<u>465,000</u>	
Professional fees:			
Legal	216,247	295,900	73%
Consulting	173,149	117,800	147%
Audit	30,750	26,000	118%
Subtotal professional fees	<u>420,146</u>	<u>439,700</u>	
Insurance	255,617	301,500	85%
Communications	50,340	53,000	95%
Uncollectible accounts	42,131	106,000	40%
Burden allocation	(1,339,074)	(1,350,000)	99%
Total Operating Expenses	<u>48,784,949</u>	<u>56,677,700</u>	86%
Operating Income (Loss)	6,251,842	(2,443,800)	-
NONOPERATING REVENUES (EXPENSES)			
Property taxes	573,205	511,000	112%
Other nonoperating revenues	4,494	-	-
Investment income (loss)	(85,371)	118,000	-
Loss on disposal of capital assets	(1,739,448)	-	-
Total Nonoperating Revenues (Expenses)	<u>(1,247,120)</u>	<u>629,000</u>	-
Income (Loss) Before Contributed Capital	<u>\$ 5,004,722</u>	<u>\$ (1,814,800)</u>	-

VISTA IRRIGATION DISTRICT

CAPITAL OUTLAY COMPARISON

June 30, 2022

	Budget Item #	Board Approved (Inception To Date)	Outlay To Date	Capital Outlay Remaining
ENGINEERING:				
E43 Regulator Relocation & Upgrade	10-02	\$ 350,000	\$ 470,337	\$ -
E Reservoir and Pump Station	16-04	4,400,000	3,492,735	907,265
Paseo Santa Fe Project	16-05	1,850,000	1,644,187	-
Calle Maria Pipeline Extension	18-02	200,000	-	200,000
HB Reservoir Rehabilitation	18-05	7,250,000	7,349,185	-
Four (4) Reservoirs Rehabilitation	20-03	135,000	134,332	-
Vista Flume Replacement	21-01	1,500,000	712,158	787,842
Deodar Reservoir Rehabilitation	22-01	190,000	218,294	-
Main Replacement Program	99-99	2,500,000	2,933,915	-
		18,375,000	16,955,143	1,895,107
FIELD SERVICES:				
Medium Duty Truck	21-02	120,000	129,557	-
Vehicles(2)	22-02	75,000	26,329	48,671
Valve Operator	22-03	74,000	-	74,000
Caterpillar Coupler System	22-04	20,000	8,406	-
Asphalt Roller	22-05	18,500	17,737	-
		307,500	182,029	122,671
INFORMATION TECHNOLOGY:				
Document Management System	20-11	10,000	-	10,000
Board Room Audio Visual System	22-06	80,000	-	80,000
		90,000	-	90,000
OPERATIONS:				
Water Quality Monitoring Panel	21-04	34,000	24,333	-
Motor	22-07	7,500	-	7,500
Valve Pump Control		-	15,453	-
Concrete Vault Roof - Station 2		-	11,583	-
		41,500	51,369	7,500
WATER RESOURCES:				
Warner Wellfield Assessment and Enhancement	20-15	500,000	13,631	486,369
Well Rehabilitation (2)	22-08	200,000	-	200,000
Boat	22-09	24,000	-	24,000
Skip Loader	22-10	100,000	-	100,000
Wood Chipper	22-11	40,000	53,563	-
Handheld Multi-Parameter Sonde & Sensors			10,262	-
		864,000	77,456	810,369
		\$ 19,678,000	\$ 17,265,996	\$ 2,925,647

VISTA IRRIGATION DISTRICT

LEGAL EXPENSES

Year Ending June 30, 2022

General Legal Fees

Liebert, Cassidy & Whitmore	General	\$ 10,777	
Best Best & Kreiger LLP	General	2,580	
Rutan & Tucker LLP	General	40,400	
Burke, Williams & Sorensen, LLP	General	19,448	
			\$ 73,205

Water Rights Legal Fees

Rutan & Tucker LLP	Indians	1,908	
Kronick Moskowitz Tiedemann & Girard	Indians	<u>141,134</u>	
			<u>143,042</u>

Total Legal Costs (12 months) \$ 216,247

Total Budgeted Legal Costs (12 months) \$ 295,900



STAFF REPORT

Agenda Item: 9

Board Meeting Date: January 4, 2023
Prepared By: Randy Whitmann, Don Smith, Frank Wolinski & Shallako Goodrick
Approved By: Brett Hodgkiss

SUBJECT: DIVISION REPORTS

RECOMMENDATION: Note and file informational report.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: Previous month's and anticipated activities are reported by each division.

OPERATIONS & FIELD SERVICES

December 2022

- Water Quality Call/Incident for December – received one discolored water call. The call was related to a hit fire hydrant; the issue was resolved with flushing.
- Inspected and tested 20 new backflow devices that were integrated into the District's cross-connection control program.
- Pechstein beam reinforcement project – intermediate beam reinforcement assemblies are being fabricated.
- Beehive bench roof replacement – completed priming and painting of the roof and site cleanup.
- Continued mainline replacement of steel pipe on Mar Vista Drive – install approximately 5,600' of various sizes of PVC pipe, 64 services and 9 hydrant laterals. Approximately 25% complete.

January 2023

- Continue Pechstein reservoir beam reinforcement project.
- Continue mainline replacement of steel pipe on Mar Vista Drive – install approximately 5,600' of various size PVC pipe, 64 services and 9 hydrant laterals.
- Relocate 12-inch mainline in the intersection of Nordahl and Rock Springs roads for the County of San Diego's road improvement project.

Electrical Energy Use at VID Headquarters

November 2022

Description	Current Month Production	Average of Last 12 Months	Total, Fiscal Year-to-Date
	(kWh)	(kWh)	(kWh)
Solar Production (\$0.18 per kWh)	23,650	33,381	167,890
Power purchased from Direct Energy (\$0.05 per kWh)	14,978	10,743	70,070
TOTAL ELECTRICAL ENERGY USE	38,628	44,124	237,960

ENGINEERING DIVISION

December 2022

- The District has replaced approximately 10.34 miles of Nipponite pipe since 2002. Of the 5.58 miles of Nipponite pipe remaining in the system, replacement of 0.25 miles is currently in design.
- The District has replaced approximately 4,933 feet (0.93 miles) of pipe (steel – 1,603 feet, PVC – 380 feet, non-Nipponite asbestos cement – 292 feet and Nipponite – 2,658 feet) in Fiscal Year 2023.
- Edgemoor (E) Reservoir Replacement and Pump Station – Gateway Pacific continued concrete reservoir formwork, reinforcing steel installation, and pouring portions of the reservoir slab, columns, wall footings, walls, and overflow structure.
- Deodar Reservoir Rehabilitation – Completed review of 90% design and submitted comments to Murraysmith.
- Flume Replacement Alignment Study – Brown and Caldwell continued fine screening analysis.
- Projects along Flume
 - The Villages – 380 dwelling unit residential subdivision along Country Club Lane, between Nutmeg Street and Pamela Lane in Escondido. Project is under construction and includes storm drain work along the Jones Siphon in addition to the relocation of an 18-inch transmission main feeding the Bennett service area. Project requires District review and approval of two tract maps, encroachment permit, joint use agreement, grant of right of way, improvement plan, and quitclaim. The Board has approved all items except the quitclaim.
 - Nutmeg Homes – 137 dwelling unit residential subdivision along Nutmeg Street between Centre City Parkway and Interstate 15 in Escondido. Project is in the design phase and requires District review and approval of grading, street and utility improvement plans along Nutmeg Street and adjacent to/over the Caldwell Siphon. Draft plans call for additional fill over approximately 400 feet of the Caldwell Siphon, which would require pipeline relocation per Section 3.9.1 of the District's Rules and Regulations. Staff is currently discussing the matter with the developer to evaluate acceptable alternatives.

January 2023

- Mainline Replacement Projects in design (current projects): Independence Wy., Elm Dr., Warmlands Ave., Lonsdale Ln.*, Grandview Rd., Plumosa Ave., Via Christina, Lado De Loma Dr.*, Camino Loma Verde*, Eddy Dr., Rancho Vista Rd., Camino Patricia, Camino Corto, Goetting Wy., Nevada Ave., N. Citrus Ave., Lemon Ave., Hillside Terrace, Mar Vista Dr., Miramar Dr., Buena Creek Rd., Rock Springs Rd. at Nordahl Rd., Estrelita Dr., Victory Dr., Oak Dr.*, Queens Wy., Watson Wy. (Total length = 6.39 miles).
- Mainline Replacement Projects in planning (future projects): Camino Culebra*, Alta Vista Dr., Catalina Ave.*, Friendly Dr.*, E. Vista Wy., Nordahl Rd.*, HN Line - Gopher Canyon Rd. to Fairview Dr., Buena Creek Rd.*, Robinhood Rd.*, Lower Ln.*, Easy St.*, West AB Line – Esplendido Ave. and Bella Vista Dr.*, Colavo Dr.*, Broadway*, Olive Ave.*, Rancho Vista Rd., Bandini Pl., McGavran Dr., Oro Avo Dr., Shale Rock Rd., La Mirada Dr., Crescent Dr.*, Descanso Ave., San Clemente Ave.* (Total length = 9.01 miles).
- Edgemoor (E) Reservoir Replacement and Pump Station – Gateway Pacific to continue concrete reservoir formwork, reinforcing steel installation, and pouring portions of the reservoir slab, columns, wall footings, walls and roof.
- Deodar Reservoir Rehabilitation – Murraysmith to submit final design check set for District review.
- Flume Replacement Alignment Study – Brown and Caldwell to continue fine screening analysis.

*Nipponite pipe

ADMINISTRATION DIVISION

December 2022

- Conducted annual review of the District’s Investment Policy (Policy) as required by State law; no changes to the Policy were necessary.
- Distribute materials regarding the District scholarship program to local high schools. Post an electronic copy of the application materials on the website.
- Issued news releases regarding annual organizational meeting and scholarship contest.
- Completed recruitments for Safety and Risk Administrator, Meter Reader Trainee and Information Technology System Administrator positions. Cynthia Perez accepted a job offer for the Safety and Risk Administrator position; Brandon Watson accepted a job offer for the Meter Reader Trainee position; and Tony Bang accepted a job offer for the Information Technology System Administrator position.
- Continued recruitments for Management Analyst, Finance Supervisor, Laborer Trainee, Customer Service Representative and Engineering Specialist positions.
- Began recruitment for Welder I/II and Senior Facilities Worker positions.
- Coordinated the Employee Appreciation Event.

January 2023

- Deliver Water Awareness calendars.
- Continue recruitments for Management Analyst, Finance Supervisor, Laborer Trainee, Customer Service Representative, Engineering Specialist, Welder I/II and Senior Facilities Worker positions.

WATER RESOURCES DIVISION

VID Water Production

November 2022

Description	Current Month Production		Average Production of Last 12 Months		Total, Fiscal Year-to-Date
	(mgd)	(af)	(mgd)	(af)	(af)
<i>VID's EVWTP Water Production</i>					
Local Water	0.00	0.00	0.51	46.59	40.60
SDCWA Raw Water	6.24	574.10	9.19	859.37	4,325.62
Subtotal (EVWTP Water Production)	6.24	574.10	9.70	905.96	4,366.22
Oceanside Contract Water	2.68	246.50	1.39	129.32	806.50
SDCWA Treated Water	4.39	404.10	4.24	396.94	2,719.20
TOTAL WATER PRODUCTION	13.30	1,224.70	15.34	1,432.22	7,891.92

Lake Henshaw and Warner Ranch Wellfield statistics are summarized as follows:

Lake Henshaw

Storage as of December 22, 2022:	3,957 af (8% of 51,832 af capacity)
Current releases:	0 cfs
Change in storage for month of November:	569 af (gain)
Total releases for month of November:	5 af
Hydrologic year-to-date rain total:	7.80 inches (December 22, 2022)
Percent of yearly average rain:	32% (30-year average: 24.20 inches)
Percent of year-to-date average rain:	103% (30-year average through December: 7.60 in.)

Warner Ranch Wellfield

Number of wells running in November:	11
Total production for month of November:	566 af
Average depth to water table (December):	87 ft (see attached historical water table chart)

December 2022

- Harmful Algal Blooms
 - Performed sampling for Harmful Algal Blooms (HABs) in Lake Henshaw on November 28 and December 5 and December 13, 2022. Results for microcystin and anatoxin-a were below the “Caution” advisory threshold.
 - Releases from Lake Henshaw are suspended until the 2023 delivery season.
- San Pasqual Undergrounding Project construction activities: completed French drain for de-silting basin; placed reinforcing steel for desilting basin floor; started placing 60-inch pipeline on north side of tunnel; and worked on drainage and access issues for portions of abandoned canal. As of December 15, 2022, the project was 68 percent complete based on time and 75 percent complete based on cost (\$27.7 million of \$36.8 million of the contract amount had been invoiced).

January 2023

- Continue to monitor for HABs.
- San Pasqual Undergrounding Project: pour structural concrete for the desilting basin and construct 60-inch pipeline in Tokama Road.

ATTACHMENTS:

- Lake Henshaw Resort, Inc., Activity Reports – October 2022
- VID's Warner Wellfield – Water Table Depth vs. Monthly Wellfield Production
- San Pasqual Undergrounding Project photographs

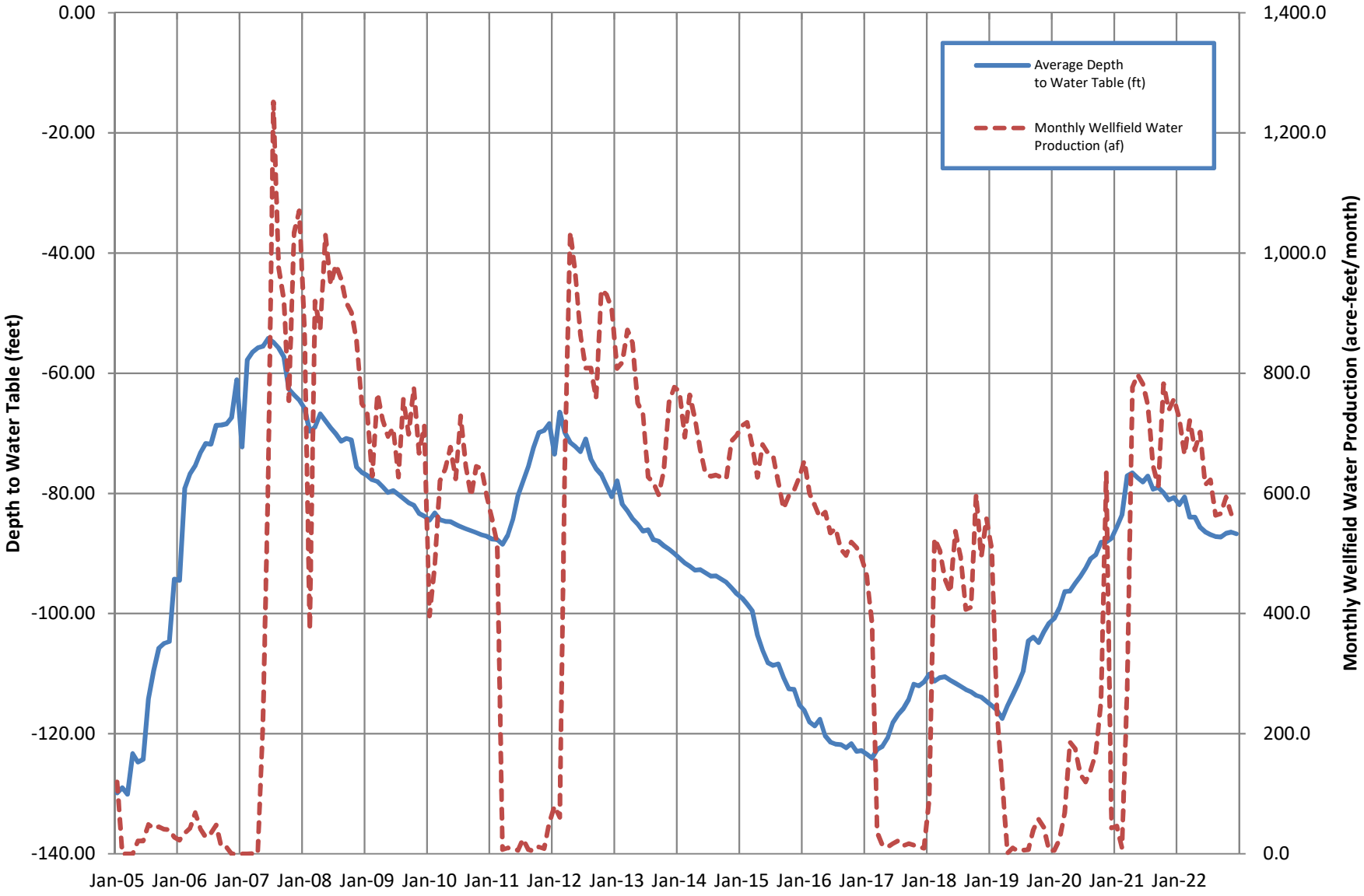


**LAKE HENSHAW RESORT, INC.
ACTIVITY REPORT
AS OF OCTOBER 31, 2022**

	2021 Oct	2021 Nov	2021 Dec	2022 Jan	2022 Feb	2022 Mar	2022 Apr	2022 May	2022 Jun	2022 Jul	2022 Aug	2022 Sep	2022 Oct	12 MO AVG
Fishing Permits	283	232	75	76	165	274	798	507	515	693	336	324	232	352
Boat Launches	2	4	2	0	0	6	2	6	3	8	2	2	0	3
Motor Boats (full day rental)	11	4	20	2	5	7	24	6	41	37	11	3	5	14
Motor Boats (half day rental)	3	1	1	0	0	7	5	2	20	15	0	5	2	5
Campground/Head Count	406	247	33	43	143	245	520	1,563	858	2,140	939	517	408	638
Campground/Cars, Trucks, etc.	216	84	16	19	59	138	227	491	324	806	347	472	175	263
Campground/Recreational Vehicles	0	5	0	0	12	9	0	2	19	2	0	0	6	5
Mobile Home/Spaces	70	70	71	68	68	69	71	71	73	72	72	72	72	71
M.H.P. (Residents/Head Count)	97	97	98	95	95	96	96	96	99	98	98	98	98	97
Storage	6	6	6	7	7	6	6	6	8	6	6	6	5	6
Cabins	149	165	67	67	78	138	113	168	148	141	169	174	148	131
Hunters	0	0	97	0	0	0	0	0	0	0	0	0	0	8
M.H.P. Daily (Visitors/Head Count)	0	0	0	12	0	0	0	0	0	0	0	0	0	1

VID's Warner Wellfield

Water Table Depth vs. Monthly Wellfield Production



San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Crew completed the work for pump out structure at station 29+81 on N. Lake Wohlford Road and installed the precast manhole riser and manhole cover

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Crew connected the north end of the pump out structure to the 60" CMLC pipe that was installed earlier. The outside joints as well as the interior joints were welded.

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Bypass pipe as part of the pump-out structure

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Installing the blowoff valve for the Pump-out structure

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Rebars and forms for the inlet / outlet walls for the desilting basin were installed and inspected

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



Shotcrete for the inlet/outlet wall structure for the desilting basin took place on Saturday 12/10

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22

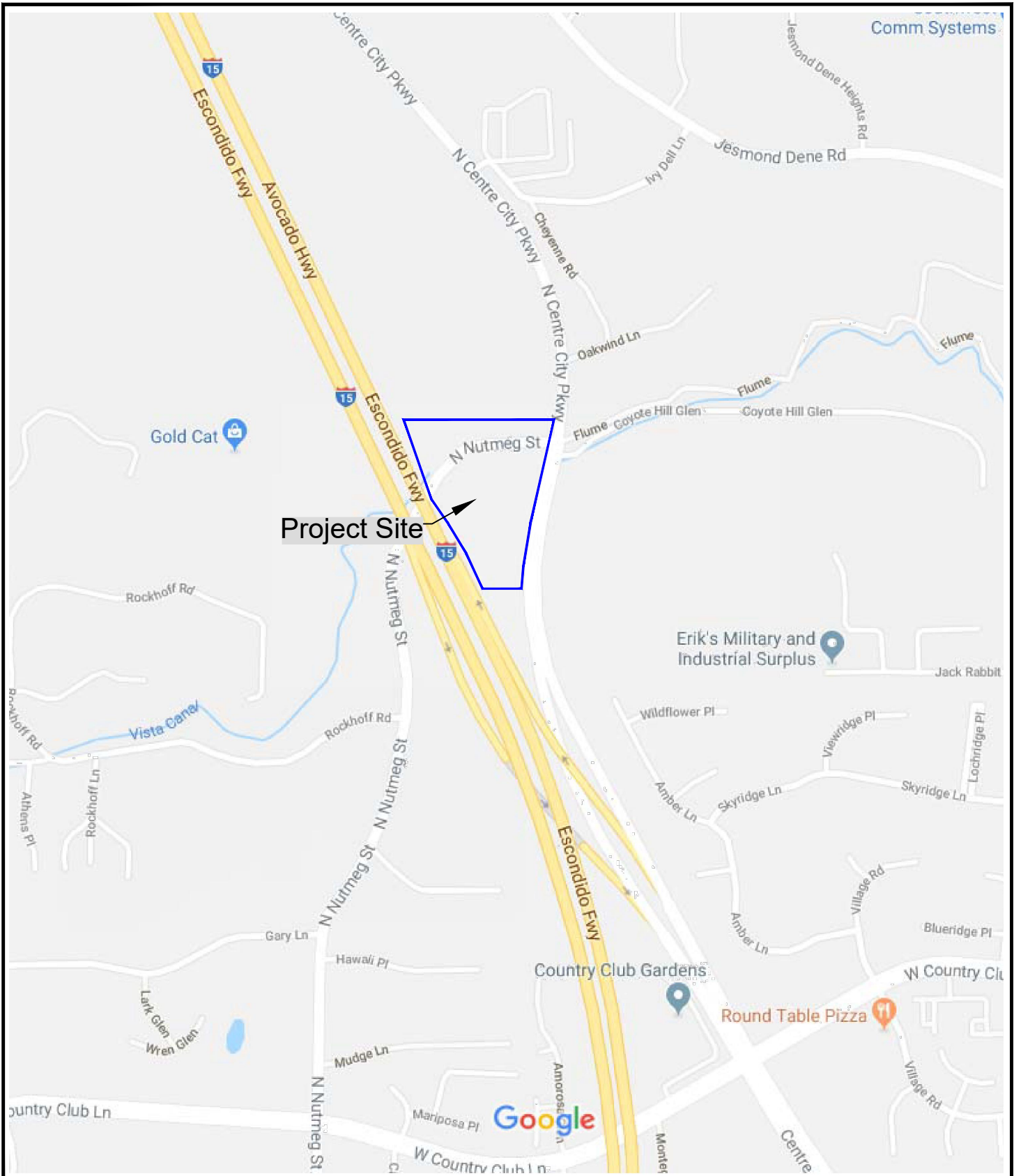


As of yesterday, crew mobilized to the north end of the tunnel and were able to install and connect the first section of the pipe to the existing pipe coming out of the tunnel

San Pasqual Canal Undergrounding Project
Progress Meeting No. 22



The pipe was embedded in sand. Once completely backfilled, crew will remove the existing shoring boxes in order to continue with remaining installations.



SOURCE: www.maps.google.com

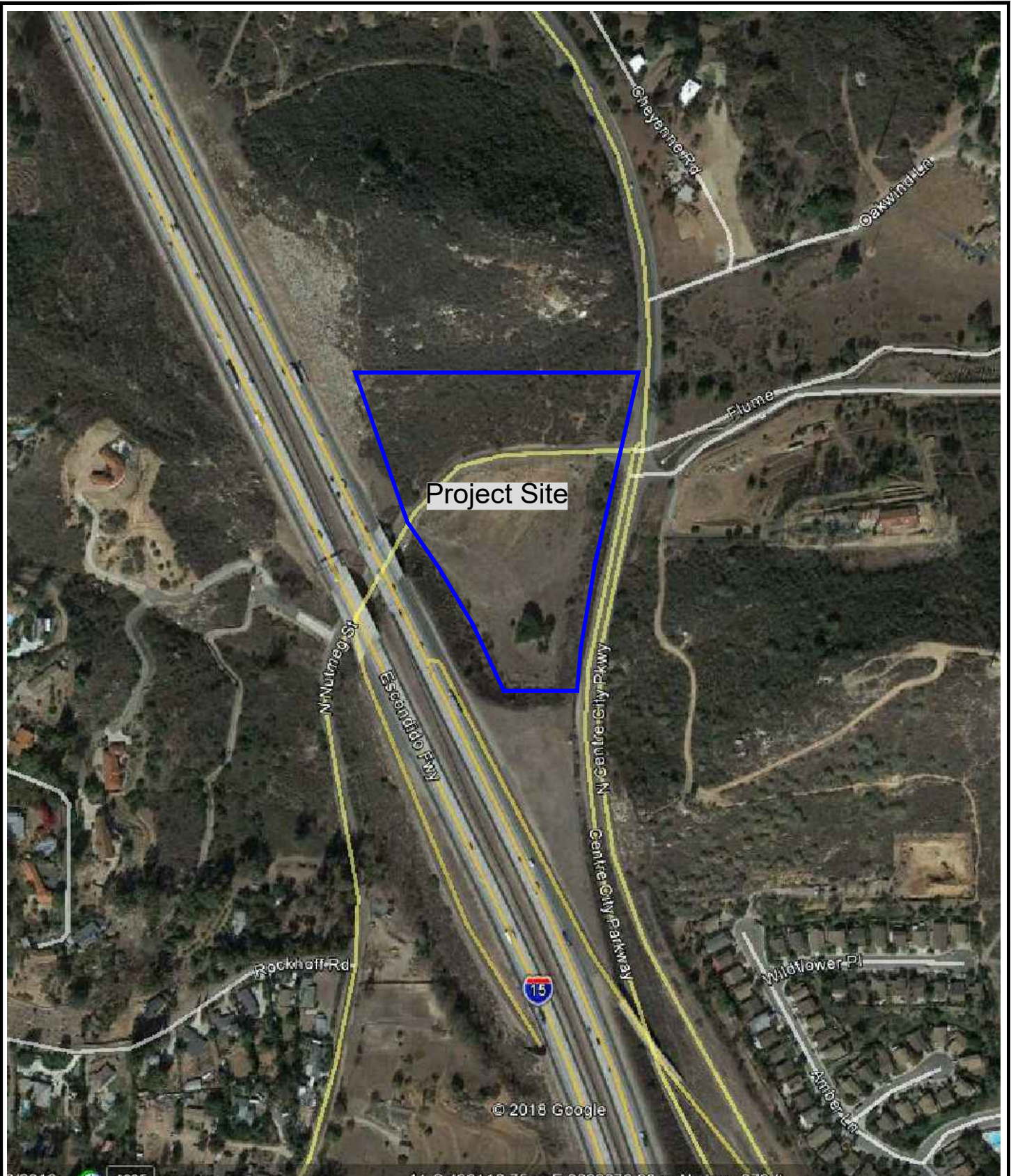
LOCAL VICINITY MAP

NUTMEG HOMES PROJECT - CITY OF ESCONDIDO

VISTA
NO SCALE



FIGURE 3-2



SOURCE: Google Earth

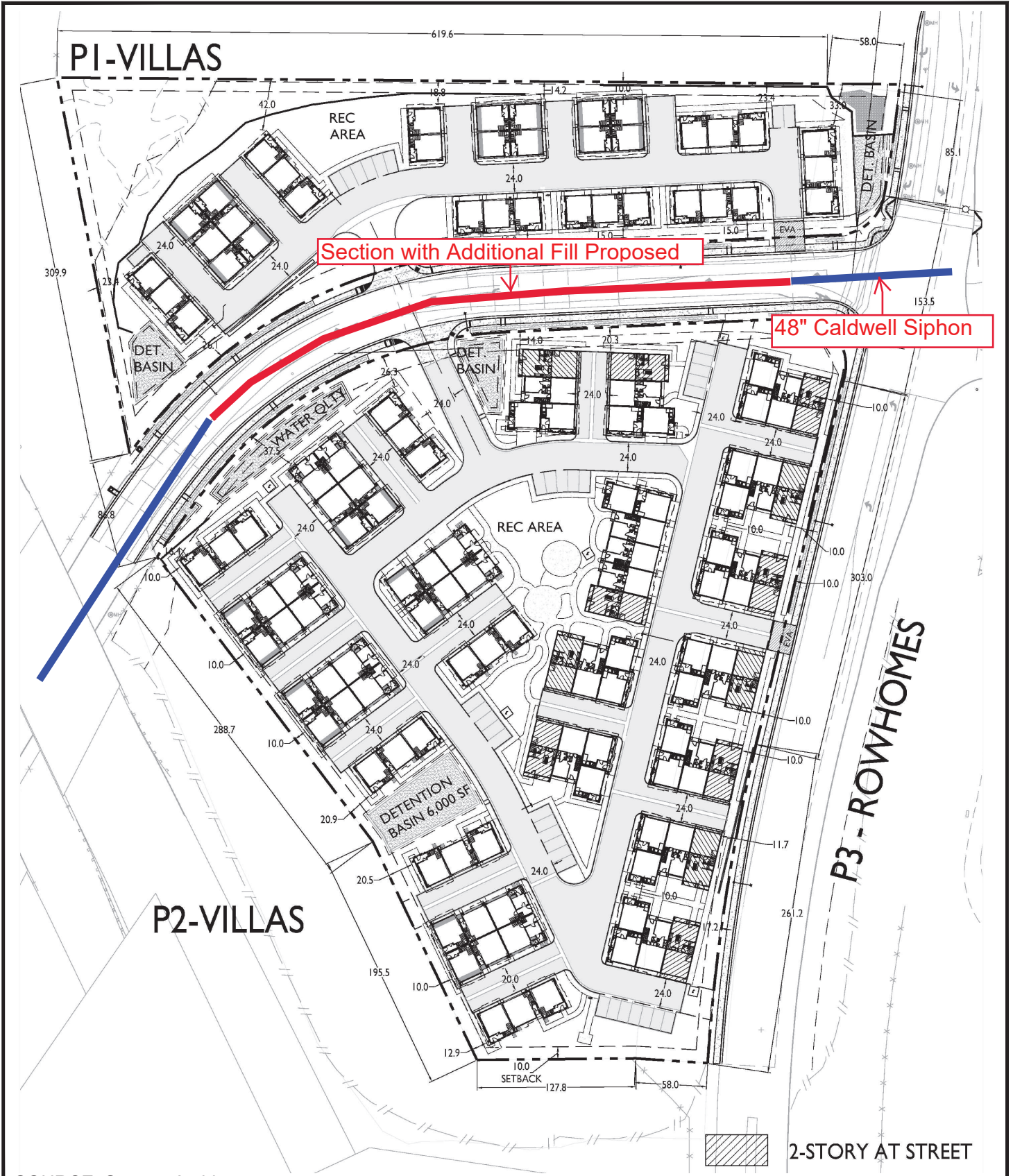
AERIAL VIEW

NUTMEG HOMES PROJECT - CITY OF ESCONDIDO

VISTA
NO SCALE



FIGURE 3-3



SOURCE: Summa Architecture

NUTMEG HOMES SITE PLAN

NUTMEG HOMES PROJECT - CITY OF ESCONDIDO

VISTA
NO SCALE



FIGURE 3-5



STAFF REPORT

Agenda Item: 10

Board Meeting Date: January 4, 2023
Prepared By: Don Smith
Approved By: Brett Hodgkiss

SUBJECT: MANAGEMENT AND MITIGATION OF HARMFUL ALGAL BLOOMS IN LAKE HENSHAW – PHASE II

RECOMMENDATION: Authorize the General Manager to:

1. Execute a professional services agreement with Stillwater Sciences to provide services related to implementing alternatives for long-term management and mitigation of harmful algal blooms in Lake Henshaw for an amount not to exceed \$275,000; and
2. Amend the existing as-needed professional services agreement with Stillwater Sciences to increase the not-to-exceed amount from \$27,000 to \$60,000.

PRIOR BOARD ACTION: At its February 3, 2021 meeting, the Board authorized the execution of a professional services agreement with Stillwater Sciences to provide services related to the management and mitigation of harmful algal blooms (HABs) in Lake Henshaw and Lake Wohlford in an amount not to exceed \$440,000. At its April 6, 2022 meeting, the Board authorized the execution of an as-needed services agreement with Aquatechnex LLC to provide services related to the treatment of HABs in Lake Henshaw in an amount not to exceed \$600,000. At its August 9, 2022 meeting, the Board received and discussed findings and recommendations contained in the draft Lake Henshaw and Lake Wohlford Harmful Algal Blooms Management and Mitigation Plan (HABs Plan).

FISCAL IMPACT: The professional services agreement with Stillwater Sciences to provide services related to implementing alternatives for long-term management and mitigation of harmful algal blooms in Lake Henshaw (Phase II HABs Study) is proposed for an amount not to exceed \$275,000. Staff proposes to increase the as-needed professional services agreement (for HABs and water quality-related matters outside of the scope of the Phase II HABs Study) with Stillwater Sciences from \$27,000 to \$60,000, an increase of \$33,000. These efforts are being pursued jointly by the District and City of Escondido (Escondido) per the terms of the 2017 Local Entities' Agreement. The District will be administering the agreements; however, the cost will be shared equally by the District and Escondido, resulting in a net cost to the District of \$167,500 (\$137,500 for Phase II HABs Study and \$30,000 for as-needed services).

The Fiscal Year (FY) 2023 budget includes \$112,000 for Phase II HABs Study costs; the balance of the Phase II HABs Study costs (\$25,500) is proposed to be included in the FY 2024 budget. The as-needed services costs were not included in the FY 2023 budget; therefore, all as-needed professional services costs (up to \$30,000) would be unbudgeted expenses in FY 2023.

SUMMARY: The HABs Plan identified several measures for the long-term management and mitigation of HABs in Lake Henshaw, including:

- Algaecide treatment;
- Phosphorus inactivation/chemical sediment sealing;
- Source water nutrient control for pumped groundwater;
- Oxygenation with super-saturated dissolved oxygen;
- Pipeline to allow pumped groundwater to bypass Lake Henshaw; and
- Ongoing one-time and long-term water quality monitoring measures.

The proposed Phase II HABs Study will advance implementation of most of these measures; however, due to the large capital cost as well as operational considerations, further evaluation of a bypass pipeline will be deferred until other strategies prove insufficient. The Phase II HABs Study will be completed in calendar year 2023.

The as-needed agreement allows the District and Escondido to gain the benefit of professional assistance for HABs and water quality-related issues that are not included in the on-going HABs Study scope-of-work. In FY 2023, evaluation of the proposed Rincon Water Quality Standards and the assessment of the effectiveness of the August 2022 algaecide treatment, along with its associated fish mortality event, has consumed the entire not-to-exceed amount (\$27,000) of the as-needed agreement. In order to assure continued responsiveness to HABs and water quality issues as they arise (outside of the scope of the Phase II HABs study), an increase in the not-to-exceed amount of the as-needed agreement is recommended. This will be useful as the Local Entities and Bands transition to more regular consultation meetings.

DETAILED REPORT: The focus of the Phase II HABs Study will be to advance the recommendations for managing and mitigating HABs in Lake Henshaw that were developed in the HABs Plan. Specific elements of the Phase II HABs Study include:

- Developing recommendations for algaecide treatment of Lake Henshaw in 2023 and engaging in consultation with the Indian Bands regarding those recommendations;
- Coordinating with the District for the collection of additional sediment samples to refine recommendations for possible chemical sediment sealing;
- Collecting additional data to refine recommendations for the inactivation of phosphorus in pumped well water;
- Preparation of applications to the Regional Water Quality Control Board for coverage under applicable National Pollutant Discharge Elimination System permits for both the recommended sediment sealing and groundwater treatment activities;
- Collection and analysis of data to characterize both the sediment and water column oxygen demands in Lake Henshaw;
- Refine a proposal to conduct a pilot scale oxygenation project in Lake Henshaw with the goal of reducing the release of phosphorus from bottom sediments; and
- Preparing technical memoranda and conducting workshops with the Board and the Indian Bands to present the findings of this effort.

ATTACHMENT:

- Scope of Work – Phase II of Lake Henshaw and Lake Wohlford Harmful Algal Blooms Management and Mitigation Project

Exhibit A Scope of Work

The below scope of work is for the second phase of the Lakes Henshaw and Wohlford Harmful Algal Blooms (HABs) Management and Mitigation Project for the Vista Irrigation District (District) and the City of Escondido (Escondido). Phase II involves continued efforts to collect water quality data in Lake Henshaw to inform possible implementation of long-term prevention/minimization alternatives selected during Phase I, including decisions about whether to proceed with one or more pilot tests for selected long-term alternatives, consistent with recommendations presented in the *Lakes Henshaw and Wohlford HABs Management and Mitigation Plan*.

Phase II: Additional Information Gathering to Inform Implementation of Long-term HABs Management and Mitigation Alternatives in Lake Henshaw

Task 1. General Consultation

Under Task 1, the Stillwater Sciences team will provide as needed assistance with ongoing water quality monitoring efforts in Lake Henshaw, including refinements to and evaluation of synoptic, routine, rapid response, and effectiveness monitoring elements developed under Phase I of the project. This task will commence with a kickoff meeting, which will include an overview of the Phase II scope, schedule, and budget by task, as well as a technical team discussion of any needed refinements, so long as the refinements fit within the overall scope, schedule, and budget. The kickoff meeting will also include a discussion of algaecide monitoring and application strategies for 2023 (e.g., frequency, dosing, active ingredient/type of algaecide including pre-purchased amounts).

Meetings

- One 2-hr kickoff technical team meeting
- Up to four 1-hr remote (i.e., video conference) technical team coordination meetings
- Up to three 2-hr remote (i.e., video conference) coordination meetings with the District, Escondido, and Indian Band representatives

Deliverables

- Up to two additional draft and final algaecide effectiveness TMs for 2023 treatments in Lake Henshaw

Task 2. Lake Henshaw Chemical Sediment Sealing

Task 2 will be conducted to fill data gaps associated with the potential treatment of Lake Henshaw with a chemical phosphorus binding agent to help prevent HABs and includes the following activities:

- Provide as needed planning assistance for District collection of additional sediment samples from Lake Henshaw to characterize spatial patterns of total phosphorus concentrations and the fraction of phosphorus in lake sediments that is labile and/or loosely adsorbed to iron oxides and most likely to be released as orthophosphate into the overlying water column.

- Coordinate with the analytical laboratory (i.e., SePro/Eutrophix) regarding sediment phosphorus analyses. Laboratory analysis costs for these samples are not included in this task.
- Contact the Regional Water Board to discuss and define permitting requirements associated with the chemical sediment sealing recommendations.
- Prepare one draft and final application for the discharge of lanthanum-modified (LM) clay to Lake Henshaw using the general NPDES permit for surface waters of the US in the San Diego Region (Order No. R9-2021-0056; NPDES No. CAG999003). If Regional Board feedback indicates that this general permit can cover lanthanum-based liquid application to the Warner Wellfield discharge to bind phosphorus prior to transport into Lake Henshaw without a substantial increase in the anticipated level of effort for permit development (i.e., more than 8 hours of labor at an approximate hourly rate of \$124), then this activity also will be included in the permit application.
- Prepare refined recommendations relative to the *Lakes Henshaw and Wohlford HABs Management and Mitigation Plan*, including associated costs and permitting, for applying alum, lanthanum modified clay, and/or alternative lanthanum treatments (i.e., EutroSORB WC) to both remove water column phosphorus and to prevent the release of sediment bound phosphorus in Lake Henshaw

This task includes coordination with the analytical laboratory, data analysis, and development of a brief technical memorandum.

This task assumes that collection and delivery/shipment of the sediment samples to the analytical laboratory would be undertaken by District field staff.

This task includes a contingency budget (Exhibit B) for additional permit preparation activities beyond the general NPDES permit for surface waters of the US in the San Diego Region (Order No. R9-2021-0056; NPDES No. CAG999003) to include 1) alum application to Lake Henshaw and/or the Warner Wellfield discharge to bind phosphorus prior to transport into Lake Henshaw; and, 2) lanthanum-based liquid application to the Warner Wellfield discharge if the additional level of effort needed to include this activities exceeds 8 hours of labor at an approximate hourly rate of \$124.

Meetings

- *As needed remote (i.e., video conference) technical team coordination meetings*

Deliverables

- *Draft and Final Permit Applications*
- *Draft and Final Technical Memorandum describing results of the sediment analyses, refined recommendations and costs*

Task 3. Lake Henshaw Source Water Nutrient Control

Task 3 will be conducted to fill data gaps associated with the potential treatment of Warner Ranch Wellfield pumped well water with a chemical phosphorus binding agent to help prevent HABs in Lake Henshaw and includes the following activities:

- Analyze periodic nitrogen and phosphorus concentration data for Warner Ranch pumped well water collected by District field staff. Laboratory analysis costs for these samples are not included in this task.
- Provide as needed planning assistance for District collection of additional Warner Ranch pumped well water samples to refine chemical dosing for phosphorus binding. Assume less than 10 gallons of water will be collected and shipped to SePro Labs by District staff.
- Coordinate with the analytical laboratory (i.e., SePro/Eutrophix) regarding water analyses. Laboratory analysis costs for these samples are not included in this task.
- Define permitting requirements associated with the source water nutrient control recommendations.
- Prepare refined recommendations relative to the *Lakes Henshaw and Wohlford HABs Management and Mitigation Plan*, including associated costs and permitting, for inactivating phosphorus from pumped well water.

This task includes coordination with the analytical laboratory, data analysis, and development of a brief technical memorandum.

Meetings

- *Up to two 1-hr remote (i.e., video conference) coordination calls with the Regional Board to discuss permitting requirements*
- *As needed remote (i.e., video conference) technical team coordination meetings*

Deliverables

- *Draft and Final Technical Memorandum describing results of the well water analyses, refined recommendations and costs*

Task 4. Lake Henshaw Oxygenation

Task 4 will be conducted to fill data gaps associated with the potential oxygenation of Lake Henshaw to help prevent HABs and includes the following activities:

- Quantify sediment oxygen demand (SOD) in Lake Henshaw by collecting triplicate samples at 3 to 4 sites in the lake (deep and shallow) at the time of lowest dissolved oxygen in deeper bottom waters and running SOD chambers.
- Quantify water column oxygen demand (WCOD) through analysis of synoptic survey data including dissolved oxygen vertical profiles collected by District field staff as detailed in Water Quality Monitoring Plan.
- Develop a Work Plan to define the scope and budgetary costs of a pilot oxygenation project, including the effort to monitor and assess the project's effectiveness. The Work Plan will include the following:
 - *Equipment and Installation Requirements:* This chapter will cover the planning level design for a Speece Cone or a pressurized supersaturated dissolved oxygen system including:
 - a. Equipment options
 - b. Layout – Site Plan
 - c. Power and communication
 - d. Piping, etc.

- *Experimental Plan*: This chapter will consider components needed for pilot testing including:
 - a. Objective and goals
 - b. Test scenarios
 - c. Duration of testing
 - d. Water quality analysis and frequency
 - e. Staffing needs
- *Budgetary cost estimate*: This chapter will provide budgetary costs to inform necessary capital and operation and maintenance costs to construct and operate the pilot including,
 - a. Equipment rental
 - b. Chemical purchase (liquid oxygenation)
 - c. Necessary site improvements
 - d. Operational labor
 - e. Maintenance costs

Task 4 will be managed by Stillwater Sciences, which includes review and input regarding the final SOD sampling design (i.e., number and location of SOD stations) and review of draft and final technical memorandums. All sediment collection, incubation, and detailed reporting for SOD will be carried out by Professor Marc Buetel (UC Merced), under subcontract to Stillwater Sciences.

For the WCOD analysis, Task 4 assumes that collection of the dissolved oxygen synoptic survey data will be undertaken by District field staff during three sampling events at three days each; late spring/early summer (May/June), late summer/early fall (August/September), and winter (November/December).

For the pilot oxygenation project, Work Plan development will be carried out by Brown and Caldwell, under subcontract to Stillwater Sciences.

Meetings

- *As needed remote (i.e., video conference) technical team coordination meetings*

Deliverables

- *Draft and Final Technical Memorandum describing results of the SOD incubations and WCOD assessment;*
- *Draft and Final Work Plan for a Pilot Oxygenation Project as an appendix to the Task 4 Technical Memorandum*

Task 5. Workshops and Reporting

Task 5 involves three technical workshops with the District, Escondido, technical experts, and the Indian Bands' representatives to discuss and optimize efforts to fill data gaps described under Tasks 1 – 4 as well as the synthesis and presentation of findings from Tasks 1 – 4 in a *Draft and Final Lakes Henshaw and Wohlford HABs Management and Mitigation Phase II Synthesis Report*.

Results from the brief technical memoranda developed under Tasks 1 – 4 will be used to develop the synthesis report, which, rather than restating the results presented in the technical

memoranda, will focus on providing recommendations and next steps for long-term HABs prevention and mitigation in Lake Henshaw by referencing the attached technical memoranda. For the Draft Phase II Synthesis Report, the District will provide Stillwater with one set of consolidated, non-conflicting, reconciled comments.

The Stillwater Sciences Project Manager will prepare for and attend meetings of the District Board of Directors and a stakeholder group (one meeting each) to present the findings and recommendations of the Phase II efforts and answer any questions. Stillwater Sciences will coordinate with the District and the City of Escondido to determine whether it is appropriate for additional team members to attend the presentations.

Task 5 includes the following activities:

- Conduct three technical workshops with the District, Escondido, technical experts, and the Indian Bands' representatives to discuss and optimize the approach taken for efforts under Tasks 1 – 4, as well as findings and recommendations.
- Prepare a Draft and Final Phase II Synthesis Report to present recommendations and next steps for long-term HABs prevention and mitigation in Lake Henshaw.
- Prepare for and attend one workshop to discuss findings with the District's Board of Directors.

Meetings

- *Up to three 2-hour remote (i.e., video conference) workshops with the District, Escondido, Indian Band representatives, the Stillwater PM and other technical team experts as needed*
- *One 2-hr in-person meeting plus travel for the District Board of Directors with the Stillwater PM*

Deliverables

- *Draft and Final Lakes Henshaw and Wohlford HABs Management and Mitigation Phase II Synthesis Report; Draft Report in Microsoft Word electronic file format; Final Report in Adobe PDF electronic file format*

Task 6. Project Management

This task includes all aspects of project management for Phase II of the Lake Henshaw and Lake Wohlford HABs Management and Mitigation project, and will involve the following activities (Stillwater Sciences):

- *Progress Meetings* – Key team members will participate in progress teleconferences with District and Escondido staff. Meetings will include a review of progress, discussion of items requiring feedback, list of outstanding issues requiring resolution, status of scope, schedule and budget, and review of risks. The meetings will be managed by Dr. Singer.
- *Progress Reports* – Progress reports will be prepared and submitted each month. The monthly progress reports will be clear and concise to facilitate quick understanding of key project achievements, status and critical issues. The monthly progress reports will include:
 - Assessment of actual versus planned progress in completing the Scope of Services, including a description of the tasks and deliverables completed to date.

- For each task, the percentage of services performed versus the percentage of fees incurred for such task, and explanation of any significant variances in percentage of services performed compared to percentage of fees incurred.
 - For each task, the percentage of the fees incurred for such task compared to dollar amount allocated to such task.
 - Look-ahead schedule listing deliverables and activities planned for the next month.
 - Summary of any proposed changes to the Scope of Services including justifications for such changes.
 - Action Items and Decision Log – This log will document action items and project concerns and issues throughout the Project duration that require resolution by the District and/or the Stillwater Sciences Team.
- *Meeting Agendas and Minutes* – The agenda for meetings and workshops will be provided at least three (3) business days prior to the meetings and the minutes within five (5) business days after the meetings and workshops. The minutes will focus on decisions made and open action items.

Meetings

- *Up to eight 2-hr remote (i.e., video conference) Progress Meetings with District, Escondido, Indian Bands' representative, Stillwater PM, Stillwater Deputy Project Manager (DPM), and other technical team members, as needed*

Deliverables

- *Progress Meeting agendas and notes, monthly invoices*



STAFF REPORT

Agenda Item: 11

Board Meeting Date: January 4, 2023
Prepared By: Lisa Soto
Approved By: Brett Hodgkiss

SUBJECT: DISTRICT COMMITTEES AND REPRESENTATIVES TO OUTSIDE ORGANIZATIONS

RECOMMENDATION: Review and ratify committee and outside organization appointments for 2023.

PRIOR BOARD ACTION: At its December 7, 2022 meeting, the Board elected Jo MacKenzie as President, Richard Vásquez as First Vice President, and Patrick Sanchez, Peter Kuchinsky, and Marty Miller as Vice Presidents for 2023. Shallako Goodrick was appointed as Treasurer with Brett Hodgkiss reappointed as Assistant Treasurer. Lisa Soto was reappointed as Board Secretary with Ramae Ogilvie and Brett Hodgkiss as Assistant Secretaries.

FISCAL IMPACT: Undetermined amount of expenses and per diem.

SUMMARY: The following list of the District committees and outside organization assignments for 2023 has been prepared by President MacKenzie for ratification by the Board.

ATTACHMENT: 2023 Committee and Outside Organization Appointments

STANDING COMMITTEES FOR 2023:

Water Sustainability

Miller, Chair; and Sanchez

Programs related to water conservation and maintenance of current water sources. Development by VID and/or our supplier(s) of new sources such as desal, brackish water, and recycled water. Does not include Lake Henshaw and the Warner Ranch.

Fiscal Policy

MacKenzie, Chair; and Vásquez

District budget and finances, including rates.

Warner Ranch

MacKenzie, Chair; and Miller

Contracts, leases, historical assets, environmental issues, long-range planning, and relations with neighboring property owners.

Public Affairs

Sanchez, Chair; and Kuchinsky

Public outreach on water conservation and legislation, and public education on major water issues.

Groundwater

Kuchinsky, Chair, and Vasquez

Groundwater resources management and matters pertaining to the Sustainable Groundwater Management Act of 2014.

AD HOC COMMITTEE FOR 2023:

100TH Anniversary Celebration

Sanchez, Chair; and Vásquez

OUTSIDE ORGANIZATIONS FOR 2023

San Luis Rey Watershed Council

Kuchinsky; Alternate-MacKenzie

A partnership of local landowners, agricultural growers, Native American bands, community and environmental organizations, government agencies and special districts with ties to this watershed. The Council's primary goal is to develop and implement a comprehensive resource management plan for the San Luis Rey River and its tributaries.

ACWA/JPIA

Sanchez; Alternate-Brett Hodgkiss

The insurance pool formed by ACWA member agencies; VID obtains liability, property and workers compensation insurance through ACWA/JPIA.

Southern California Water Committee

Miller

A nonprofit, nonpartisan, public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources; a cooperative effort of business, government, water agencies, agriculture, and public interests.

Groundwater Resources Association

Kuchinsky; Alternate-Vásquez

Dedicated to resources management that protects and improves groundwater through education and technical leadership.



Agenda Item: 12

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Brett Hodgkiss

SUBJECT: MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

SUMMARY: Informational report by staff and directors concerning the San Diego County Water Authority. No action will be required.



STAFF REPORT

Agenda Item: 13.A

Board Meeting Date: January 4, 2023
Prepared By: Lisa Soto
Approved By: Brett Hodgkiss

SUBJECT: REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS

SUMMARY: Directors will present brief reports on meetings and events attended since the last Board meeting.



STAFF REPORT

Agenda Item: 13.B

Board Meeting Date: January 4, 2023
Prepared By: Lisa Soto
Approved By: Brett Hodgkiss

SUBJECT: SCHEDULE OF UPCOMING MEETINGS AND EVENTS

SUMMARY: The following is a listing of upcoming meetings and events. Requests to attend any of the following events should be made during this agenda item.

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
1 *	Vista Chamber Government Affairs <i>Jan. 5, 2023; Noon-1:30 p.m.; The Film Hub, Vista</i> <i>Registration deadline: None.</i>	
2 *	Vista Chamber of Commerce Business Mixer <i>Jan. 11, 2023; 5:00 p.m.–7:00 p.m.; Rancho Grande El Toro Mexican Cuisine, Vista</i> <i>Registration deadline: None</i>	
3 *	Vista Chamber Government Affairs <i>Feb. 2, 2023; Noon-1:30 p.m.; The Film Hub, Vista</i> <i>Registration deadline: None.</i>	
4 *	Vista Chamber of Commerce Business Mixer <i>Feb. 8, 2023; 5:00 p.m.–7:00 p.m.; The Film Hub, Vista</i> <i>Registration deadline: None</i>	
5 *	Council of Water Utilities Meeting <i>Feb. 16, 2023, 8:00 a.m.–9:30 a.m.; Four Points Sheraton, San Diego</i> <i>Registration deadline: TBD</i>	
6	Urban Water Spring 2023 Virtual Conference (Urban Water Institute) <i>Feb. 22-24, 2023; Hilton Palm Springs</i> <i>Early Bird Registration deadline: 1/22/2023</i>	
7 *	Vista Chamber Government Affairs <i>Mar. 2, 2023; Noon-1:30 p.m.; Dimension One Spas, Vista</i> <i>Registration deadline: None.</i>	
8 *	Vista Chamber of Commerce Business Mixer <i>Mar. 8, 2023; 5:00 p.m.–7:00 p.m.; The Film Hub, Vista</i> <i>Registration deadline: None</i>	
9	ACWA Spring Conference <i>May 9-11, 2023; Monterey</i> <i>Registration deadline: TBD</i>	
10	Special Districts Legislative Days (CSDA) <i>May 16-17, 2023; Sheraton Grand Sacramento Hotel; Sacramento</i> <i>Registration deadline: TBD</i>	
11 *	Council of Water Utilities Meeting <i>May 18, 2023, 8:00 a.m.–9:30 a.m.; Four Points Sheraton, San Diego</i> <i>Registration deadline: TBD</i>	
12 *	Council of Water Utilities Meeting <i>Aug. 17, 2023, 8:00 a.m.–9:30 a.m.; Four Points Sheraton, San Diego</i> <i>Registration deadline: TBD</i>	
13	CSDA Annual Conference <i>Aug. 28-31, 2023; Monterey</i> <i>Registration deadline: TBD</i>	
14	CALAFCO Annual Conference <i>Oct. 18-20, 2023; Hyatt Regency, Monterey</i> <i>Registration deadline: TBD</i>	

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
15 *	Council of Water Utilities Meeting <i>Nov. 16, 2023, 8:00 a.m.–9:30 a.m.; Four Points Sheraton, San Diego</i> <i>Registration deadline: TBD</i>	
16	ACWA Fall Conference <i>Nov. 28-30, 2023; Indian Wells</i> <i>Registration deadline: 11/29/2022</i>	
17	Colorado River Water Users Association Conference (CRWUA) <i>Dec. 13-15, 2023; Paris, Las Vegas</i> <i>Registration deadline: TBD</i>	

** Non-per diem meeting except when serving as an officer of the organization*

The following abbreviations indicate arrangements that have been made by staff:

R=Registration; **H**=Hotel; **A**=Airline; **S**=Shuttle; **C**=Car; **T**=Tentative; **◇**=Attendee to Self-Register

'It is going to take real cuts to everyone': Leaders meet to decide the future of the Colorado River

KUNC | By [Alex Hager](#)

Published December 19, 2022 at 5:12 PM MST



Alex Hager / KUNC

Delegates from states that use the Colorado River met in Las Vegas to discuss the future of a water supply for 40 million people. Talks centered on the need for collaboration, but policymakers remain stuck in a standoff as they figure out where to make necessary cutbacks.

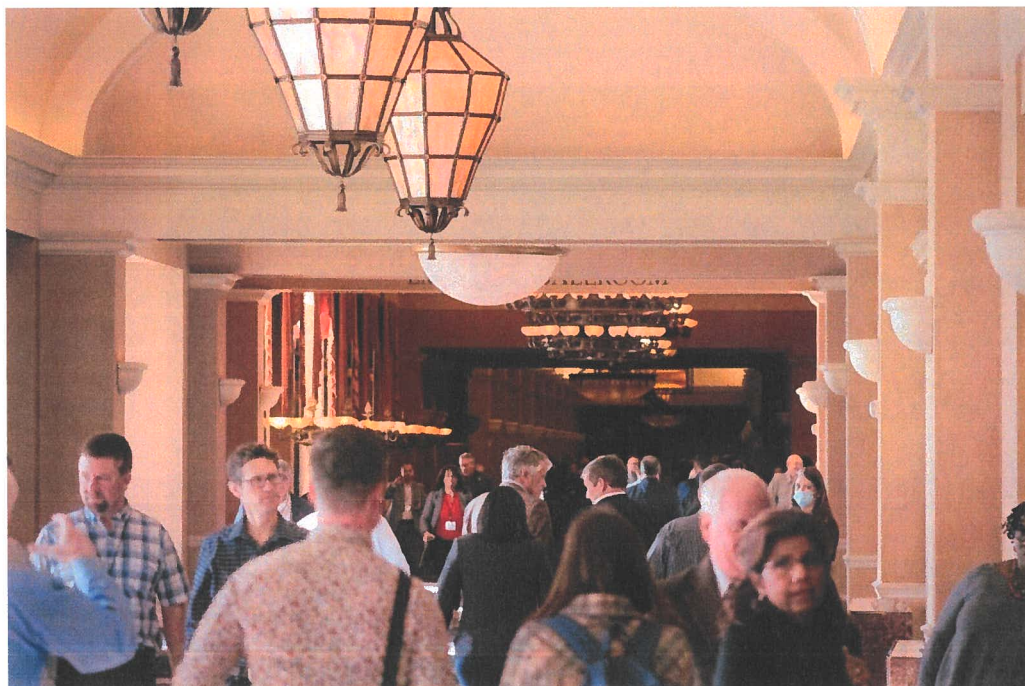
The Colorado River is shrinking at the hands of climate change, and the people who decide its future are caught in a standoff over how to share its water. Putting them all in the same room, then, is bound to breed some tension.

The most powerful policymakers in the arid Southwest spent three days in Las Vegas, reviewing the grim state of a river that supplies 40 million people from Wyoming to Mexico.

Federal and state authorities emphasized the need for collaboration to avert catastrophe, but have been reticent to make sacrifices during negotiations over plans that would reduce demand for water.

This year marked the 76th meeting of the Colorado River Water Users Association and the event's first ever sold-out attendance. Journalists, scientists, farmers and city officials packed the conference center at Caesar's Palace to watch water managers hash out the river's future in the public eye.

“There's no substitute for being face-to-face,” said John Entsminger, general manager of the Southern Nevada Water Authority, which supplies Las Vegas. “It’s a lot easier to talk a little smack, call some people some names, when you're not looking them in the eye.”



Alex Hager / KUNC

The Colorado River Water Users Association has met in Las Vegas for 76 years, but this was the first iteration of the conference that sold out. Farmers, journalists, academics, city officials and others gathered at Caesar's Palace to hear policymakers chart the future of the Colorado River.

Forecasts show the nation’s largest reservoirs dropping past already-historic lows, threatening the production of hydropower and the ability of water to pass through the [nation’s largest dams](#). The seven states that use water from the Colorado River are scrambling to add to a patchwork of [band-aid plans](#) designed to stave off those [immediate threats](#). At the same time, they are pondering a broader reworking of the existing guidelines that govern the river.

“We'll probably come up with an imperfect alternative that gets us through the next few years as we continue to work on the longer-term, more durable solution,” Entsminger said.

The current guidelines for the river are set to expire in 2026, and states are largely focused on coming up with new ones before that deadline. A century-old agreement governs how water is allocated across the arid Southwest, Meanwhile, some [experts](#) suggest that agreement, the Colorado River Compact, should be replaced to meet the modern demands of a region with [sprawling fields of crops](#) and [booming urban populations](#).

“I think there is some heavy optimism that hopefully everyone will come to something that we can all agree on,” said Becky Mitchell, director of the Colorado Water Conservation Board, the state’s top water policy agency. “But it is going to take real cuts to everyone.”

In past years, the annual Las Vegas Conference was the stage for the [unveiling of landmark water conservation deals](#). This year, the Upper Colorado River Commission [announced the](#)

[revival](#) of its conservation pilot program, but policymakers generally forwent the flashy press conferences of years past.

Bill Hasencamp, manager of Colorado River resources for the Metropolitan Water District of Southern California, said it felt inappropriate to engage in celebrations in the face of a “really dire situation.”

That same spirit, he said, was the reason basin states decided to nix plans for a traveling exhibit celebrating the 100-year anniversary of the Colorado River Compact in collaboration with the Smithsonian Museum.



Alex Hager / KUNC

John Entsminger, who runs the Southern Nevada Water Authority, said states will probably come up with an "imperfect alternative" to last until 2026, when current rules for managing the Colorado River expire and states are expected to draw up a "longer-term, more durable solution."

Many state delegates to the water conference shifted focus toward the future. Particularly, an upcoming Supplemental Environmental Impact Statement from the Biden administration. That statement could tweak river management rules drawn up in 2007, reducing the amount of water released from Lake Powell and Lake Mead, and forcing some states to deal with mandatory cuts in 2023 and 2024.

“Over the last several months, there has been a lot of silence,” Hasencamp said. “But at this conference, I do hear a renewed commitment to work together.”

The Bureau of Reclamation, which manages the region’s largest reservoirs and dams, is set to release a draft of the Supplemental Environmental Impact Statement in the spring, and is fielding alternatives from states until the end of January.

“We had a seven-state-only meeting and a commitment to have a process and a technical team really work through these issues and give it one try to come up with a consensus plan,” Hasencamp said. “That doesn't mean it's going to be easy and it doesn't mean we're going to be successful. But at least there's the effort to work hard over the next 45 days.”

Discussions before the end of that window, and before 2026, are likely to lay bare the tensions that define water use in the Colorado River Basin. The Upper Basin states – Colorado, Wyoming, Utah and New Mexico – are quick to point the finger at their Lower Basin counterparts. The Upper Basin argues that it has to carefully watch its water use, since its supplies are highly-variable, while the Lower Basin can consistently rely on a legally-mandated annual delivery that is the same size each year.

At the same time, tension abounds between cities and agriculture. Between 70-80% of water from the Colorado River is used on farms and ranches, and water policy analysts say that sector will have to take cuts if the region wants to keep taps flowing in urban areas that have grown by hundreds of thousands of people over the past few decades.

“We're dealing with trying to respond to crisis while also thinking about long-term sustainability planning for the basin,” said Elizabeth Koebele, an associate professor of political science at the University of Nevada, Reno. “And to me, that is creating so many challenges.”

Koebele, whose work focuses on environmental policy, said negotiations about the river's future have been made tougher because there is no existing “coordination mechanism” to bring them together.

“I think people are still holding their cards pretty close,” she said. “Even though we agree this is a problem and we need to do something about it, it's not getting better, we haven't yet agreed on who's really responsible for doing any of that yet.”

As states work through the mire of negotiating amongst themselves, other groups that have historically been excluded from discussions about river allocation are asking for a seat at the table. Many of the 30 federally-recognized Indian tribes that use water from the Colorado River have [called for greater inclusion](#) of their interests, but feel that those calls are not being met.

“We want to have true and meaningful consultation,” said Shaun Chapoose, chairman of the Ute Tribe. Many of the 30 federally-recognized Indian tribes in the Colorado River basin have asked for greater inclusion as the region negotiates how water will be allocated in the face of a shrinking supply.

“We want to have true and meaningful consultation,” said Shaun Chapoose, chairman of the Ute Indian Tribe of the Uintah and Ouray Reservation. “We want to really have nation-to-nation, but it really doesn't exist. It sounds good in rooms, but what happens on the ground? For a person like me who's actually in that rumble, I always tell people, you're seeing a narrative that's not factual.”

States have been public about their desire to include tribes in negotiations, but tribes themselves have said repeatedly that they are [not seeing that manifest](#) during times when states are crunched to pull together agreements.

Despite holding rights to about a quarter of the river's flow, many tribes [lack the funding and infrastructure](#) to use their full allocations.

“It's not so much me against you, it's about resources,” Chapoose said. “I think as long as it's not so much the bureaucrats running the show, but the water users themselves, tribes, individual owners, I think they're going to all realize that really the system's broke. So I think we'll make our difference.”

Regardless of who is included, those who decide the future of the river are facing immense pressure to act quickly. Climate change is tightening its grip [on the water supply](#), with a [raft of major indicators](#) showing a hotter, drier future for the region, and an urgent need to reduce demand in response.

This story is part of ongoing coverage of the Colorado River, produced by KUNC in Colorado and supported by the Walton Family Foundation. KUNC is solely responsible for its editorial coverage.



Agenda Item: 14

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Brett Hodgkiss

SUBJECT: ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

SUMMARY: This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

Staff-generated list of tentative items for future agendas:

- Abandoned H-Line quitclaim deeds and bills of sale (January)
- Wildfire Resiliency
- Rename Edgehill Reservoir after former Director Paul Dorey



Agenda Item: 15

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Lisa Soto

SUBJECT: COMMENTS BY DIRECTORS

SUMMARY: This item is placed on the agenda to enable individual Board members to convey information to the Board and the public not requiring discussion or action.



Agenda Item: 16

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Brett Hodgkiss

SUBJECT: COMMENTS BY GENERAL COUNSEL

SUMMARY: Informational report by the General Counsel on items not requiring discussion or action.



Agenda Item: 17

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Brett Hodgkiss

SUBJECT: COMMENTS BY GENERAL MANAGER

SUMMARY: Informational report by the General Manager on items not requiring discussion or action.



Agenda Item: 18

STAFF REPORT

Board Meeting Date: January 4, 2023
Prepared By: Brett Hodgkiss

SUBJECT: CLOSED SESSION TO CONDUCT PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER

SUMMARY: Performance evaluation of public employee pursuant to Government Code section 54957.

NOTICE OF ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF THE
VISTA IRRIGATION DISTRICT

A REGULAR MEETING OF THE BOARD OF DIRECTORS OF VISTA IRRIGATION DISTRICT, HELD ON JANUARY 4, 2023 WAS ADJOURNED UNTIL 9:00 AM, WEDNESDAY, JANUARY 18, 2023 AT THE OFFICE OF THE VISTA IRRIGATION DISTRICT, 1391 ENGINEER STREET, VISTA, CALIFORNIA.

* * * * *

AFFIDAVIT OF POSTING ORDER OF ADJOURNMENT OF MEETING

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

I, Lisa R. Soto, hereby certify that I am the duly appointed, qualified Secretary of the Board of Directors of Vista Irrigation District; that the foregoing is duly noted in the Minutes of said Regular Meeting of the Board of Directors of Vista Irrigation District; that said Regular Board Meeting was ordered adjourned to the time and place above specified; and that I posted a copy of this order of adjournment near the public entrance to the Board Room at the offices of the District.



Lisa R. Soto, Secretary
Board of Directors
Vista Irrigation District

POSTED: January 4, 2023