

AGENDA

REMOTE MEETING NOTICE

This meeting will be accessible by remote video conferencing. Please be advised that while the District will endeavor to ensure these remote participation methods are available, the District does not guarantee that they will be technically feasible or work all the time. Further, the District reserves the right to terminate these remote participation methods (Subject to Brown Act Restrictions) at any time and for whatever reason. The public may observe and participate in this meeting remotely via Zoom as set forth below.

INSTRUCTIONS FOR USING ZOOM

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

TO SPEAK DURING PUBLIC COMMENT USING ZOOM

- The Board President will announce when it is time for Public Comment.
- Click on the Raise Hand icon if you would like to speak during Public Comment.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.

TO SPEAK ON AN ITEM USING ZOOM

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

FOR OPEN SESSION PARTICIPATION

Join Meeting Electronically at:

Join Zoom Meeting

<https://us02web.zoom.us/j/89221909467?pwd=UjAtAqyu6bM7jGwvtfcPgjJOaaAyeI.1>

Meeting ID: 892 2190 9467

Passcode: 016671

Please attend in Person or by submitting your comment via Email to:
RMangus@GoletaSanitary.Org

A G E N D A
REGULAR MEETING OF THE GOVERNING BOARD
OF THE GOLETA SANITARY DISTRICT
A PUBLIC AGENCY

One William Moffett Place
Goleta, California 93117

January 6, 2025

CALL TO ORDER: 6:30 p.m.

ROLL CALL OF MEMBERS

BOARD MEMBERS: Edward Fuller
Jerry D. Smith
Steven T. Majoewsky
Dean Nevins
Jonathan Frye

CONSIDERATION OF THE MINUTES OF THE BOARD MEETING

The Board will consider approval of the Minutes of the Regular Meeting of December 16, 2024.

PUBLIC COMMENTS - Members of the public may address the Board on items within the jurisdiction of the Board. Under provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda. Please limit your remarks to three (3) minutes and if you wish, state your name and address for the record.

POSTING OF AGENDA – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

BUSINESS:

1. CONSIDERATION OF ROTATION OF PRESIDENCY FOR NEWLY APPOINTED BOARD MEMBER FOR THE COMING YEAR
(Board may take action on this item.)
2. CONSIDERATION OF APPOINTMENT OF DISTRICT PRESIDENT AND PRESIDENT PRO TEM FOR THE COMING YEAR
(Board may take action on this item.)
3. DISCUSSION AND PRESENTATION OF THE DISTRICT’S AUDIT REPORT AND FINANCIAL STATUS AS OF JUNE 30, 2024

4. STATUS REPORT ON ANNUAL PRE-WINTER STORM EMERGENCY PREPAREDNESS ACTIVITIES
5. GENERAL MANAGER'S REPORT
6. LEGAL COUNSEL'S REPORT
7. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
8. PRESIDENT'S REPORT
9. ITEMS FOR FUTURE MEETINGS
10. CORRESPONDENCE
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
11. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT
(The Board will be asked to ratify claims.)

ADJOURNMENT

Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance Director at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at info@goletasanitary.org.

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.

MINUTES

MINUTES
REGULAR MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

December 16, 2024

CALL TO ORDER: President Fuller called the meeting to order at 6:30 p.m.

BOARD MEMBERS PRESENT: Edward Fuller, Jerry Smith, Steven T. Majoewsky, Dean Nevins, Jonathan Frye

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance Director/Board Secretary (via Zoom) and Reese Wilson, Senior Project Engineer, and Jeff Ferre, General Counsel (via Zoom)

OTHERS PRESENT: Tom Evans, Director, Goleta Water District (via Zoom)
Craig Geyer, Director, Goleta West Sanitary District (via Zoom)

APPROVAL OF MINUTES: Director Majoewsky made a motion, seconded by Director Nevins, to approve the minutes of the Special Board meeting of 12/04/2024. The motion carried by the following vote:

(24/12/2278)

AYES:	5	Fuller, Smith, Majoewsky, Nevins, Frye
NOES:		None
ABSENT:		None
ABSTAIN:		None

POSTING OF AGENDA: The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.

PUBLIC COMMENTS: None

BUSINESS:

1. **CONSIDERATION OF PROFESSIONAL SERVICES AGREEMENT WITH BHI MANAGEMENT CONSULTING FOR PREPARATION OF 2030 STRATEGIC PLAN**
Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Frye to approve the proposal and authorize the General Manager to execute the professional services agreement with BHI Management Consulting in an amount not to exceed \$19,770 for preparation of the 2030 Strategic Plan.

The motion carried by the following vote:

(24/12/2279)

AYES:	5	Fuller, Smith, Majoewsky, Nevins, Frye
NOES:		None
ABSENT:		None
ABSTAIN:		None

2. CONSIDERATION OF NEW ASSET MANAGEMENT SOFTWARE, MOBILEMMS, PROVIDED BY WEBSOFT DEVELOPERS, INC.

Mr. Wagner gave the staff report.

Director Nevins made a motion, seconded by Director Smith to authorize the General Manager to further negotiate the scope and amount of the agreement and return to the Board with a professional services agreement with Websoft Developers.

The motion carried by the following vote:

(24/12/2280)

AYES:	5	Fuller, Smith, Majoewsky, Nevins, Frye
NOES:		None
ABSENT:		None
ABSTAIN:		None

3. CONSIDERATION OF PROFESSIONAL SERVICES AGREEMENT WITH HAZEN AND SAWYER FOR NUTRIENT MANAGEMENT STUDY

Mr. Wagner gave the staff report.

Director Majoewsky made a motion, seconded by Director Frye to authorize the General Manager to execute a professional services agreement with Hazen and Sawyer for Nutrient Management Study in an amount not to exceed \$124,870 subject to approval as to form by legal counsel.

The motion carried by the following vote:

(24/12/2281)

AYES:	5	Fuller, Smith, Majoewsky, Nevins, Frye
-------	---	--

NOES: None
ABSENT: None
ABSTAIN: None

4. GENERAL MANAGER'S REPORT
Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT
Mr. Ferre – No report.

6. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Smith – Reported on the Finance Committee meeting he attended.

Director Frye – No report.

Director Nevins - No report.

Director Majoewsky – Reported on the Goleta Water District Meeting he attended.

7. PRESIDENT'S REPORT

President Fuller – Reported on the Finance Committee meeting he attended.

8. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

9. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Nevins made a motion, seconded by Director Majoewsky, to ratify and approve the claims, for the period 12/05/2024 to 12/16/2024 as follows:

Running Expense Fund #4640	\$	429,032.66
Capital Reserve Fund #4650	\$	335,741.28
Retiree Health Insurance Sinking Fund #4660	\$	13,820.45

The motion carried by the following vote:

(24/12/2282)

AYES:	5	Fuller, Smith, Majoewsky, Nevins, Frye
NOES:		None
ABSENT:		None
ABSTAIN:		None

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:10 p.m.

ATTEST

Edward Fuller
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

AGENDA ITEM #1

AGENDA ITEM: 1

MEETING DATE: January 6, 2025

I. NATURE OF ITEM

Consideration of Rotation of Presidency for Newly Appointed Board Member for the Coming Year

II. BACKGROUND INFORMATION

In accordance with Resolution No. 15-593, adopted by the Board on August 17, 2015, the office of President shall rotate on an annual basis among the five members of the Board. When a new board member is appointed, the Board shall determine by a majority vote the timing for the placement of such new member at the end of the rotation. In making said determination, the Board shall take into consideration (i) the date of the new member's appointment, (ii) the time that is expected to elapse before the new is eligible to serve as President, and (iii) such other factors the Board deems appropriate.

In September 2024, Jonathan Frye was appointed to the Board of Directors to fill a near-term vacancy in voting division #5 for the term ending in December 2024. In November 2024, Director Frye ran unopposed for the Board seat and was appointed by the County of Santa Barbara to serve a 4-year term on the District's governing board starting in December 2024. As such, the Board needs to determine if Director Frye is placed at the end of the president rotation now or after the next Board president is selected and the prior President, Director Fuller, rotates to the end of the list.

III. COMMENTS AND RECOMMENDATIONS

Staff recommends the Board determine by majority vote where Director Frye is placed on the Board President rotation list in accordance with Resolution No. 15-593.

IV. REFERENCE MATERIAL

Resolution No. 15-593

RESOLUTION NO. 15-593

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA
SANITARY DISTRICT REPEALING RESOLUTION NO. 08-480 AND
ESTABLISHING REVISED PROCEDURES FOR APPOINTMENT
OF BOARD PRESIDENT AND PRESIDENT PRO TEM**

WHEREAS, Health and Safety Code Section 6486 requires the Governing Board of the Goleta Sanitary District (the “District”) to choose a President from among its members. Health and Safety Code Section 6488 provides that, in case of the absence or inability of the President to act, the Board shall choose a President Pro Tem.

WHEREAS, the District’s Governing Board adopted Resolution No. 08-480 on November 17, 2008 setting forth procedures for the appointment of the Governing Board President and President Pro Tem.

WHEREAS, the Governing Board deems it to be in the District’s best interests to revise its procedures relating to the appointment of the President to clarify the manner in which a newly elected or appointed Board member will be placed in the annual rotation to serve as Board President.

NOW, THEREFORE, be it resolved by the Governing Board of the Goleta Sanitary District as follows:

1. **Repeal of Resolution No. 08-480.** Resolution No. 08-480 adopted on November 17, 2008 is hereby repealed in its entirety and is replaced by the procedures set forth herein.

2. **Rotation of Presidency.** The office of President shall rotate on an annual basis among the five members of the Board. Such rotation was initially established in the order of seniority based on the number of years continuously served on the Board by the then current Board members. When a new member is elected to the Board, such new member shall be placed at the end of the rotation as of the second meeting in January following such election, immediately after the new President assumes office. When a new member is appointed to the Board, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, the timing for the placement of such new member at the end of the rotation. In making said determination, the Board shall take into consideration (i) the date of the new member’s appointment, (ii) the time that is expected to elapse before the new member is eligible to serve as President, and (iii)

such other factors as the Board deems appropriate. A former Board member shall be considered a new member if he or she is elected or appointed to the Board after a break in service due to the fact that such member previously resigned or was not reelected. In the event two or more new members of the Board are elected or appointed at the same time, their placement relative to each other at the end of the rotation as provided above shall be determined by random selection.

The intent of the Board in adopting the forgoing procedures is that a new member will not serve as President until all existing members who desire to serve as President shall have served an annual term as President following the election or appointment of the new member. Exceptions to the procedures set forth above may be made on a case by case basis in the sole discretion of the Board to address unique circumstances and to achieve said intent.

3. **Date for Assuming Office.** Each year the new President shall be confirmed by a majority vote of a quorum of the Board at its first meeting in January and said new President shall assume office as of the second meeting in January. No Board member shall be required to serve as President against his or her wishes.

4. **President Pro Tem.** In case of the absence or inability of the President to act, the President Pro Tem shall be the Board member who is scheduled to serve as the President during the next annual rotation.

5. **Vacancy in Presidency.** In the event the position of Board President becomes vacant due to resignation, death, removal or other circumstances, the President Pro Tem, as determined under Section 4 above, shall become the new President (the "Successor President") as of the effective date of the vacancy. In such event, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, whether (i) the Successor President shall continue as the President for the next annual term commencing on the second meeting in January of the upcoming year, or (ii) the Board member who is scheduled to serve next in the annual rotation after the Successor President shall become the President for the upcoming year. In making said determination, the Board shall take into consideration (a) the number of Board meetings at which the Successor President presided as President Pro Tem prior to the vacancy in the Presidency, (b) the number of Board meetings at which the Successor President will preside after filling the vacancy, and (c) such other factors as the Board deems appropriate.

PASSED AND ADOPTED this 17th day of August, 2015, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES: Emerson, Rose, Smith, Fox

NOES: None

ABSTENTIONS: None

ABSENT: Majoewsky

COPY
George W. Emerson,
President of the Governing Board

COUNTERSIGNED

COPY
Robert O. Mangus, Jr.,
Secretary of the Governing Board

AGENDA ITEM #2

AGENDA ITEM: 2

MEETING DATE: January 6, 2025

I. NATURE OF ITEM

Consideration of Appointment of District President and President Pro Tem for the Coming Year

II. BACKGROUND INFORMATION

In accordance with Resolution No.15-593, adopted by the Board on August 17, 2015, the office of President shall rotate on an annual basis among the five members of the Board. Such rotation was initially established in the order of seniority based on the number of years continuously served on the Board by the then-current Board members. The President rotation for 2025 pursuant to Resolution No.15-593 is shown below:

1. Director Smith - President
2. Director Majoewsky - President Pro Tem
3. Director Nevins
4. Director Frye
5. Director Fuller

III. COMMENTS AND RECOMMENDATIONS

In accordance with Resolution No.15-593 described above, the next in line for the office of President is Director Smith, and the next in line for President Pro Tem is Director Majoewsky. Staff recommends the Board consider and vote on the positions of President and President Pro Tem in accordance with Resolution No.15-593.

IV. REFERENCE MATERIAL

Resolution No.15-593

RESOLUTION NO. 15-593

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA
SANITARY DISTRICT REPEALING RESOLUTION NO. 08-480 AND
ESTABLISHING REVISED PROCEDURES FOR APPOINTMENT
OF BOARD PRESIDENT AND PRESIDENT PRO TEM**

WHEREAS, Health and Safety Code Section 6486 requires the Governing Board of the Goleta Sanitary District (the “District”) to choose a President from among its members. Health and Safety Code Section 6488 provides that, in case of the absence or inability of the President to act, the Board shall choose a President Pro Tem.

WHEREAS, the District’s Governing Board adopted Resolution No. 08-480 on November 17, 2008 setting forth procedures for the appointment of the Governing Board President and President Pro Tem.

WHEREAS, the Governing Board deems it to be in the District’s best interests to revise its procedures relating to the appointment of the President to clarify the manner in which a newly elected or appointed Board member will be placed in the annual rotation to serve as Board President.

NOW, THEREFORE, be it resolved by the Governing Board of the Goleta Sanitary District as follows:

1. **Repeal of Resolution No. 08-480.** Resolution No. 08-480 adopted on November 17, 2008 is hereby repealed in its entirety and is replaced by the procedures set forth herein.

2. **Rotation of Presidency.** The office of President shall rotate on an annual basis among the five members of the Board. Such rotation was initially established in the order of seniority based on the number of years continuously served on the Board by the then current Board members. When a new member is elected to the Board, such new member shall be placed at the end of the rotation as of the second meeting in January following such election, immediately after the new President assumes office. When a new member is appointed to the Board, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, the timing for the placement of such new member at the end of the rotation. In making said determination, the Board shall take into consideration (i) the date of the new member’s appointment, (ii) the time that is expected to elapse before the new member is eligible to serve as President, and (iii)

such other factors as the Board deems appropriate. A former Board member shall be considered a new member if he or she is elected or appointed to the Board after a break in service due to the fact that such member previously resigned or was not reelected. In the event two or more new members of the Board are elected or appointed at the same time, their placement relative to each other at the end of the rotation as provided above shall be determined by random selection.

The intent of the Board in adopting the forgoing procedures is that a new member will not serve as President until all existing members who desire to serve as President shall have served an annual term as President following the election or appointment of the new member. Exceptions to the procedures set forth above may be made on a case by case basis in the sole discretion of the Board to address unique circumstances and to achieve said intent.

3. **Date for Assuming Office.** Each year the new President shall be confirmed by a majority vote of a quorum of the Board at its first meeting in January and said new President shall assume office as of the second meeting in January. No Board member shall be required to serve as President against his or her wishes.

4. **President Pro Tem.** In case of the absence or inability of the President to act, the President Pro Tem shall be the Board member who is scheduled to serve as the President during the next annual rotation.

5. **Vacancy in Presidency.** In the event the position of Board President becomes vacant due to resignation, death, removal or other circumstances, the President Pro Tem, as determined under Section 4 above, shall become the new President (the "Successor President") as of the effective date of the vacancy. In such event, the Board shall determine by a majority vote of a quorum as soon as reasonably feasible, but prior to January of the upcoming year, whether (i) the Successor President shall continue as the President for the next annual term commencing on the second meeting in January of the upcoming year, or (ii) the Board member who is scheduled to serve next in the annual rotation after the Successor President shall become the President for the upcoming year. In making said determination, the Board shall take into consideration (a) the number of Board meetings at which the Successor President presided as President Pro Tem prior to the vacancy in the Presidency, (b) the number of Board meetings at which the Successor President will preside after filling the vacancy, and (c) such other factors as the Board deems appropriate.


PASSED AND ADOPTED this 17th day of August, 2015, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES: Emerson, Rose, Smith, Fox


NOES: None

ABSTENTIONS: None

ABSENT: Majoewsky

COPY

George W. Emerson,
President of the Governing Board

COUNTERSIGNED

COPY

Robert O. Mangus, Jr.
Secretary of the Governing Board

AGENDA ITEM #3

AGENDA ITEM: 3

MEETING DATE: January 6, 2025

I. NATURE OF ITEM

Discussion and Presentation of the District's Audit Report and Financial Status as of June 30, 2024

II. BACKGROUND INFORMATION

The District's auditors, Moss, Levy & Hartzheim, LLP, have completed their review of the District's financial records, and have prepared the annual financial statements and audit report for fiscal year 2023-2024 (FY24). The report is presented herein for Board consideration.

III. COMMENTS AND RECOMMENDATIONS

Overall, this is a clean audit report with no findings. The District's total revenues for FY24 exceeded total expenses, before capital contributions, by approximately \$3,044,763. With capital contributions, the District's net financial position as of June 30, 2024, was \$105,650,211 which is an increase of \$3,378,790 over the prior fiscal year balance.

The District's auditor, Adam Guise, will provide an overview of the attached audit report to the Board on Monday, January 6, 2025. Also enclosed are copies of the auditor's report on compliance and internal control over financial reporting.

With the auditor's assistance, the District will submit its State Controller's Report, before the due date of January 31, 2025, as mandated by State requirements.

The Finance Committee reviewed the draft financial statements on Thursday, December 13, 2024, and recommends acceptance of the FY24 audit. As such, staff recommends the Board accept the FY24 audit report and direct staff to submit it to the State Controller as required by law.

IV. REFERENCE MATERIALS

Independent Auditor's Report for FY24 and Audit Term Sheet

GOLETA SANITARY DISTRICT

FINANCIAL STATEMENTS

June 30, 2024

GOLETA SANITARY DISTRICT
TABLE OF CONTENTS
June 30, 2024

FINANCIAL SECTION

Independent Auditor’s Report..... 1
Management’s Discussion and Analysis..... 3

BASIC FINANCIAL STATEMENTS

Statement of Net Position 13
Statement of Revenues, Expenses, and Changes
in Net Position 14
Statement of Cash Flows 15
Notes to Basic Financial Statements 17

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of Net Pension Liability..... 35
Schedule of Pension Contributions 36
Schedule of Changes in the Net OPEB Liability and Related Ratios 37
Schedule of OPEB Contributions..... 38

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Goleta Sanitary District
Goleta, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the major fund of the Goleta Sanitary District, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Goleta Sanitary District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Goleta Sanitary District, as of June 30, 2024, and the respective changes in financial position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Goleta Sanitary 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Goleta Sanitary District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Goleta Sanitary 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 Goleta Sanitary 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 proportionate share of net pension liability, the schedule of pension contributions, the schedule of changes in the net OPEB liability and related ratios, and the schedule of OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the Goleta Sanitary District's 2023 financial statements, and our report dated December 22, 2023, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024, on our consideration of the Goleta Sanitary District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Santa Maria, California
December 11, 2024

**Goleta Sanitary District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

As management of the Goleta Sanitary District, we offer readers of the Goleta Sanitary District's financial statements this narrative overview and analysis of the financial activities of the Goleta Sanitary District for the fiscal year ending June 30, 2023. We encourage readers to consider the information presented here in conjunction with the audit report.

Financial Highlights

- The assets and deferred outflows of resources of the Goleta Sanitary District exceeded its liabilities and deferred inflows of resources by \$104,650,211 and \$101,271,421 at the close of the June 30, 2024 and 2023 fiscal year, respectively.
- The District's total net position increased by \$3,378,790 as of June 30, 2024 and increased by \$2,285,086 as of June 30, 2023.
- The combination of operating and non-operating revenues, less operating expenses results in net income in the amount of \$3,044,763 as of June 30, 2024 and net income in the amount of \$1,949,849 as of June 30, 2023.
- Capital contributions were made to the District in the amount of \$334,027 and \$335,237 as of June 30, 2024 and 2023, respectively.
- The District borrowed Capital Improvement funds and is now carrying debt in the amount of \$13,076,100. These funds are for the construction of the Biosolids & Energy Strategic Plan Improvements.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Goleta Sanitary District's basic financial statements. The Goleta Sanitary District's basic financial statements comprise two components: 1) government-wide financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net position presents information on all the Goleta Sanitary District's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Goleta Sanitary District is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave, or compensated absences).

The Goleta Sanitary District has only business-type activities and that business-type activity is the provision of sanitation services to the community.

The financial statements can be found on pages 13-16 of this audit report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Goleta Sanitary District, like other state and local

governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The various funds are presented in the accompanying financial statements as a proprietary fund category, enterprise fund type.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 17-34 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Goleta Sanitary District’s progress in funding its obligation to provide pension and other postemployment benefits to its employees on pages 35-38.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Goleta Sanitary District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$104,650,211 and \$101,271,421 at the close of June 30, 2024 and 2023, respectively.

By far the largest portion of the Goleta Sanitary District’s net position, \$67,473,489 (64.5 percent) and \$67,370,165 (66.5 percent) as of June 30, 2024 and 2023, respectively, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment net of accumulated depreciation), less any related debt used to acquire those assets that is still outstanding. The Goleta Sanitary District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Goleta Sanitary District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

GOLETA SANITARY DISTRICT’S NET POSITION

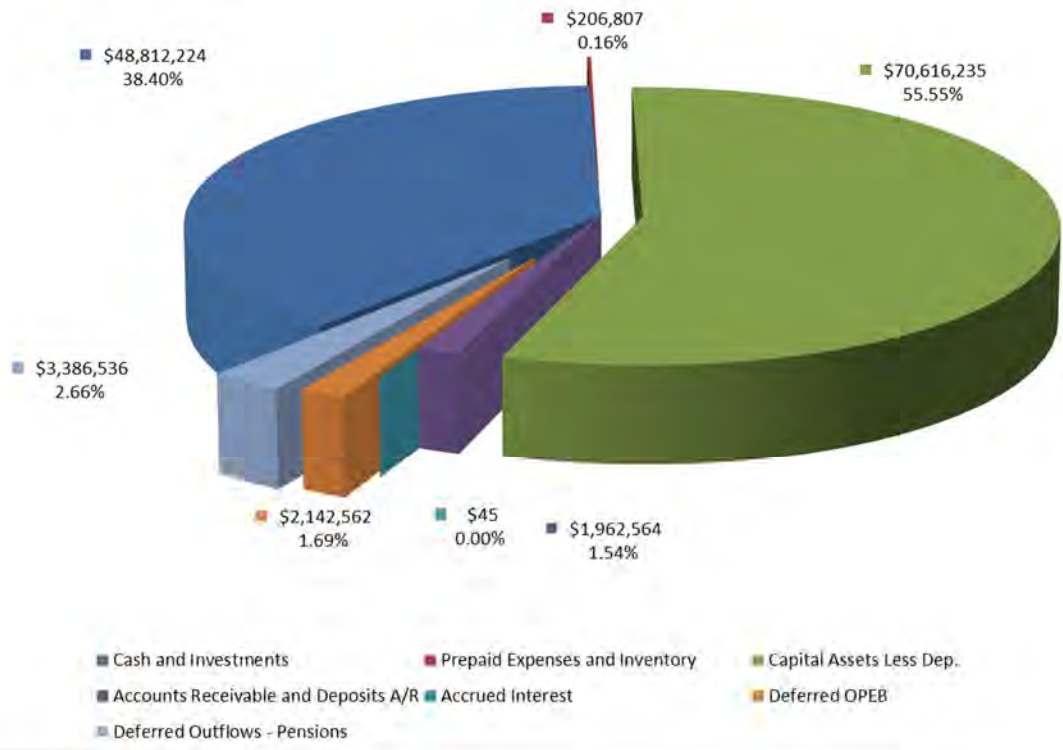
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Current Assets	\$ 33,759,288	\$ 30,937,301
Noncurrent Assets	<u>87,838,587</u>	<u>87,026,361</u>
Total Assets	<u>\$ 121,597,875</u>	<u>\$ 117,963,662</u>
Deferred Outflows of Resources	<u>\$ 5,529,098</u>	<u>\$ 7,172,050</u>
Current Liabilities	\$ 2,185,758	\$ 2,190,758
Noncurrent Liabilities	<u>17,574,018</u>	<u>20,143,767</u>
Total Liabilities	<u>\$ 19,759,776</u>	<u>\$ 22,334,525</u>
Deferred Inflows of Resources	<u>\$ 2,716,986</u>	<u>\$ 1,529,766</u>
Net Position:		
Net Investment in Capital Assets	\$ 67,473,489	\$ 67,370,165
Restricted for Capital Expansion	7,288,998	5,521,196
Restricted for Construction	9,933,354	12,792,956
Unrestricted	<u>19,954,370</u>	<u>15,587,104</u>
Total Net Position	<u>\$ 104,650,211</u>	<u>\$ 101,271,421</u>

Additional portions of the Goleta Sanitary District’s net position, \$7,288,998 (7.0%) and \$5,521,196 (5.5%) as of June 30, 2024 and 2023, respectively, represents resources that are subject to external restrictions on how they may be used. The other restricted resource is the construction loan proceeds, \$9,933,254 (9.5%) \$12,792,956 (12.6%) as of June 30, 2024 and 2023, respectively. The remaining balance of unrestricted net position, \$19,954,370 and \$15,587,104 as of June 30, 2024 and 2023, respectively, may be used to meet the government’s ongoing obligations to citizens and creditors.

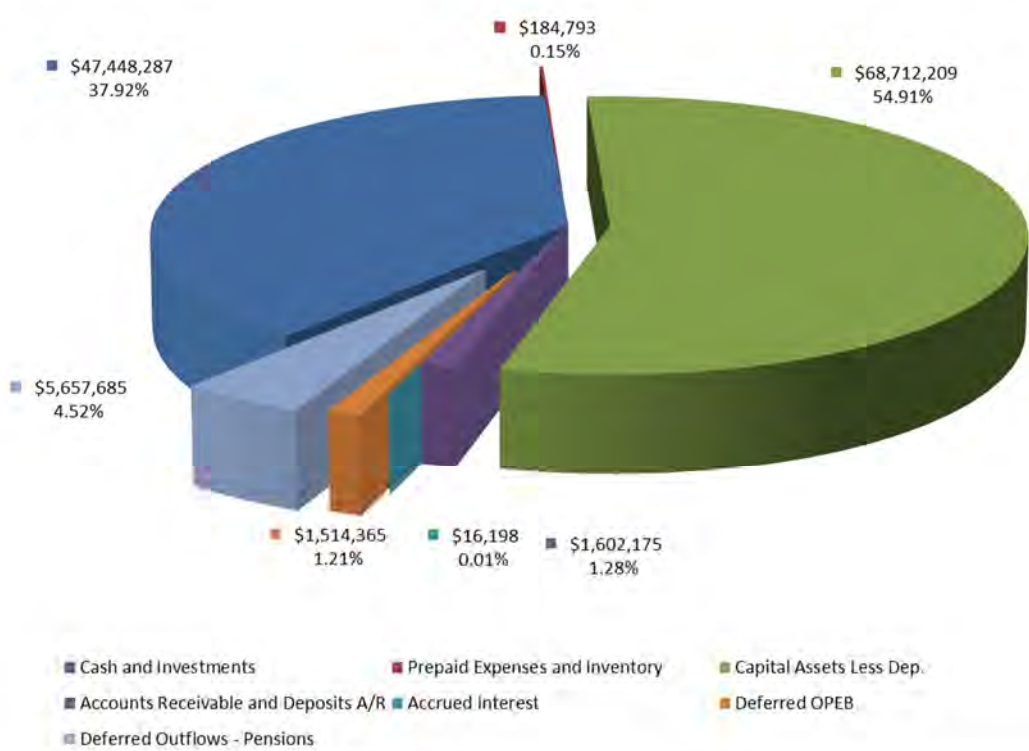
At the end of the current fiscal year, the Goleta Sanitary District is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

Charts comparing the Assets and Deferred Outflows of Resources and the Liabilities and Deferred Inflows of Resources of the last two fiscal years are presented on the following two pages.

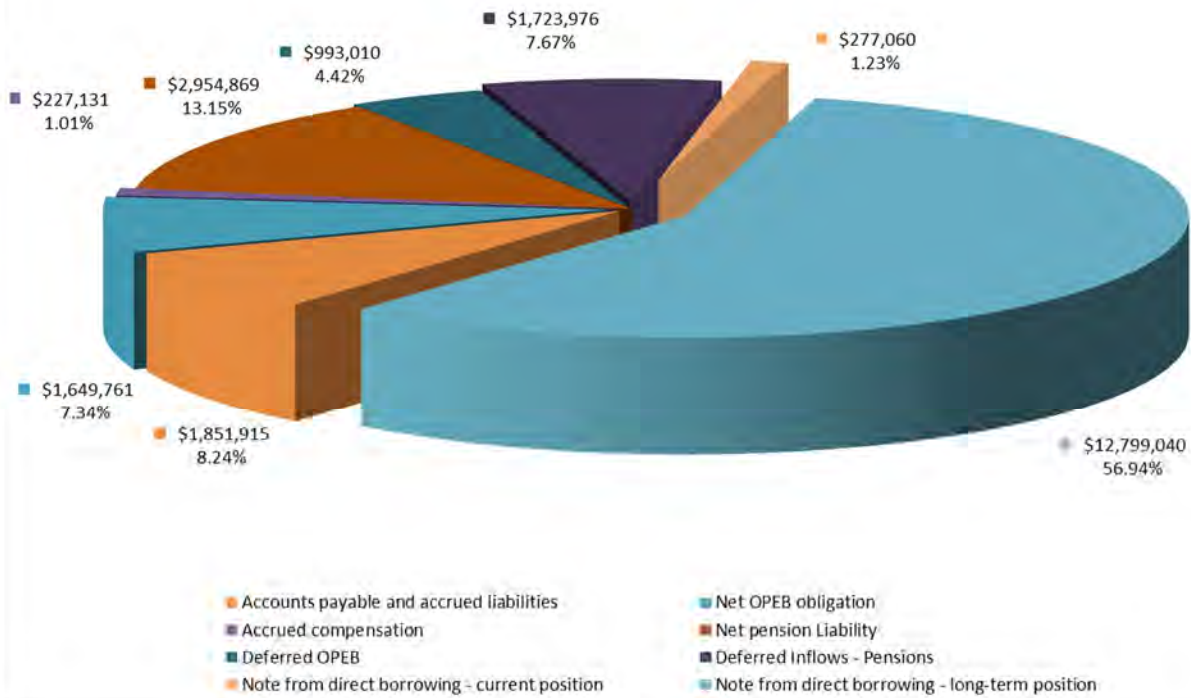
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES FY 23-24



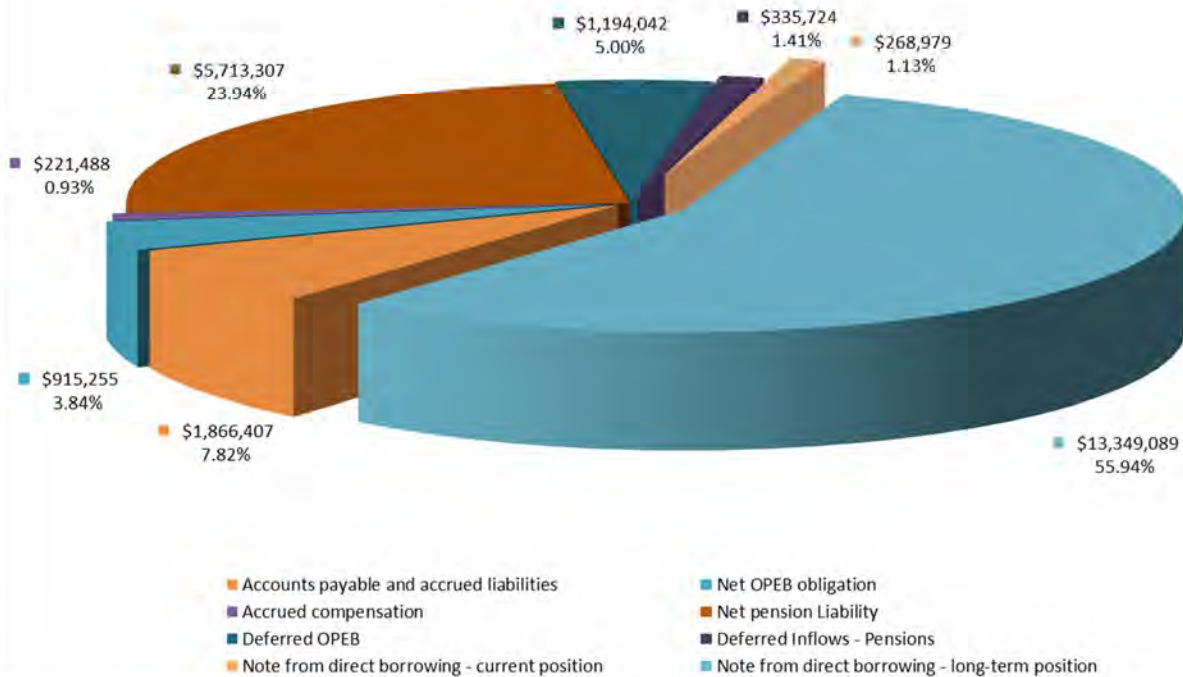
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES FY 22-23



LIABILITIES AND DEFERRED INFLOWS OF RESOURCES FY 23-24



LIABILITIES AND DEFERRED INFLOWS OF RESOURCES FY 22-23

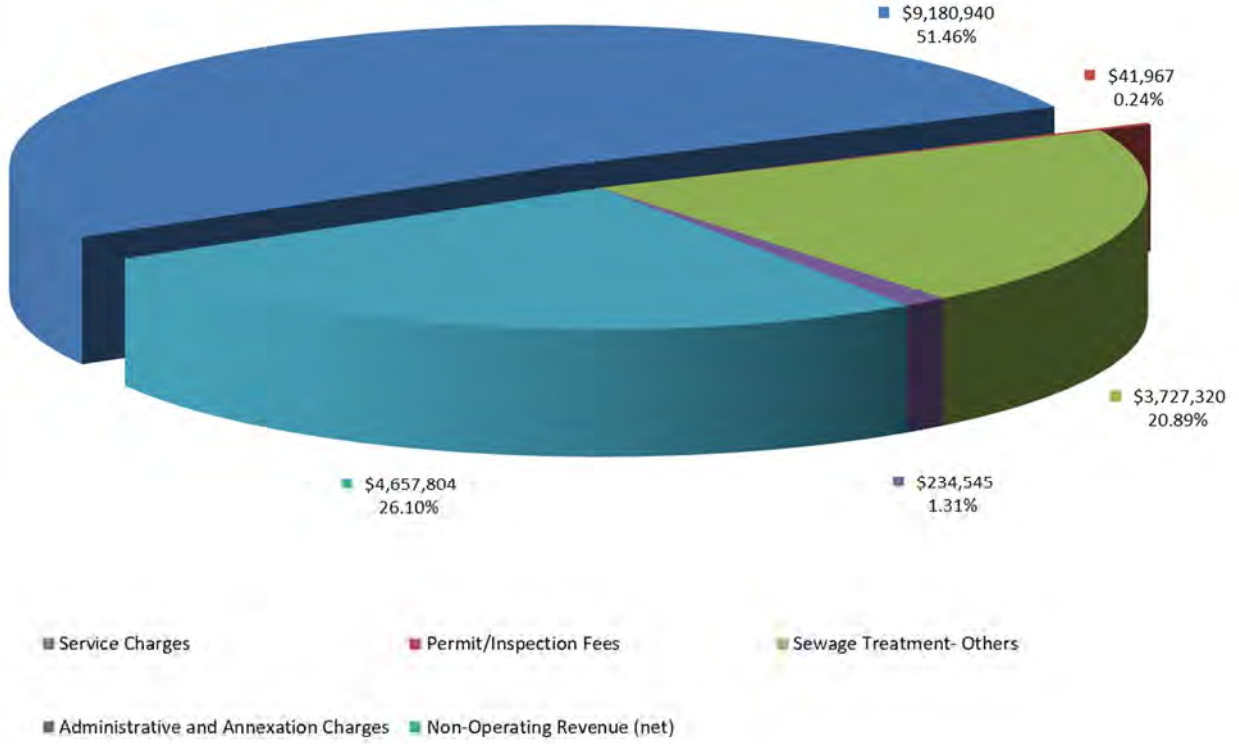


Business-type activities. The business-type activities increased the Goleta Sanitary District’s net position by \$3,378,790 and \$2,285,086 as of June 30, 2024 and 2023, respectively. The key elements are as follows: operating and nonoperating revenues exceeded operating and nonoperating expenses by \$3,044,763 as of June 30, 2024 whereas operating and nonoperating revenues exceeded operating and nonoperating expenses by \$1,949,849 as of June 30, 2023. Capital contributions to the District’s system totaled \$334,027 and \$335,237 as of June 30, 2024 and 2023, respectively. This is a net decrease of \$1,210 in Capital contributions as of June 30, 2024. The total revenues and capital contributions exceeded expenses during the 2023-2024 fiscal year. The District’s construction in progress value of \$7,736,705 has been recorded as capitalized amounts as detailed in Note 4 on page 24.

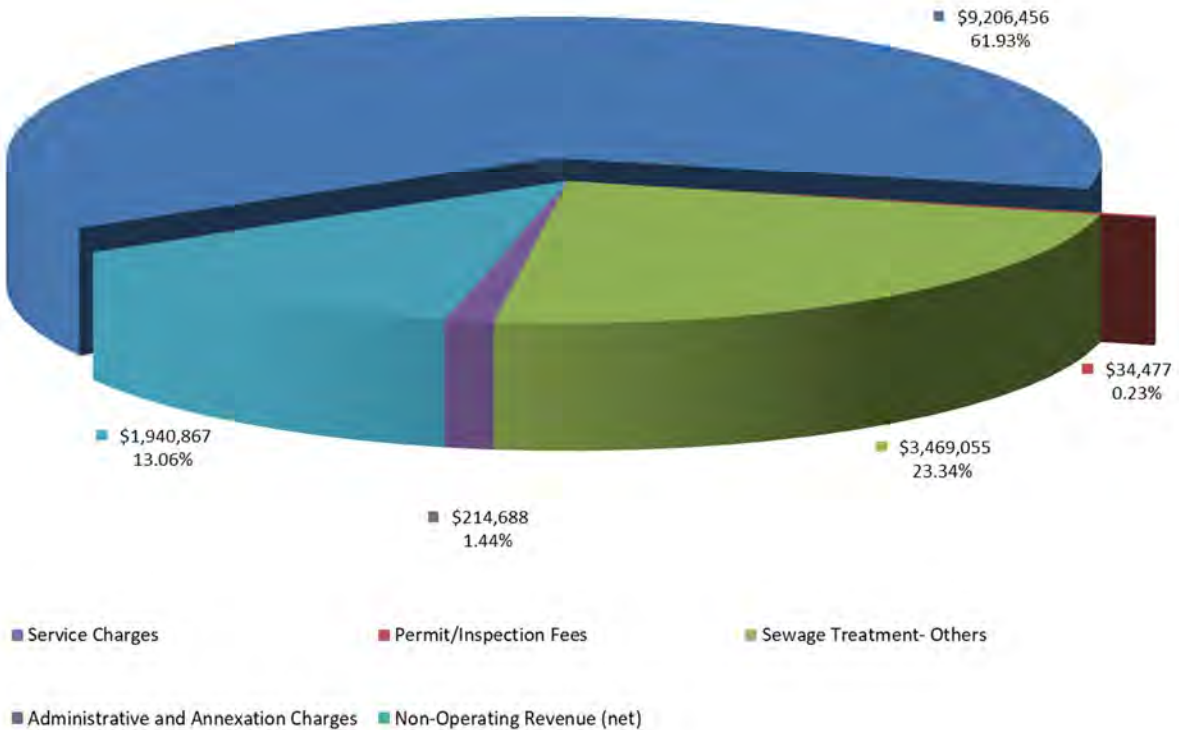
**GOLETA SANITARY DISTRICT’S CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDING**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Revenues:		
Service Charges	\$ 9,180,940	\$ 9,206,456
Other Operating	4,003,832	3,718,220
Non-operating	<u>4,657,804</u>	<u>1,940,867</u>
Sub-total:	17,842,576	14,865,543
Expenses:		
Sewage Collection	2,741,995	2,446,304
Sewage Treatment	8,515,866	7,447,347
Plant Pump Station	337,728	230,732
Sewage Disposal	127,686	129,587
Administrative and General	1,872,872	1,464,176
Wastewater Reclamation	799,586	770,431
Non-operating Expenses	<u>402,080</u>	<u>427,117</u>
Total Expenses:	14,797,813	12,915,694
Net Income Before Capital Contributions	3,044,763	1,949,849
Capital Contributions	<u>334,027</u>	<u>335,237</u>
Increase in Net Position	3,378,790	2,285,086
Net Position – Beginning of Fiscal Year	<u>101,271,421</u>	<u>98,986,335</u>
Net Position – End of Fiscal Year	<u>\$ 104,650,211</u>	<u>\$ 101,271,421</u>

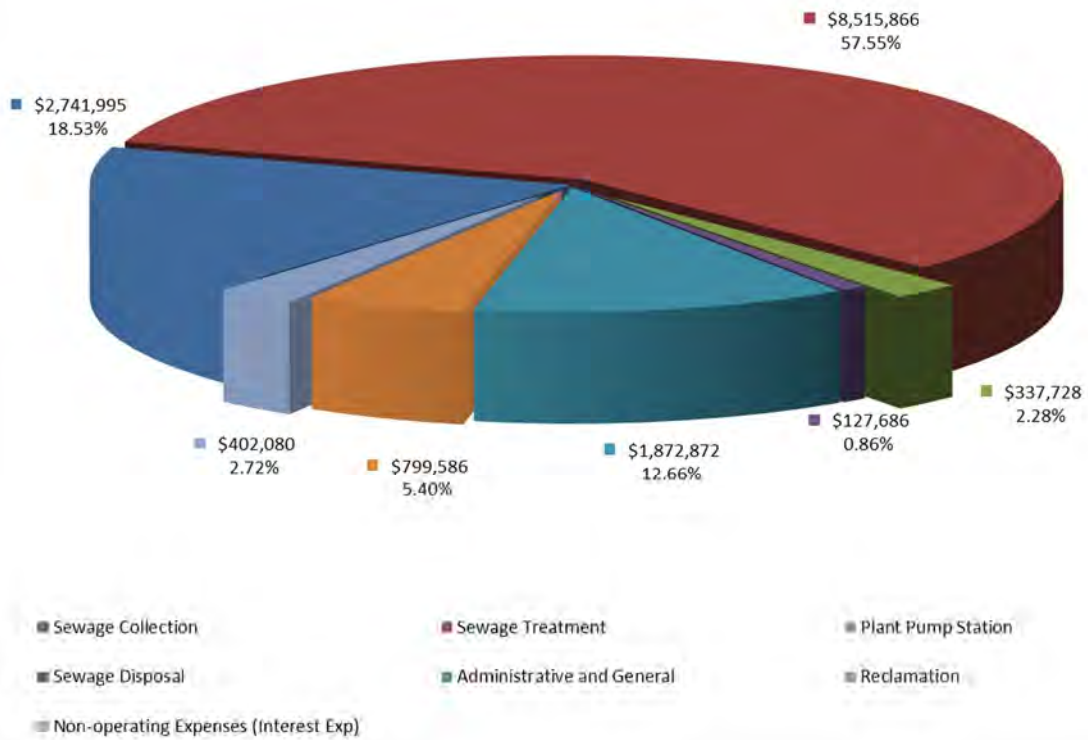
REVENUES FY 23-24



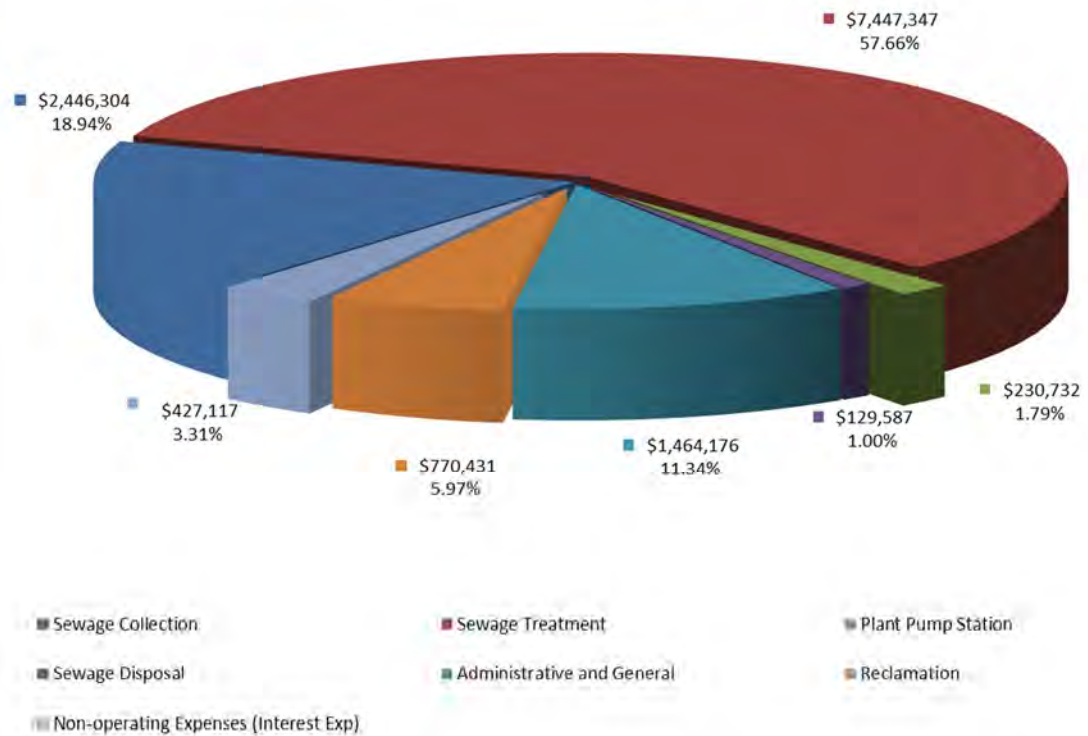
REVENUES FY 22-23



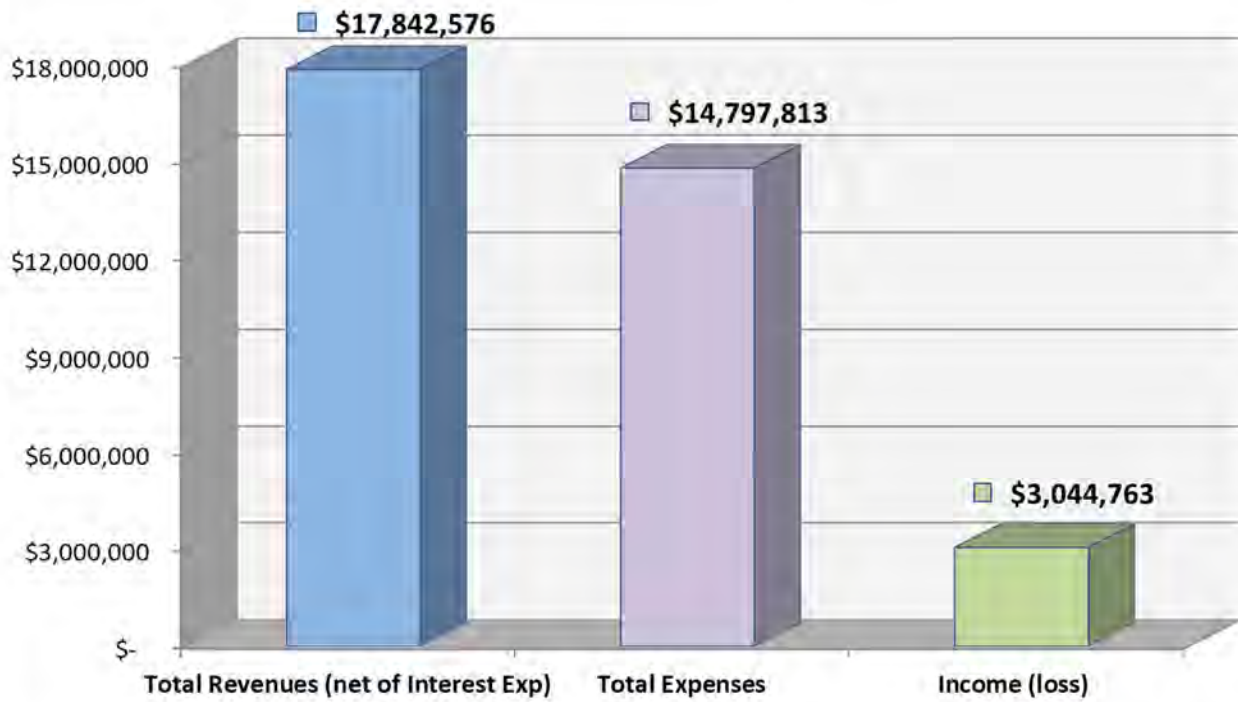
EXPENSES FY 23-24



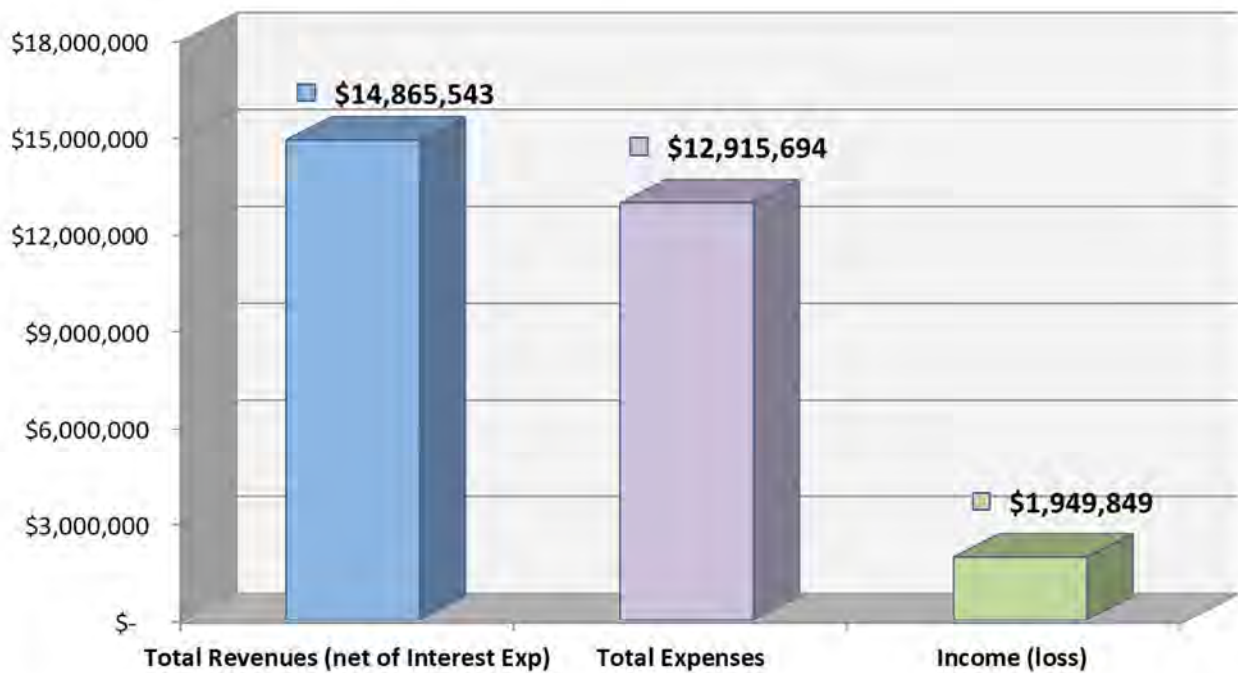
EXPENSES FY 22-23



REVENUES AND EXPENSES FY 23-24



REVENUES AND EXPENSES FY 22-23



Capital Asset and Debt Administration

Capital Assets. The Goleta Sanitary District’s net investment in capital assets for its business-type activities as of June 30, 2024 and June 30, 2023 amounts to \$67,473,489 and \$67,370,165 (net of accumulated depreciation). This investment in capital assets includes land, buildings, systems, improvements, machinery, and equipment.

Major capital asset events during the current fiscal year included the following:

The Collections department’s Asset Management Plan and Capital Improvement Plan were booked as completed, and their share of the new dump trailer. The department continued to hire contracted sewer spot repairs during the fiscal year and replenished the manhole covers and frames supply.

Treatment plant projects included: Biosolids pad resurfacing, the plant communications upgrade, solids building transfer pumps, air relief valve replacements, Neuros VFD, Vehicle Lift, and a share of the new Dump Trailer were recorded as complete. In addition, the Plant Lift Station project was completed mid-fiscal year.

Administration building office has the addition of two offices underway.

The Reclamation Facility also had completed capital asset projects: CCC Sample motor pump replacement and the PID control project.

Construction in progress projects include asset management and capital asset projects for Treatment Plant. The treatment plant also has ongoing projects related to biosolids handling and biosolids to energy projects.

GOLETA SANITARY DISTRICT’S CAPITAL ASSETS

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Land	\$ 327,243	\$ 327,243	\$ 327,243
Construction in Progress	7,736,705	7,232,062	4,423,717
Collection Facilities	30,594,710	29,953,062	29,738,208
Treatment Facilities	74,593,499	71,070,427	70,046,257
Disposal Facilities	3,743,731	3,743,731	3,743,731
Admin Facilities and all vehicles	3,330,970	3,330,970	3,325,619
Wastewater Reclamation	<u>15,692,365</u>	<u>15,634,929</u>	<u>15,629,405</u>
 Total	 <u>\$ 136,019,223</u>	 <u>\$ 131,292,424</u>	 <u>\$ 127,234,180</u>
Less Accumulated Depreciation	<u>(65,402,988)</u>	<u>(62,580,215)</u>	<u>(58,924,177)</u>
 Net Capital Assets	 <u>\$ 70,616,235</u>	 <u>\$ 68,712,209</u>	 <u>\$ 68,310,003</u>

Additional information on the Goleta Sanitary District’s capital assets can be found in Note 4 on pages 24 and 25 of this report.

Long-term liabilities. At the fiscal year-end, June 30, 2024, the Goleta Sanitary District held current and long-term liabilities related to the BESP project loan. Information on long-term liabilities can be found in Note 5 on page 25 and the discussion in Note 10 on page 33 of this report.

Economic Factors and Next Year's Budgets and Rates

The District sets its user rate schedule to cover the total O&M costs and accommodate an annual contribution to its depreciation reserve fund. The District reviewed and adjusted its sewer service rates for FY 2018-19 and FY 2019-20 using a CPI index to accommodate increased O&M costs due to inflation. No adjustments since then have been made.

Other Post-Employment Benefits

The District provides other post-employment benefits (OPEB) through the California Employers' Retiree Benefit fund which is administered by CalPERS. In 2009, the District joined the CalPERS medical program. An actuarial was performed during the 2023-2024 fiscal year to complete a valuation of the District's postemployment medical program with a measurement date of June 30, 2023, compliant under GASB Statement No. 75. The purpose of the valuation is to determine the value of the expected postretirement benefits for current and future retirees and the net OPEB benefit cost of the fiscal year ending June 30, 2024. GASB Statement No. 75 has many accounts and features that are similar to GASB Statement No. 68 related to pensions. The actuarial report prepared during Fiscal Year 2023-2024 noted that the plan net OPEB was a liability of \$1,649,761. Actual cash contributions to CERBT for Plan year 23-24 came to \$407,907 in the form of direct payments to CERBT, reimbursements to retirees, and direct premium payments to CalPERS. Details can be found in Note 9 beginning on page 30 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Goleta Sanitary District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the General Manager, Goleta Sanitary District, One William Moffett Place, Goleta, CA 93117.

GOLETA SANITARY DISTRICT
STATEMENT OF NET POSITION - ENTERPRISE FUND
June 30, 2024
With Comparative Totals for June 30, 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current:		
Cash and investments	\$ 32,379,795	\$ 29,312,181
Receivables:		
Accounts	1,172,641	1,424,129
Accrued interest	45	16,198
Inventories	89,212	88,425
Prepaid expenses	117,595	96,368
Total Current Assets	<u>33,759,288</u>	<u>30,937,301</u>
Noncurrent:		
Restricted:		
Cash and investments	16,432,429	18,136,106
Accounts receivable	789,923	178,046
Nondepreciable capital assets	8,063,948	7,559,305
Depreciable capital assets - net	62,552,287	61,152,904
Total Noncurrent Assets	<u>87,838,587</u>	<u>87,026,361</u>
Total Assets	<u>121,597,875</u>	<u>117,963,662</u>
Deferred Outflows of Resources		
Deferred OPEB	2,142,562	1,514,365
Deferred pensions	3,386,536	5,657,685
Total Deferred Outflows of Resources	<u>5,529,098</u>	<u>7,172,050</u>
Liabilities		
Current:		
Accounts payable and accrued liabilities	1,851,915	1,866,407
Current portion of accrued compensated leave	56,783	55,372
Note payable from direct borrowing - current portion	277,060	268,979
Total Current Liabilities	<u>2,185,758</u>	<u>2,190,758</u>
Noncurrent:		
Accrued compensated leave	170,348	166,116
Note payable from direct borrowing - long-term portion	12,799,040	13,349,089
Net OPEB liability	1,649,761	915,255
Net pension liability	2,954,869	5,713,307
Total Noncurrent Liabilities	<u>17,574,018</u>	<u>20,143,767</u>
Total Liabilities	<u>19,759,776</u>	<u>22,334,525</u>
Deferred Inflows of Resources		
Deferred OPEB	993,010	1,194,042
Deferred pensions	1,723,976	335,724
Total Deferred Inflows of Resources	<u>2,716,986</u>	<u>1,529,766</u>
Net Position		
Net investment in capital assets	67,473,489	67,370,165
Restricted for capital expansion	7,288,998	5,521,196
Restricted for construction	9,933,354	12,792,956
Unrestricted	19,954,370	15,587,104
Total Net Position	<u>\$ 104,650,211</u>	<u>\$ 101,271,421</u>

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

GOLETA SANITARY DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
ENTERPRISE FUND
For the Fiscal Year Ended June 30, 2024
With Comparative Totals for the Fiscal Year Ended June 30, 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues:		
Service charges	\$ 9,180,940	\$ 9,206,456
Permit and inspection fees	41,967	34,477
Sewage treatment - other agencies	3,727,320	3,469,055
Administrative charges	234,545	214,688
	<hr/>	<hr/>
Total operating revenues	13,184,772	12,924,676
	<hr/>	<hr/>
Operating Expenses:		
Sewage collection	2,741,995	2,446,304
Sewage treatment	8,515,866	7,447,347
Plant pump station	337,728	230,732
Sewage disposal	127,686	129,587
Administrative and general	1,872,872	1,464,176
Wastewater reclamation	799,586	770,431
	<hr/>	<hr/>
Total operating expenses	14,395,733	12,488,577
	<hr/>	<hr/>
Operating income (loss)	(1,210,961)	436,099
	<hr/>	<hr/>
Nonoperating Revenues (Expenses):		
Property tax	228,483	217,935
Intergovernmental	735	754
Investment earnings	2,477,592	1,357,977
Interest expense	(402,080)	(427,117)
Annexation charges	2,592	14,030
Reimbursements from participating agencies	11,042	8,152
Other	2,500,086	343,819
Loss on disposal of capital assets	(562,726)	(1,800)
	<hr/>	<hr/>
Total nonoperating revenues (expenses)	4,255,724	1,513,750
	<hr/>	<hr/>
Income before capital contributions	3,044,763	1,949,849
	<hr/>	<hr/>
Capital contributions	334,027	335,237
	<hr/>	<hr/>
Change in net position	3,378,790	2,285,086
	<hr/>	<hr/>
Net position, beginning of fiscal year	101,271,421	98,986,335
	<hr/>	<hr/>
Net position, end of fiscal year	<u>\$ 104,650,211</u>	<u>\$ 101,271,421</u>

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

GOLETA SANITARY DISTRICT
STATEMENT OF CASH FLOWS - ENTERPRISE FUND
For the Fiscal Year Ended June 30, 2024
With Comparative Totals for the Fiscal Year Ended June 30, 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 12,824,383	\$ 12,635,308
Payments to suppliers	(4,090,684)	(2,677,058)
Payments to employees	(5,680,998)	(8,776,190)
	<u>3,052,701</u>	<u>1,182,060</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	228,483	217,935
Intergovernmental	735	754
Reimbursements from other governments	11,042	8,152
Annexation charges	2,592	14,030
Other revenue	2,500,086	343,819
	<u>2,742,938</u>	<u>584,690</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital contributions	334,027	335,237
Acquisition and construction of capital assets	(6,315,426)	(4,060,044)
Principal paid on long-term debt	(541,968)	(516,932)
Interest paid on long-term debt	(402,080)	(427,117)
	<u>(6,925,447)</u>	<u>(4,668,856)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	<u>2,493,745</u>	<u>1,345,575</u>
	<u>2,493,745</u>	<u>1,345,575</u>
Net increase (decrease) in cash and cash equivalents	1,363,937	(1,556,531)
Cash and cash equivalents, July 1,	<u>47,448,287</u>	<u>49,004,818</u>
Cash and cash equivalents, June 30	<u>\$ 48,812,224</u>	<u>\$ 47,448,287</u>
Reconciliation to Statement of Net Position:		
Cash and investments	\$ 32,379,795	\$ 29,312,181
Restricted cash and investments	<u>16,432,429</u>	<u>18,136,106</u>
	<u>\$ 48,812,224</u>	<u>\$ 47,448,287</u>

(Continued)

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

GOLETA SANITARY DISTRICT
STATEMENT OF CASH FLOWS - ENTERPRISE FUND (Continued)
For the Fiscal Year Ended June 30, 2024
With Comparative Totals for the Fiscal Year Ended June 30, 2023

	<u>2024</u>	<u>2023</u>
Reconciliation to reconcile operating income to net cash provided by operating activities:		
Operating income (loss)	\$ (1,210,961)	\$ 436,099
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	3,848,674	3,656,038
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable	(360,389)	(289,368)
Inventory	(787)	2,749
Prepaid expenses	(21,227)	16,433
Deferred outflows	1,642,952	(5,773,869)
Accounts payables	(14,492)	925,147
Net OPEB obligation	734,506	969,143
Compensated absences	5,643	2,698
Net pension liability	(2,758,438)	3,210,348
Deferred inflows	1,187,220	(1,973,358)
Net cash provided by operating activities	<u>\$ 3,052,701</u>	<u>\$ 1,182,060</u>

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

NOTE 1 - REPORTING ENTITY

The Goleta Sanitary District (District) was formed in 1942 to provide sewage service for the unincorporated community of Goleta. In 2002, the City of Goleta was incorporated as a general law city of the State of California. The original plant site was owned by the District and the University of California at Santa Barbara. The District is now the sole owner of the plant and the site.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements of the Goleta Sanitary District have been prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”). The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for governmental accounting financial reporting purposes.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise of assets, liabilities, fund equity, revenues, and expenses. This system permits separate accounting for each established fund for purposes of complying with applicable legal provisions, Board of Director’s ordinances and resolutions, and other requirements. The accounts have also been maintained in accordance with the California State Controller’s uniform system of accounts.

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

The District distinguishes operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by wastewater services while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of supplying wastewater treatment services.

B. Plant Capacity Rights

In 1950, the District entered into an agreement with the University of California at Santa Barbara for the construction and mutual use of a treatment plant and sewer lines. Since that time, three other agencies have acquired capacity rights in the sewage treatment facilities.

For the fiscal year, agreements were in effect for the following capacity rights:

	Capacity Rights in Plant	Capacity Rights in Ocean Outfall Line
Goleta Sanitary District	47.87%	55.81%
Goleta West Sanitary District	40.78%	35.00%
University of California at Santa Barbara	7.09%	4.70%
City of Santa Barbara	2.84%	2.60%
County of Santa Barbara	1.42%	1.89%
	<u>100.00%</u>	<u>100.00%</u>

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgetary Procedures

Budgetary information is not presented because the District is not legally required to adopt a budget. Although not legally required, an annual budget is prepared, which includes estimates for the District’s principal income sources to be received during the fiscal year, as well as estimated expenses and cash reserves needed for operations.

D. Deposits and Investments

For purpose of the Statement of Cash Flows, the District considers all highly liquid investments (including restricted assets) with a maturity period, at purchase, of three months or less to be cash equivalents.

As a governmental entity other than an external investment pool in accordance with GASB Statements No. 31 and 72, the District’s investments are stated at fair value except for interest-earning investment contracts.

E. Prepaid Costs

Payments to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items. The District utilizes the consumption method of accounting for purchases, and accounts for prepaid costs in the period that the benefit was received and recognizes expenses as consumed.

F. Inventories

Inventories are priced using the lower of cost or market method, determined on a first-in, first-out basis. Inventories consist of expendable supplies, spare parts, and fittings.

G. Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets, are reported in the District’s enterprise fund. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,500.

As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the District values these capital assets at the original estimate.

Construction in Progress – The District occasionally constructs capital assets for its own use in the plant operations and within its sewer collection system. The costs associated within these projects are accumulated in a construction in progress account while the project is being developed. Once the project is completed, the entire cost of the constructed assets is transferred to the capital assets account and depreciated over the estimated useful life of the capital assets.

Capital assets are depreciated using the straight line method over estimated useful lives as follows:

Collection Lines	50 years
Buildings	40 years
Pumping and Treatment Equipment	10 – 25 years
Office Equipment	3 – 10 years

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Compensated Absences Liability

Employees are entitled to accumulate vacation leave at a rate of two, three, four, or five weeks per year, depending on the number of years of service completed. Vacation leave is fully vested and any unused leave will be paid to employees upon termination of employment. Employees are also entitled to accumulate comp time when they work overtime, they are called back to work, or they are on standby. The rates of the accrual vary by employees and no employee can accumulate more than 40 hours of comp time.

In accordance with accounting principles generally accepted in the United States of America, the liability is reflected on the Statement of Net Position and the current fiscal year allocation has been expensed. The balance at June 30, 2024 and 2023 was \$227,131 and \$221,488 respectively.

I. Restricted Assets

Amounts shown as restricted assets have been restricted by either bond indenture, by law, or contractual obligations to be used for specified purposes, such as servicing bonded debt and construction of capital assets.

J. Capital Contributions

Capital contributions represent utility plant additions contributed to the District by property owners, other agencies, or developers. Depreciation of contributed utility plant assets are charged to operations.

K. Uncollectible Accounts

Uncollectible accounts are determined using the allowance method based upon prior experience and management's assessment of the collectability of specific existing accounts and are included in the net accounts receivable.

L. Property Taxes

Tax levies are limited to 1% of full market value (at time of purchase) which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Property taxes are attached annually on January 1 proceeding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change of ownership.

Tax collections are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments; the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due February 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments.

The District does not receive a substantial amount of property taxes. For the fiscal years ended June 30, 2024 and 2023, the District received \$228,483 and \$217,935, respectively. The District does not receive property tax from every parcel in its service area, only those parcels for which the property taxes were negotiated at the time it was annexed.

M. Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by Management. Actual results could differ from those amounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Pensions

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

O. Other Postemployment Benefits (OPEB)

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

P. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 8 and 9 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 8 and 9 for a detailed listing of the deferred inflows of resources the District has reported.

Q. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 101 "Compensated Absences"	The provisions of this statement are effective for fiscal years beginning after December 15, 2023.
Statement No. 102 "Certain Risk Disclosures"	The provisions of this statement are effective for fiscal years beginning after June 15, 2024.
Statement No. 103 "Financial Reporting Model Improvements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.
Statement No. 104 "Disclosure of Certain Capital Assets"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.

S. Comparative Data/Totals Only

Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the District's financial position, operations, and cash flows. Also, certain prior fiscal amounts may have been reclassified to conform to the current fiscal year financial statements presentation.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

	2024	2023
Cash on hand	\$ 500	\$ 500
Deposits with financial institutions	43,326,363	40,224,997
Investments	5,485,361	7,222,790
	\$ 48,812,224	\$ 47,448,287

Cash and investments listed above, are presented on the accompanying statement of net position, as follows:

	2024	2023
Cash and investments	\$ 32,379,795	\$ 29,312,181
Restricted cash and investments	16,432,429	18,136,106
Total cash and investments	\$ 48,812,224	\$ 47,448,287

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments in LAIF and California CLASS are measured at amortized cost.

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investments Authorized by the District’s Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	N/A	None	None
Banker’s Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	5 years	15%	10%
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	N/A	20%	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75,000,000
California CLASS	N/A	None	None
State Registered Warrants, Notes or Bonds	N/A	None	None
Notes and Bonds for other Local California Agencies	5 years	None	None

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity:

<u>Investment Type</u>	2024				
	Carrying Amount	<u>Remaining Maturity (in Months)</u>			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
State investment pool (LAIF)	\$ 3,948	\$ 3,948	\$ -	\$ -	\$ -
California CLASS	5,481,413	5,481,413			
	<u>\$ 5,485,361</u>	<u>\$ 5,485,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Investment Type</u>	2023				
	Carrying Amount	<u>Remaining Maturity (in Months)</u>			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
State investment pool (LAIF)	\$ 2,031,736	\$ 2,031,736	\$ -	\$ -	\$ -
California CLASS	5,191,054	5,191,054			
	<u>\$ 7,222,790</u>	<u>\$ 7,222,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 3 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below, is the minimum rating required by the California Government Code, the District’s investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	2024			
			Rating as of Fiscal Year End			Not Rated
			AAA	A+	Baa	
State investment pool (LAIF)	\$ 3,948	N/A	\$ -	\$ -	\$ -	\$ 3,948
California CLASS	5,481,413	N/A	5,481,413			
	<u>\$ 5,485,361</u>		<u>\$ 5,481,413</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,948</u>

Investment Type	Carrying Amount	Minimum Legal Rating	2023			
			Rating as of Fiscal Year End			Not Rated
			AAA	A+	Baa	
State investment pool (LAIF)	\$ 2,031,736	N/A	\$ -	\$ -	\$ -	\$ 2,031,736
California CLASS	5,191,054		5,191,054			
	<u>\$ 7,222,790</u>		<u>\$ 5,191,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,031,736</u>

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District’s deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Collateral for Deposits

The collateral for deposits is generally held in safekeeping by the Federal Home Loan Bank in San Francisco as the third-party trustee. The securities are physically held in an undivided pool for all California public agency depositors. The State Public Administrative Office for public agencies and the Federal Home Loan Bank maintain detailed records of the security pool which are coordinated and updated weekly.

The Treasurer, at his or her discretion, may waive the 110% collateral requirement for deposits. Deposit accounts are insured up to \$250,000.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investment. With respect to investments, custodial credit risk generally applies to direct investments in marketable securities through the use of mutual funds or government investment pools (such as LAIF and California CLASS).

GOLETA SANITARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2024

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 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 basic financial statements at the 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). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each entity may invest up to \$75,000,000 in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Investments with LAIF are secured by the full faith and credit of the State of California.

LAIF’s and the District’s exposure to risk (credit, market or legal) is not currently available. Section 16429.3 states that “money placed with the State Treasurer for deposit in the LAIF shall not be subject to impoundment or seizure by any State official or State Agency.”

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 and June 30, 2023 were as shown below and on the following page:

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Capital assets not being depreciated:					
Land	\$ 327,243	\$ -	\$ -	\$ -	\$ 327,243
Construction in progress	7,232,062	6,228,352		(5,723,709)	7,736,705
Total capital assets not being depreciated	<u>\$ 7,559,305</u>	<u>\$ 6,228,352</u>	<u>\$ -</u>	<u>\$ (5,723,709)</u>	<u>\$ 8,063,948</u>
Capital assets being depreciated:					
Collection facilities	\$ 29,953,062	\$ -	\$ -	\$ 641,648	\$ 30,594,710
Treatment facilities	71,070,427	87,074	(1,588,627)	5,024,625	74,593,499
Disposal facilities	3,743,731				3,743,731
General administrative facilities	3,330,970				3,330,970
Wastewater reclamation facility	15,634,929			57,436	15,692,365
	123,733,119	87,074	(1,588,627)	5,723,709	127,955,275
Less accumulated depreciation	62,580,215	3,848,674	(1,025,901)		65,402,988
Total capital assets being depreciated, net	<u>\$ 61,152,904</u>	<u>\$ (3,761,600)</u>	<u>\$ (562,726)</u>	<u>\$ 5,723,709</u>	<u>\$ 62,552,287</u>
Net capital assets	<u>\$ 68,712,209</u>	<u>\$ 2,466,752</u>	<u>\$ (562,726)</u>	<u>\$ -</u>	<u>\$ 70,616,235</u>

GOLETA SANITARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 4 - CAPITAL ASSETS (Continued)

	Balance				Balance	
	July 1, 2022	Additions	Deletions	Transfers	June 30, 2023	
Capital assets not being depreciated:						
Land	\$ 327,243	\$ -	\$ -	\$ -	\$ 327,243	
Construction in progress	4,423,717	3,974,237	(1,800)	(1,164,092)	7,232,062	
Total capital assets not being depreciated	<u>\$ 4,750,960</u>	<u>\$ 3,974,237</u>	<u>\$ (1,800)</u>	<u>\$ (1,164,092)</u>	<u>\$ 7,559,305</u>	
Capital assets being depreciated:						
Collection facilities	\$ 29,738,208	\$ -	\$ -	\$ 214,854	\$ 29,953,062	
Treatment facilities	70,046,257	80,283		943,887	71,070,427	
Disposal facilities	3,743,731				3,743,731	
General administrative facilities	3,325,619			5,351	3,330,970	
Wastewater reclamation facility	15,629,405	5,524			15,634,929	
	122,483,220	85,807		1,164,092	123,733,119	
Less accumulated depreciation	58,924,177	3,656,038			62,580,215	
Total capital assets being depreciated, net	<u>\$ 63,559,043</u>	<u>\$ (3,570,231)</u>	<u>\$ -</u>	<u>\$ 1,164,092</u>	<u>\$ 61,152,904</u>	
Net capital assets	<u>\$ 68,310,003</u>	<u>\$ 404,006</u>	<u>\$ (1,800)</u>	<u>\$ -</u>	<u>\$ 68,712,209</u>	

NOTE 5 – LONG-TERM LIABILITIES

The following table summarizes the changes in long-term liabilities for the fiscal years ended June 30, 2024 and June 30, 2023:

	Balance			Balance		Due Within	
	July 1, 2023	Additions	Retirements	June 30, 2024	One Year		
Compensated absences	\$ 221,488	\$ 245,538	\$ 239,895	\$ 227,131	\$ 56,783		
Note from direct borrowing	13,618,068		541,968	13,076,100	277,060		
Net OPEB liability	915,255	734,506		1,649,761			
Net pension liability	5,713,307		2,758,438	2,954,869			
Total long-term liabilities	<u>\$ 20,468,118</u>	<u>\$ 980,044</u>	<u>\$ 3,540,301</u>	<u>\$ 17,907,861</u>	<u>\$ 333,843</u>		
	Balance			Balance		Due Within	
	July 1, 2022	Additions	Retirements	June 30, 2023	One Year		
Compensated absences	\$ 218,790	\$ 221,170	\$ 218,472	\$ 221,488	\$ 55,372		
Note from direct borrowing	14,135,000		516,932	13,618,068	268,979		
Net OPEB liability (asset)	(53,888)	969,143		915,255			
Net pension liability	2,502,959	3,210,348		5,713,307			
Total long-term liabilities	<u>\$ 16,802,861</u>	<u>\$ 4,400,661</u>	<u>\$ 735,404</u>	<u>\$ 20,468,118</u>	<u>\$ 324,351</u>		

NOTE 6 – NET POSITION

There are three main components of net position: Net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents the District’s capital assets net of depreciation that are unencumbered by debt.

NOTE 6 – NET POSITION (Continued)

Restricted net position consists of amounts that have legal restrictions imposed by parties outside of the reporting entity.

Unrestricted net position is a catch all for all remaining net position not accounted for in the other two categories.

The following is included in Restricted Net Position:

Reserve for Plant Capacity Expansion

This restricted reserve is related to that portion of the District’s net position attributable to capacity expansion connection fees. Such fees can only be used for plant expansion. At June 30, 2024 and 2023, this restricted amount was \$7,288,998 and \$5,521,196, respectively.

Restricted for Biosolids and Energy Strategic Plan

This portion of the District’s net position is the unspent portion of the installment sale note from direct borrowing and is only for use in the Biosolids and Energy Strategic Plan project. At June 30, 2024 and 2023, this restricted amount was \$9,933,354 and \$12,792,956, respectively.

NOTE 7 – RISK MANAGEMENT

The District is a member of the California Sanitation Risk Management Authority (“Authority”). The following disclosures are made in compliance with GASB Code Section J50.103:

A. Description of Joint Powers Authority

The Authority is comprised of 59 members and is organized under a Joint Exercise Powers Agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of insurance and risk management for the pooling of self-insured losses and to purchase excess insurance coverage.

Each member has a representative on the Board of Directors. Officers of the Authority are elected annually by the Board members.

B. Self-Insurance Programs of the Authority

General Liability Insurance

Annual deposits are paid by member districts and are adjusted retrospectively to cover costs. Each member district self-insures at a variable amount for each loss; however, annual premiums are set such that this self-insured retention level is funded on an annual basis through required premiums. Participating districts then share in the next shared pool layer per loss occurrence. Specific coverage includes comprehensive and general automotive liability, personal injury, contractual liability, errors and omissions, sudden and accidental pollution and employment practice liability. Separate deposits are collected from member districts to cover claims between \$0 and \$15,500,000. The pool layer is subject to retrospective adjustment. The District participates in the Authority’s General Liability Program.

Workers Compensation Insurance

Annual deposits are paid by member districts and are adjusted retrospectively to cover costs. Each member district has first dollar coverage. Losses in excess of \$750,000 are covered by excess insurance purchased by the participating district, as part of the pool, to a limit of \$1 million per accident. The District participates in the Authority’s Workers Compensation Program.

Property Protection

The District participates in the All Risks, Boiler and Machinery, and Flood Property Protection Program, which is underwritten by five insurance companies. The annual deposits are paid by participating member districts and are based upon value at risk and not subject to retroactive adjustments.

The Insurance Authority establishes claim liabilities based on actuarial estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported.

NOTE 8 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS’ website.

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 nonduty disability benefits after 10 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 Plans’ provisions and benefits in effect at June 30, 2023 (the Measurement Date), are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to</u>	<u>On or after</u>
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire Date		
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	8.25%
Required employer contribution rates	13.26% + \$391,029	8.00%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the fiscal 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. Contributions to the pension plan from the District were \$384,474 for the fiscal year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of \$2,954,869 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all pension plan participants, actuarially determined. At June 30, 2023, the District’s proportion share of net pension liability was as follows:

Proportion-June 30, 2022	0.12210%
Proportion-June 30, 2023	<u>0.05909%</u>
Change-increase(decrease)	<u><u>-0.06301%</u></u>

NOTE 8 – PENSION PLAN (Continued)

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

For the fiscal year ended June 30, 2024, the District recognized pension expense of \$1,285,436. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 178,399	\$ -
Differences between expected and actual experience	150,950	23,416
Net difference between projected and actual earnings on retirement plan investments	478,420	
Difference in proportions	47,649	1,559,202
Differences in actual contributions and proportionate share of contributions	2,146,644	141,358
District contributions subsequent to the measurement date	384,474	
	<u>\$ 3,386,536</u>	<u>\$ 1,723,976</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$384,474 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025.

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

Fiscal Year Ending June 30,	Amount
2025	\$ 393,277
2026	341,999
2027	529,082
2028	13,728
	<u>\$ 1,278,086</u>

NOTE 8 – PENSION PLAN (Continued)

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

Actuarial Assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The probabilities are based on the 2021 CalPERS' Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS' Experience Study and Review of Actuarial

Long-term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return (a,b)</u>
Global Equity - cap-weighted	30.0%	4.45%
Global Equity - non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporations	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100.0%</u>	

(a) An expected inflation of 2.30% was used for this period.

(b) Figures are based on the 2021 Asset Liability Management Study.

NOTE 8 – PENSION PLAN (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following represents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90% percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) than the current rate:

	1% Decrease <u>5.90%</u>	Discount Rate <u>6.90%</u>	1% Increase <u>7.90%</u>
District's proportionate share of the net pension plan liability	\$ 6,264,973	\$ 2,954,869	\$ 230,369

Pension Plan Fiduciary Net Position

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

C. Payable to Pension Plan

At June 30, 2024, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2024.

NOTE 9 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The District provides other post-employment benefits (OPEB) through the California Employers' Retiree Benefit Fund (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the California Public Employees' Retirement System (CalPERS). Benefits are provided to employees who retire at age 50 or older with five years of eligible CalPERS service. Coverage is also provided to eligible retirees, spouses and surviving spouses. These benefits are provided per contract between the District and the employee associations. Separate financial statements of the CERBT may be obtained by writing to CalPERS at Lincoln Plaza North 400 Q Street, Sacramento, and CA 95814 or by visiting the CalPERS’ website at www.calpers.ca.gov.

Funding Policy

In 2009, the District joined the CalPERS medical program. In 2022, the District contributed the full cost of retiree and spousal coverage, up to the cost of PERS Choice coverage in comparison to the "unequal contribution" approach that was used at the inception of the CalPERS medical program. The District's contribution will be based on each retiree's age and enrollment status. The contribution requirements of plan members and the District are established and may be amended by the District and the employee associations. Currently, contributions are not required from plan members.

NOTE 9 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Employees Covered

As of June 30, 2022, actuarial valuation, the following current and former employees were covered by the benefit terms under the District’s Plan:

Active employees	31
Inactive employees or beneficiaries currently receiving benefits	24
Total	<u>55</u>

Contributions

The District has a trust with the California Employers' Retiree Benefit Trust (CERBT). The District currently finances the trust by making 100% of the actuarially determined contribution.

Net OPEB Liability

The District's Net OPEB Liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2022.

Actuarial assumptions: The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	6.00%, based on the CERBT Strategy 1 investment policy
Salary increases	3.25% plus merit component
Inflation rate	2.50%
Investment rate of return	6.00% based on CERBT Strategy 1 investment policy
Healthcare cost trend rate	5.20% for 2023 through 2034, 5.00% for 2035 through 2049, 4.50% for 2050 through 2064, and 4.00% thereafter

Assumption Changes: The discount rate was changed from 7.28% to 6.00% and the salary increases from 3.00% to 3.25%.

Discount rate. GASB Statement No. 75 requires a discount rate that reflects the following:

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

The discount rate is based on a blend of the long-term expected rate of return on assets for benefits covered by plan assets and a yield or index for 20 years, tax-exempt general obligation municipal bonds with an average of AA/Aa or better for benefits not covered by plan assets.

The arithmetic long-term expected real rates of return by asset class for the next 10 years as provided in a report by JP Morgan and listed in the Investments section of this Note. For each fiscal year thereafter, returns were based on historical average index real returns over the last 30 years assuming a similar equity/fixed investment mix and a 2.50% inflation rate. Investment expenses were assumed to be 10 basis points per year. These returns were matched with cash flows for benefits covered by plan assets and the Bond Buyer 20-Bond General Obligation index was matched with cash flows not covered by plan assets to measure the reasonableness of the choice in discount rate.

Net OPEB Liability

<u>Measurement Date</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Discount Rate	6.00%	7.28%
Bond buyer 20-Bond GO Index	3.86%	2.21%

NOTE 9 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Changes in the OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022-Measurement Date	\$ 4,809,944	\$ 3,894,689	\$ 915,255
Changes recognized for the measurement period:			
Service cost	169,774		169,774
Interest	354,608		354,608
Changes of assumptions	872,278		872,278
Contributions - employer		407,907	(407,907)
Net investment income		255,385	(255,385)
Benefit payments	(217,430)	(217,430)	
Administrative expense		(1,138)	1,138
Net Changes	<u>1,179,230</u>	<u>444,724</u>	<u>734,506</u>
Balance at June 30, 2023-Measurement Date	<u>\$ 5,989,174</u>	<u>\$ 4,339,413</u>	<u>\$ 1,649,761</u>

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.00 percent) or 1 percentage point higher (7.00 percent) than the current discount rate:

	1% Decrease 5.00%	Discount Rate 6.00%	1% Increase 7.00%
Net OPEB Liability	\$ 2,483,021	\$ 1,649,761	\$ 942,351

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.20 percent decreasing to 3.00 percent) or 1 percentage point higher (6.20 percent decreasing to 5.00 percent) than the current healthcare cost trend rates:

	1% Decrease (4.20% decreasing to 3.00%)	Trend Rate (5.20% decreasing to 4.00%)	1% Increase (6.20% decreasing to 5.00%)
Net OPEB Liability	\$ 772,454	\$ 1,649,761	\$ 2,728,535

Investments

The allocation of the plan's invested assets is established by CERBT Strategy 1. The objective is to seek returns that reflect the broad investment performance of the financial markets through capital appreciation and investment income. The asset allocations and benchmarks for CERBT Strategy 1 are listed below:

Investment Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	60.00%	5.07%
Fixed Income	32.00%	1.56%
Real Estate	8.00%	6.85%

NOTE 9 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

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

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$348,819. As of the fiscal year ended June 30, 2024, the District reported deferred outflows 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	\$ 371,722	\$ -
Change in assumptions	760,447	895,307
Difference between expected and actual experience	675,880	97,703
Net difference between projected and actual earnings on retirement plan investments	334,513	
	<u>\$ 2,142,562</u>	<u>\$ 993,010</u>

\$371,722 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2025.

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

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal year Ending June 30,	Amount
2025	\$ 107,349
2026	86,984
2027	215,206
2028	43,967
2029	108,789
Thereafter	215,535
	<u>\$ 777,830</u>

NOTE 10 – NOTE FROM DIRECT BORROWING

On June 23, 2022, the District entered into an installment sale agreement for direct borrowing with the Banc of America Public Capital Corporation, a Kansas corporation to issue a private financing note of \$14,135,000 to be repaid in semiannual installment payments of about \$472,024 each at a contract interest rate of 2.982% per annum for 20 years through June 2042. The financing is to be used for implementation of the District’s Biosolids and Energy Strategic Plan (BESP) projects including a new 550,000 gallon digester with a 160kW generator to convert biogas to electricity and other improvements in the Plant. The note is secured by the net revenues of the District. In the event of a default, all remaining installment payments become immediately due and payable, the seller may retake possession of all equipment or require return of the equipment, and the seller may terminate the escrow agreement and apply proceeds in the escrow account to the installment payments. The installment payment schedule is as shown on the following page:

NOTE 10 – NOTE FROM DIRECT BORROWING (Continued)

<u>Fiscal year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 277,060	\$ 194,965	\$ 472,025
2026	566,573	377,475	944,048
2027	583,595	360,453	944,048
2028	601,128	342,921	944,049
2029	619,186	324,862	944,048
2030-2034	3,386,391	1,333,851	4,720,242
2035-2039	3,926,561	793,680	4,720,241
2040-2042	3,115,606	187,409	3,303,015
Total	<u>\$ 13,076,100</u>	<u>\$ 3,915,616</u>	<u>\$ 16,991,716</u>

NOTE 11 – WASTEWATER RECLAMATION PROJECT

The District entered into an agreement, dated October 15, 1990, with the Goleta Water District for construction and operation of a wastewater reclamation project. The project provides for additional treatment of the District’s wastewater and to distribute the resulting reclaimed wastewater for use by the Goleta Water District’s customers.

The District agreed to provide the additional treatment facilities, which are integrated into the current treatment plant. The Goleta Water District agreed to provide the pumping and distribution facilities for the delivery of the reclaimed water.

The District has provided the site for the Reclamation Facility. The Reclamation Facility is designed to have a treatment, storage, and pumping capacity of 3.3 million gallons per day.

The agreement with the Goleta Water District provides that the Goleta Water District ultimately pay all the costs associated with the design and construction of the project, as well as the operation costs once the facility is completed. The Goleta Water District has the right to the water produced, with certain options.

The project was substantially complete and officially placed in service in August 1994.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Land Purchase Restrictions

On December 23, 1980, the District acquired twenty-eight (28) acres of land adjacent to the original plant site for the construction of various structures, ponds and sludge lagoons for the plant expansion project. The acquisition is subject to the condition that should the District or its successors at any time within fifty-nine (59) years cease to use the land, as defined in the deed, for the operation of a wastewater treatment plant for a continuous period of one (1) year, and the land will revert to the seller or its successor, at the acquisition price.

REQUIRED SUPPLEMENTARY INFORMATION

GOLETA SANITARY DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years
 As of June 30, 2024

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Proportion of the net pension liability	0.02369%	0.04946%	0.04628%	0.04409%	0.04336%
Proportionate share of the net pension liability	\$ 2,954,869	\$ 5,713,307	\$ 2,502,959	\$ 4,797,712	\$ 4,442,628
Covered payroll	\$ 3,081,174	\$ 3,037,759	\$ 3,080,465	\$ 2,962,731	\$ 2,711,945
Proportionate share of the net pension liability as a percentage of covered payroll	95.90%	188.08%	81.25%	161.94%	163.82%
Plan's total pension liability	\$ 52,441,984,274	\$ 49,525,975,138	\$ 46,174,942,264	\$ 43,702,930,887	\$ 41,426,453,489
Plan's fiduciary net position	\$ 39,966,633,692	\$ 37,975,170,163	\$ 40,766,653,876	\$ 32,822,501,335	\$ 31,179,414,067
Plan fiduciary net position as a percentage of the total pension liability	76.21%	76.68%	88.29%	75.10%	75.26%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.04244%	0.04260%	0.04215%	0.03991%	0.04434%
Proportionate share of the net pension liability	\$ 4,090,003	\$ 4,224,332	\$ 3,647,366	\$ 2,739,101	\$ 2,759,210
Covered payroll	\$ 2,995,198	\$ 2,609,634	\$ 2,526,857	\$ 2,378,509	\$ 2,309,232
Proportionate share of the net pension liability as a percentage of covered payroll	136.55%	161.87%	144.34%	115.16%	119.49%
Plan's total pension liability	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631
Plan's fiduciary net position	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515
Plan fiduciary net position as a percentage of the total pension liability	75.26%	73.31%	74.06%	78.40%	79.82%

Note to Schedule:

Changes in assumptions

In the reporting fiscal year ended June 30, 2023, the discount rate was reduced from 7.15% to 6.90% and price inflation was reduced from 2.50% to 2.30%.

GOLETA SANITARY DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
 Last 10 Years
 As of June 30, 2024

The following table provides required supplementary information regarding the District's Pension Plan.

	2024	2023	2022	2021	2020
Contractually required contribution (actuarially determined)	\$ 384,474	\$ 718,551	\$ 658,862	\$ 615,256	\$ 619,908
Contribution in relation to the actuarially determined contributions	(384,474)	(3,807,921)	(658,862)	(615,256)	(619,908)
Contribution deficiency (excess)	\$ -	\$ (3,089,370)	\$ -	\$ -	\$ -
Covered payroll	\$ 3,393,361	\$ 3,081,174	\$ 3,037,759	\$ 3,080,465	\$ 2,962,731
Contributions as a percentage of covered payroll	11.33%	123.59%	21.69%	19.97%	20.92%
	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 529,842	\$ 545,176	\$ 429,773	\$ 392,036	\$ 398,321
Contribution in relation to the actuarially determined contributions	(529,842)	(545,176)	(429,773)	(392,036)	(398,321)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,711,945	\$ 2,995,198	\$ 2,609,634	\$ 2,526,857	\$ 2,378,509
Contributions as a percentage of covered payroll	19.54%	18.20%	16.47%	15.51%	16.75%

Notes to Schedule

Changes in assumptions

In the reporting fiscal year ended June 30, 2023, the discount rate was reduced from 7.15% to 6.90% and price inflation was reduced from 2.50% to 2.30%.

GOLETA SANITARY DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
 Last 10 Years*
 As of June 30, 2024

Measurement Period	2023	2022	2021	2020
Total OPEB Liability				
Service cost	\$ 169,774	\$ 182,212	\$ 141,331	\$ 149,735
Interest on the total OPEB liability	354,608	315,229	291,378	293,274
Actual and expected experience difference		901,434	5,306	(5,469)
Changes in assumptions	872,278	(655,913)		(325,191)
Benefit payments	(217,430)	(158,954)	(143,863)	(116,597)
Net change in total OPEB Liability	1,179,230	584,008	294,152	(4,248)
Total OPEB liability- beginning	4,809,944	4,225,936	3,931,784	3,936,032
Total OPEB liability- ending (a)	<u>\$ 5,989,174</u>	<u>\$ 4,809,944</u>	<u>\$ 4,225,936</u>	<u>\$ 3,931,784</u>
Plan Fiduciary Net Position				
Contribution - employer	\$ 407,907	\$ 359,425	\$ 356,984	\$ 334,190
Net investment income	255,385	(584,514)	880,716	113,954
Benefit payments	(217,430)	(158,954)	(143,863)	(116,597)
Administrative expense	(1,138)	(1,092)	(1,213)	(1,414)
Net change in plan fiduciary net position	444,724	(385,135)	1,092,624	330,133
Plan fiduciary net position- beginning	3,894,689	4,279,824	3,187,200	2,857,067
Plan fiduciary net position- ending (b)	<u>\$ 4,339,413</u>	<u>\$ 3,894,689</u>	<u>\$ 4,279,824</u>	<u>\$ 3,187,200</u>
Net OPEB liability (asset) - ending (a)-(b)	<u>\$ 1,649,761</u>	<u>\$ 915,255</u>	<u>\$ (53,888)</u>	<u>\$ 744,584</u>
Covered payroll	3,361,861	3,173,639	3,230,223	3,031,111
Net OPEB liability (asset) as a percentage of covered payroll	49.07%	28.84%	-1.67%	24.56%
Plan fiduciary net position as a percentage of the total OPEB liability	72.45%	80.97%	101.28%	81.06%
Measurement Period	2019	2018	2017	
Total OPEB Liability				
Service cost	\$ 142,604	\$ 155,373	\$ 147,974	
Interest on the total OPEB liability	271,402	306,910	284,763	
Actual and expected experience difference	3,998	(240,756)	1,341	
Changes in assumptions		(564,625)		
Benefit payments	(132,500)	(131,291)	(143,019)	
Net change in total OPEB Liability	285,504	(474,389)	291,059	
Total OPEB liability- beginning	3,650,528	4,124,917	3,833,858	
Total OPEB liability- ending (a)	<u>\$ 3,936,032</u>	<u>\$ 3,650,528</u>	<u>\$ 4,124,917</u>	
Plan Fiduciary Net Position				
Contribution - employer	\$ 356,618	\$ 357,543	\$ 336,291	
Net investment income	157,288	164,504	181,510	
Benefit payments	(132,500)	(131,291)	(143,019)	
Administrative expense	(540)	(1,130)	(926)	
Net change in plan fiduciary net position	380,866	389,626	373,856	
Plan fiduciary net position- beginning	2,476,201	2,086,575	1,712,719	
Plan fiduciary net position- ending (b)	<u>\$ 2,857,067</u>	<u>\$ 2,476,201</u>	<u>\$ 2,086,575</u>	
Net OPEB liability - ending (a)-(b)	<u>\$ 1,078,965</u>	<u>\$ 1,174,327</u>	<u>\$ 2,038,342</u>	
Covered payroll	2,867,993	2,711,945	2,995,198	
Net OPEB liability as a percentage of covered payroll	37.62%	43.30%	68.05%	
Plan fiduciary net position as a percentage of the total OPEB liability	72.59%	67.83%	50.58%	

Notes to Schedule

Changes in assumptions

The inflation rate was increased from 2.26% to 2.50%, annual salary increases were reduced from 3.25% to 3.00%, and the healthcare cost trend rate was reduced from 7.15% to 5.20% for the June 30, 2022 Measurement Date.

*- Fiscal year 2018 was the 1st year of implementation, therefore only seven years are shown.

GOLETA SANITARY DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2024

The following table provides required supplementary information regarding the District's OPEB.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially Determined Contribution (ADC)	\$ 371,333	\$ 238,074	\$ 209,674	\$ 248,434
Contributions in relation to the ADC	(336,087)	(336,088)	(359,425)	(356,387)
Contribution deficiency (excess)	<u>\$ 35,246</u>	<u>\$ (98,014)</u>	<u>\$ (149,751)</u>	<u>\$ (107,953)</u>
Covered payroll	\$ 3,361,861	\$ 3,173,639	\$ 3,230,223	\$ 3,031,111
Contributions as a percentage of covered payroll	10.00%	10.59%	11.13%	11.76%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	
Actuarially Determined Contribution (ADC)	\$ 238,643	\$ 238,643	\$ 321,290	
Contributions in relation to the ADC	(344,190)	(356,618)	(357,543)	
Contribution deficiency (excess)	<u>\$ (105,547)</u>	<u>\$ (117,975)</u>	<u>\$ (36,253)</u>	
Covered payroll	\$ 2,867,993	\$ 2,711,945	\$ 2,995,198	
Contributions as a percentage of covered payroll	12.00%	13.15%	11.94%	

Notes to Schedule

Changes in assumptions

The inflation rate was increased from 2.26% to 2.50%, annual salary increases were reduced from 3.25% to 3.00%, and the healthcare cost trend rate was reduced from 7.15% to 5.20% for the June 30, 2022 Measurement Date.

*- Fiscal year 2018 was the 1st year of implementation, therefore only seven years are shown.

Audit Term Sheet

Accrual -	The recognition of an expense or revenue item that has occurred but not yet been recorded. The attempt to record the financial effects of these transactions and other events in the periods in which those transactions or events occur rather than only in the periods in which cash is received or paid by the business.
Asset –	A resource with an economic value. An asset is a resource with economic value that an individual, corporation, or country owns or controls with the expectation that it will provide a future benefit.
Current -	represent all the assets or liabilities of a company that are expected to be utilized or exhausted through the standard business operations, over the next one year period.
Non-Current -	represent all the assets or liabilities of a company that are expected to be utilized or exhausted through the standard business operations, in future years, beyond the next one year period.
Liability -	DEBTS or OBLIGATIONS owed by one entity (Debtor) to another entity (Creditor) payable in money, goods, or services.
CERBT -	The California Employers' Retiree Benefit Trust Fund is a Section 115 trust fund dedicated to prefunding Other Post-Employment Benefits (OPEB) for all eligible California public agencies.
Depreciation -	Expense allowance made for wear and tear on an ASSET over its estimated useful life.
Discount Rate -	The rate used to determine the current value, or present value, of an Asset or income stream.
Restricted Fund -	Fund established to account for assets whose income must be used for purposes established by donors or grantors of such ASSETS.
Un-Restricted Fund -	Resources of a government entity that have no restrictions as to use or purpose.
Deferral -	The postponement of the date that an expense already paid or incurred, or of a revenue already received, is entered in the ledger.
Deferred Inflow -	Deferred inflow of resources is defined as “an acquisition of net assets by the government that is applicable to a future reporting period.”
Deferred Outflow -	Deferred outflow of resources is defined as “a consumption of net assets by the government that is applicable to a future reporting period.”
OPEB –	Other Post Employment Benefit(s) All post-retirement benefits other than pensions, provided by employers to employees.
GASB –	Government Accounting Standards Board. A non-government private organization that sets GAAP (Generally Accepted Accounting Principles) in the United States for non-federal governmental entities.
Capital Contribution -	The treatment plant entity partners are billed their share, based upon contracted plant or outfall capacity, of Capital purchases. Those contributions, payments, are the contributions.

Revenues

Operating - Is comprised of the Sewer Service Charges to the District's rate payors, Permit and Inspection Fees, Cost reimbursement from the Entity Partners for treatment and Disposal, and Administrative charges billed to the Entity Partners.

Non-Operating - Is comprised of Property Taxes, Grants, Intergovernmental payments, Annexation charges, Investment earnings and Other Income that includes CalCard incentive rebates, CSRMA dividends, and scrap recycling payments.

Courtesy of: <https://www.nysscpa.org/professional-resources/accounting-terminology-guide#letterd> and other Google searches.

AGENDA ITEM #4

AGENDA ITEM: 4

MEETING DATE: January 6, 2025

I. NATURE OF ITEM

Status Report on Annual Pre-Winter Storm Emergency Preparedness Activities

II. BACKGROUND INFORMATION

In the fall of 2024, staff reviewed and updated the list of pre-winter storm emergency preparation activities to lessen the potential for damages to District facilities due to emergency storm events. Since this has been an ongoing process for the last several years, most of the capital improvements and acquisition of emergency equipment have been completed. As such, the remaining activities focus on personnel training, facility inspections and testing of critical equipment. A copy of the current list of emergency preparation activities is attached to this report. All of the activities identified in the attached list have been completed, scheduled, or are in process.

III. COMMENTS AND RECOMMENDATIONS

This item is for Board information only. No Board action is required at this time.

IV. REFERENCE MATERIAL

2024-2025 Pre-Winter Storm Emergency Preparation Activity List

**Goleta Sanitary District
2024-2025 Pre-Winter Storm Emergency Preparation
Activity List**

	Status
Collections System	
Complete pre-winter creek crossing facility inspections reports	Complete
Inspect and confirm MH lids bolted down where required	Complete
Complete Firestone Liftstation pre-storm inspection report	Complete
Confirm portable pump and sandbags staged at Firestone Liftstation	Complete
Confirm Firestone Liftstation bypass connections in working order	Complete
Confirm and update mutual aid contact list as needed	Scheduled
Complete visual inspections of all manholes in off-tract areas	Ongoing
Plant	
Review and update high flow treatment procedures as needed	Complete
Complete pre-winter creekbank inspection report	In process
Pre-stage riprap near creekbank for erosion control if needed	Complete
Complete pre-winter WRRF inspection report	In process
Review of diesel tank refueling protocol for winter storm season	Complete
Efluent Diversion pump test	Scheduled
Severe storm event checklist as-needed	As-needed
Pre-stage bypass for Interstage Pump Station	
Lower lagoon levels and drain Equalization Basin	
Inspect and confirm Outfall MH lids are bolted down	Scheduled
Outreach to GWSD and SBA on inflow/infiltration mitigation measures	In process
Administration	
Review and update Emergency Response Plan as required	Ongoing
Coordinate emergency response training of all staff as required	Ongoing
Perform tabletop emergency response exercise	Scheduled for Jan 2025
Update prequalified emergency response contractor list	Ongoing

GENERAL MANAGER'S REPORT

GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT

The following summary report describes the District's activities from December 17, 2024, through January 6, 2025. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

1. COLLECTION SYSTEM REPORT

LINES CLEANING

Staff has been conducting routine lines cleaning in the area of Walnut and Ella Lanes. Staff has also been conducting priority lines cleaning throughout the District.

CCTV INSPECTION

The Closed-Circuit Television (CCTV) Inspection truck (T.V. Unit) was taken in for routine service of the generator on December 17, 2024. As of Thursday, January 2, 2025, the truck remains in the shop. It was determined that the cylinder heads in the generator need to be replaced. The parts were not in stock and needed to be ordered. Staff will be reaching out for an update on the expected completion date.

ANDERSON LANE SEWER MAIN EXTENSION

Construction is being finished on the sewer main extension for the Anderson Lane project.

The extension will connect to the District's existing sewer main on Shoreline Drive. Staff will inspect the construction of the extension for acceptance as District facilities, following the completion of the project.

GALILEO SEWER MAIN EXTENSION

Construction continues on the sewer main extension to serve the twenty-seven new apartments being built at 5317 Calle Real. The extension will connect to the District's existing sewer main on the neighboring property at 5329 Calle Real. Staff will inspect the construction of the extension for acceptance as District facilities, following the completion of the project.

WINTER STORM PREPARATIONS

Staff is almost finished with the winter storm preparation activities. Staff has completed inspections of the sewer main creek crossings and did brush clearing as needed. Staff has also confirmed that emergency equipment is in place and operational. Staff will be reaching out to other agencies to update the mutual aid contact list as needed.

2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT

Plant flows for the month of December 2024 have averaged 5.06 million gallons a day. The Reclamation Plant is online and we are producing 0.8 million gallons a day.

Construction of the Biosolids and Energy (BESP) Phase 1 project continues. The second concrete wall was poured on December 16th and the third wall section was poured on December 31st. The last section will be poured in January 2025.

Goleta West Sanitary District (GWSD) staff and a team from Xylem were able to find and extract the sensor ball from the headworks, and retrieve the Pipediver™ sensor system from the 24-inch service line. Tierra Contracting, Inc. came out and installed a new 90-degree fitting and repaired the pipe at the point of removal.

Operations disassembled the Nanobubbler, and Moleaer picked it up on December 19, 2024. Maintenance staff is fixing the valve that controls the fire sprinkler water going into the Administration Building, and continues work on the Chemical Storage Facility.

3. **GENERAL AND ADMINISTRATIVE ITEMS**

Financial Report

The District account balances as of January 6, 2025, shown below, are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 257,152
Investment Accounts (including interest earned):	<u>\$ 39,900,080</u>
Total District Funds:	\$ 40,157,232

The following transactions are reported herein for the period 12/17/24 – 01/06/25

Regular, Overtime, Cash-outs, and Net Payroll:	\$ 332,104
Claims:	\$ 2,072,038
Total Expenditures:	\$ 2,404,142
Total Deposits:	\$ 5,487,655

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ 4,800,000
CWB Money Market to CWB Operational:	\$ 750,000
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

Local Agency Investment Fund (LAIF)

LAIF Monthly Statement – December, 2024

LAIF Quarterly Report – Previously reported.

PMIA/LAIF Performance – Previously reported.

PMIA Effective Yield – Previously reported.

Community West Bank (CWB)

CWB Money Market and ICS Accounts – December, 2024

CA-Class Investment Account

CA-Class Investment Account – December, 2024

Deferred Compensation Accounts

CalPERS 457 Deferred Compensation Plan – Previously reported.

Lincoln 457 Deferred Compensation Plan – Previously reported.

Personnel

A verbal update will be provided at the meeting.

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 02, 2025

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

GOLETA SANITARY DISTRICT

GENERAL MANAGER
ONE WILLIAM MOFFETT PLACE
GOLETA, CA 93117

[Tran Type Definitions](#)

Account Number: 70-42-002

December 2024 Statement

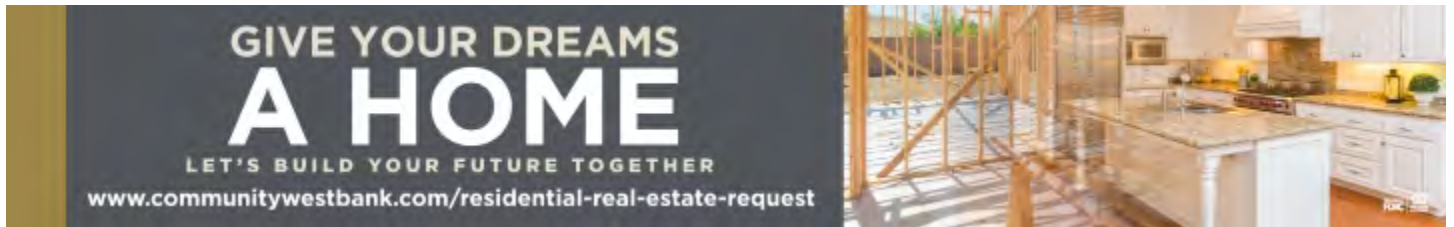
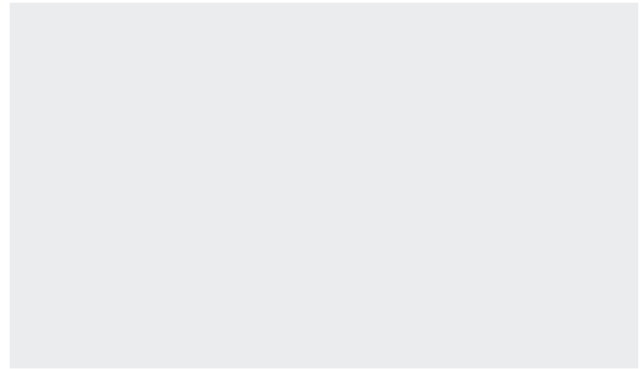
Account Summary

Total Deposit:	0.00	Beginning Balance:	4,054.77
Total Withdrawal:	0.00	Ending Balance:	4,054.77

7100 N. Financial Dr. STE 101
Fresno, CA 93720

RETURN SERVICE REQUESTED

GOLETA SANITARY DISTRICT
MONEY MARKET
1 WILLIAM MOFFETT PL
GOLETA CA 93117-3901



Safeguard Your Identity This Holiday Season

As consumer spending skyrockets during the holidays, so do fraud and identity theft. That's why it's essential to safeguard your personal and business information, especially when shopping online. Visit our website at www.communitywestbank.com/privacy/identity-protection for tips on identity protection. Stay safe this holiday season!

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXXXXXX554	\$250,000.00

PUBLIC MONEY MARKET - XXXXXXXXXXXXX554

Account Summary

Date	Description	Amount
11/30/2024	Beginning Balance	\$250,000.00
	3 Credit(s) This Period	\$5,551,144.94
	3 Debit(s) This Period	\$5,551,144.94
12/31/2024	Ending Balance	\$250,000.00

Interest Summary

Description	Amount
Interest Earned From 11/30/2024 Through 12/31/2024	
Annual Percentage Yield Earned	5.35%
Interest Days	32
Interest Earned	\$1,144.94
Interest Paid This Period	\$1,144.94
Interest Paid Year-to-Date	\$13,166.80
Minimum Balance	\$250,000.00
Average Ledger Balance	\$250,000.00

Other Credits

Date	Description	Amount
12/26/2024	Portion of SBCo SSC and Prop Tax installment	\$4,800,000.00
12/31/2024	INTEREST	\$1,144.94
12/31/2024	TRANSFER FROM ICS SHADOW MMA ACCOUNT XXXXXXXXXXXXX8650	\$750,000.00
		3 item(s) totaling \$5,551,144.94



PUBLIC MONEY MARKET - XXXXXXXXXXXXXXX554 (continued)

Electronic Debits

Date	Description	Amount
12/31/2024	Internet Transfer to xxx5538	\$750,000.00
		1 item(s) totaling \$750,000.00

Other Debits

Date	Description	Amount
12/26/2024	TRANSFER TO ICS SHADOW MMA ACCOUNT XXXXXXXXXXXXXXX8650	\$4,800,000.00
12/31/2024	TRANSFER TO ICS SHADOW MMA ACCOUNT XXXXXXXXXXXXXXX8650	\$1,144.94
		2 item(s) totaling \$4,801,144.94

Overdraft and Returned Item Fees

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Community West Bank
7100 N Financial Dr Ste 101
Fresno, CA 93720



RETURN SERVICE REQUESTED



131036-31A
Goleta Sanitary District
One William Moffett Place
Goleta, CA 93117

Contact Us
559-298-1775
www.communitywestbank.com



Account
Goleta Sanitary District

Date
12/31/2024

Page
1 of 6

IntraFi Cash ServiceSM, or ICS[®], Monthly Statement

The following information is a summary of activity in your account(s) for the month of December 2024 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Cash Service. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be "deposits," as defined by federal law. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply. To meet the conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using an IntraFi service are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage.

Summary of Accounts

Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*****554	Demand	4.9738%	\$29,840,913.07	\$34,771,541.34
TOTAL			\$29,840,913.07	\$34,771,541.34

DETAILED ACCOUNT OVERVIEW

Account ID: *****554
Account Title: Goleta Sanitary District



Account Summary - Demand

Statement Period	12/1-12/31/2024	Average Daily Balance	\$30,620,291.09
Previous Period Ending Balance	\$29,840,913.07	Interest Rate at End of Statement Period	4.9738%
Total Program Deposits	4,801,037.60	Annual Percentage Yield Earned	5.10%
Total Program Withdrawals	(0.00)	YTD Interest Paid	549,460.82
Interest Capitalized	129,590.67		
Current Period Ending Balance	\$34,771,541.34		

Account Transaction Detail

Date	Activity Type	Amount	Balance
12/02/2024	Deposit	\$1,037.60	\$29,841,950.67
12/27/2024	Deposit	4,800,000.00	34,641,950.67
12/31/2024	Interest Capitalization	129,590.67	34,771,541.34

Summary of Balances as of December 31, 2024

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Alerus Financial, N.A.	Grand Forks, ND	3931	\$248,011.74
Amerant Bank, N.A.	Coral Gables, FL	22953	248,045.68
American Business Bank	Los Angeles, CA	34788	247,202.27
Ameris Bank	Atlanta, GA	20504	248,045.67
Apple Bank	New York, NY	16068	248,011.74
Atlantic Union Bank	Glen Allen, VA	34589	247,168.33
BOKF, National Association	Tulsa, OK	4214	248,045.68
Banc of California	Los Angeles, CA	24045	248,045.68
Bangor Savings Bank	Bangor, ME	18408	248,045.68
Bank 7	Oklahoma City, OK	4147	248,045.68
Bank of Charles Town	Charles Town, WV	9023	248,045.67
Bank of Colorado	Fort Collins, CO	16980	248,045.68
Bank of Hope	Los Angeles, CA	26610	247,168.32
Bank of Idaho	Idaho Falls, ID	26403	248,045.68
Bank of India	New York, NY	33648	247,168.33
Bank of New Hampshire	Laconia, NH	18012	248,045.68
Bank of Pontiac	Pontiac, IL	16982	248,045.68
Bank of the Bluegrass and Trust Co.	Lexington, KY	21161	248,045.63
BankUnited	Miami Lakes, FL	58979	248,045.68
Bankers Trust Company	Des Moines, IA	953	61,959.11
Banner Bank	Walla Walla, WA	28489	248,045.68
Bell Bank	Fargo, ND	19581	248,045.68
Benchmark Community Bank	Kenbridge, VA	20484	248,045.68
Bradesco Bank	Coral Gables, FL	21265	248,045.61

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

Summary of Balances as of December 31, 2024

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Bremer Bank, National Association	South St. Paul, MN	12923	248,045.67
Busey Bank	Champaign, IL	16450	248,045.68
CIBC Bank USA	Chicago, IL	33306	248,045.68
Cape Cod 5	Hyannis, MA	23287	248,045.68
Cathay Bank	Los Angeles, CA	18503	248,045.68
Cedar Rapids Bank and Trust Company	Cedar Rapids, IA	57244	248,045.68
Central National Bank	Waco, TX	22396	248,045.68
Citizens Bank, National Association	Providence, RI	57957	248,045.68
Citizens First Bank	Clinton, IA	35477	247,997.69
City National Bank of Florida	Miami, FL	20234	248,045.68
Coastal Carolina National Bank	Myrtle Beach, SC	58864	247,168.33
Colony Bank	Fitzgerald, GA	22257	248,045.68
Columbia Bank	Fair Lawn, NJ	28834	248,045.68
Column National Association	Chico, CA	58224	247,168.33
Comerica Bank	Dallas, TX	983	248,033.34
Community State Bank	Ankeny, IA	18272	248,045.68
Dime Community Bank	Hauppauge, NY	6976	248,045.68
East West Bank	Pasadena, CA	31628	248,045.68
Encore Bank	Little Rock, AR	34562	247,168.33
Farmers National Bank of Danville	Danville, KY	2740	248,045.68
First Bank	Creve Coeur, MO	12229	248,045.68
First Bank Chicago	Highland Park, IL	17470	248,045.68
First Commonwealth Bank	Indiana, PA	7468	248,045.68
First Foundation Bank	Irvine, CA	58647	248,044.48
First Guaranty Bank	Hammond, LA	14028	247,168.33
First Horizon Bank	MEMPHIS, TN	4977	247,168.33
First Internet Bank of Indiana	Fishers, IN	34607	248,045.68
First Interstate Bank	Billings, MT	1105	248,045.68
First Merchants Bank	Muncie, IN	4365	248,045.68
First National Bank of Michigan	Kalamazoo, MI	58259	248,045.68
First National Bank of Pennsylvania	Greenville, PA	7888	247,168.33
First Utah Bank	Salt Lake City, UT	22738	248,045.68
First-Citizens Bank & Trust Company	Raleigh, NC	11063	248,045.68
Firststar Bank	Sallisaw, OK	19288	109.45
Flagstar Bank, N.A.	Hicksville, NY	32541	248,045.68
Fulton Bank, N.A.	Lancaster, PA	7551	248,045.68
Guaranty Bank	Springfield, MO	58892	248,045.68
Gulf Coast Bank and Trust Company	New Orleans, LA	32974	248,045.68
HTLF Bank	Broomfield, CO	58458	248,045.68

DETAILED ACCOUNT OVERVIEW

Account ID: *****554
Account Title: Goleta Sanitary District



Summary of Balances as of December 31, 2024

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Hanover Community Bank	Mineola, NY	58675	248,045.68
HomeStreet Bank	Seattle, WA	32489	248,022.71
INB	Springfield, IL	3664	248,045.68
INTRUST Bank NA	Wichita, KS	4799	248,045.68
Independent Bank	Ionia, MI	27811	248,045.68
Independent Bank	Mckinney, TX	3076	248,045.68
Inwood National Bank	Dallas, TX	19080	248,045.68
Israel Discount Bank of New York	New York City, NY	19977	247,168.33
Johnson Bank	Racine, WI	20296	248,045.68
KeyBank National Association	Cleveland, OH	17534	248,045.68
Lake Forest Bank & Trust Co.,N.A.	Lake Forest, IL	27589	247,168.33
Liberty National Bank	Lawton, OK	11522	248,045.68
MVB Bank, Inc	Fairmont, WV	34603	248,045.68
Mascoma Bank	Lebanon, NH	18013	248,045.68
Merchants National Bank	Hillsboro, OH	6605	248,045.68
MidFirst Bank	Oklahoma City, OK	4063	248,045.68
Middletown Valley Bank	Middletown, MD	14017	248,045.68
Midwest BankCentre	St. Louis, MO	1058	248,045.68
Modern Bank, National Association	New York, NY	22398	248,045.68
NBH Bank	Greenwood Village, CO	59052	247,168.33
Northeast Bank	Lewiston, ME	19690	248,045.68
Northwest Bank	Warren, PA	28178	248,045.68
Oakstar Bank	Springfield, MO	58115	248,045.68
Old National Bank	Evansville, IN	3832	248,045.68
Origin Bank	Ruston, LA	12614	248,011.74
Orrstown Bank	Shippensburg, PA	713	247,168.33
Outdoor Bank	Manhattan, KS	17685	248,045.68
Parkway Bank and Trust Company	Harwood Heights, IL	19008	248,045.68
Peoples National Bank, N.A.	Mt. Vernon, IL	3809	248,045.68
Petefish, Skiles & Co.	Virginia, IL	10829	247,126.58
Pinnacle Bank	Omaha, NE	10634	248,045.68
Pinnacle Bank	Nashville, TN	35583	248,045.68
Pinnacle Bank	Keene, TX	20231	248,045.68
Pinnacle Bank - Wyoming	Cody, WY	2232	248,045.68
PlainsCapital Bank	Lubbock, TX	17491	247,168.33
Planters Bank, Inc.	Hopkinsville, KY	34254	248,045.68
Preferred Bank	Los Angeles, CA	33539	248,045.68
Premier Bank	Youngstown, OH	29845	248,045.68
Primis Bank	Mclean, VA	57968	248,045.68

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

Summary of Balances as of December 31, 2024

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Provident Bank	Jersey City, NJ	12010	248,045.68
Raymond James Bank	St. Petersburg, FL	33893	248,045.68
Regent Bank	Nowata, OK	4160	248,045.68
River City Bank	Sacramento, CA	18983	247,168.33
Sandy Spring Bank	Olney, MD	4865	248,045.68
Seacoast National Bank	Stuart, FL	131	248,045.68
Security First Bank	Rapid City, SD	5415	248,045.68
Shore United Bank, N.A.	Easton, MD	4832	247,168.33
Simmons Bank	Pine Bluff, AR	3890	248,045.68
Southern Bank	Poplar Bluff, MO	28332	248,045.68
Southside Bank	Tyler, TX	18297	248,045.60
Stifel Bank	St. Louis, MO	57358	247,959.49
Summit State Bank	Santa Rosa, CA	32203	248,045.68
Sunflower Bank NA	Salina, KS	4767	248,045.68
Susser Bank	Arlington, TX	34885	248,045.68
Synovus Bank	Columbus, GA	873	248,045.68
Texas Capital Bank	Dallas, TX	34383	248,045.68
Texas Partners Bank	San Antonio, TX	58581	248,045.68
The Camden National Bank	Camden, ME	4255	248,045.68
The Farmers & Merchants State Bank	Archbold, OH	5969	247,229.81
The Huntington National Bank	Columbus, OH	6560	248,045.68
The Middlefield Banking Company	Middlefield, OH	13716	248,045.68
The State Bank	Fenton, MI	11406	248,045.68
The Stephenson Natl Bank and Trust	Marinette, WI	5306	248,045.68
Titan Bank, N.A.	Mineral Wells, TX	3225	843.66
Town Bank, N.A.	Hartland, WI	34717	248,045.68
Tradition Capital Bank	Edina, MN	58057	248,045.68
TriState Capital Bank	Pittsburgh, PA	58457	248,045.68
Truist Bank	Charlotte, NC	9846	248,045.68
Umpqua Bank	Roseburg, OR	17266	248,045.68
UniBank for Savings	Whitinsville, MA	90290	248,045.68
United Bank	Fairfax, VA	22858	248,045.68
United Community Bank	Greenville, SC	16889	248,045.68
United Fidelity Bank, fsb	Evansville, IN	29566	248,045.68
Valley National Bank	Morristown, NJ	9396	248,045.68
Washington Federal Bank	Seattle, WA	28088	248,045.68
WesBanco Bank, Inc.	Wheeling, WV	803	248,045.68
West Bank	West Des Moines, IA	15614	248,045.68
Western Alliance Bank	Phoenix, AZ	57512	248,045.68

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District



Summary of Balances as of December 31, 2024

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Wilmington Savings Fund Society, FSB	Wilmington, DE	17838	248,045.68
Zions Bancorporation, N. A.	Salt Lake City, UT	2270	247,168.33



Summary Statement

December 31, 2024

Page 1 of 3

I

0000029-0000120 PDF 730830

Goleta Sanitary District
1 William Moffett Place
Goleta, CA 93117

California CLASS

California CLASS

Average Monthly Yield: 4.6385%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Goleta Sanitary District	5,601,263.80	0.00	0.00	22,003.27	287,446.57	5,601,973.58	5,623,267.07
TOTAL	5,601,263.80	0.00	0.00	22,003.27	287,446.57	5,601,973.58	5,623,267.07



Goleta Sanitary District

Account Summary

Average Monthly Yield: 4.6385%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	5,601,263.80	0.00	0.00	22,003.27	287,446.57	5,601,973.58	5,623,267.07

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
12/01/2024	Beginning Balance			5,601,263.80	
12/31/2024	Income Dividend Reinvestment	22,003.27			
12/31/2024	Ending Balance			5,623,267.07	



California CLASS

California CLASS

Date	Dividend Rate	Daily Yield
12/01/2024	0.00000000	4.7498%
12/02/2024	0.000129595	4.7433%
12/03/2024	0.000129619	4.7441%
12/04/2024	0.000129446	4.7377%
12/05/2024	0.000128716	4.7110%
12/06/2024	0.000386010	4.7093%
12/07/2024	0.00000000	4.7093%
12/08/2024	0.00000000	4.7093%
12/09/2024	0.000128609	4.7071%
12/10/2024	0.000128657	4.7089%
12/11/2024	0.000128809	4.7144%
12/12/2024	0.000128426	4.7004%
12/13/2024	0.000384270	4.6881%
12/14/2024	0.00000000	4.6881%
12/15/2024	0.00000000	4.6881%
12/16/2024	0.000128056	4.6868%
12/17/2024	0.000128365	4.6982%
12/18/2024	0.000127964	4.6835%
12/19/2024	0.000126121	4.6160%
12/20/2024	0.000368385	4.4943%
12/21/2024	0.00000000	4.4943%
12/22/2024	0.00000000	4.4943%
12/23/2024	0.000122622	4.4880%
12/24/2024	0.000245754	4.4973%
12/25/2024	0.00000000	4.4973%
12/26/2024	0.000124126	4.5430%
12/27/2024	0.000376965	4.5990%
12/28/2024	0.00000000	4.5990%
12/29/2024	0.00000000	4.5990%
12/30/2024	0.000124648	4.5621%
12/31/2024	0.000123841	4.5326%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

**DISTRICT
CORRESPONDENCE**
Board Meeting of January 6, 2025



Date: **Correspondence Sent To:**

1. 12/31/2024 Mr. Tedd White
 Neal Feay Company
Subject: Industrial Wastewater Discharge Permit # A-403-26 Sticker

Letters also sent to:

- IntriPlex Technologies
- MANN + HUMMEL Fluid Solutions, Inc.
- Next Energy Technologies, Inc.
- Soilmoisture Equipment Corporation
- Bardex Corporation
- Santa Barbara Airbus
- TSP Filter dba MANN & HUMMEL
- Praevium Research Inc.
- Kate Farms, Inc.
- Goleta Water District – 7 Permits/Well Sites
- Mission Support and Test Services – 2 Permits/Facilities
- Advanced Vision Science, Inc.
- AgRx
- Santa Barbara Wildlife Care Network
- Santa Barbara Metropolitan Transit District
- Raytheon Company
- Kyocera - SLD Laser
- La Cumbre Mutual Water District

Date: **Correspondence Received From:**

1. 12/27/2024 California Sanitation Risk Management Authority
Subject: Pooled Liability Program Renewal
Program Year 39: December 31, 2024 – December 31, 2025

Hard Copies of the Correspondence are available at the District's Office for review