2024 Municipal Service Review
Raisin City Water District
Mid-Valley Water District

Report to the Fresno Local Agency Formation Commission

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Abbreviations

AB	Assembly Bill
AF	Acre-Feet
CEQA	California Environmental Quality Act
CID	Consolidated Irrigation District
CKH	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CVP	Central Valley Project
CVPIA	Central Valley Project Improvement Act
DUC	Disadvantaged Unincorporated Community
EIR	Environmental Impact Report
FID	Fresno Irrigation District
FY	Fiscal Year
GC	Government Code
KBWA	Kings Basin Water Authority
KRWA	Kings River Water Association
JID	James Irrigation District
KRCD	Kings River Conservation District
LAFCo	Local Agency Formation Commission
LID	Laguna Irrigation District
MAGSA	McMullin Area Groundwater Sustainability Agency
MRG	McMullin Recharge Group
MSR	Municipal Service Review
MVWD	Mid-Valley Water District
RCWD	Raisin City Water District
SGMA	Sustainable Groundwater Management Act
SOI	Sphere of Influence
SR	State Route

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I. INTRODUCTION

A. Purpose of the MSR

A Municipal Service Review (MSR) is an in-depth analysis to determine the adequacy of municipal services being provided by a local agency under the Local Agency Formation Commission (LAFCo). The MSR is used by LAFCo, as well as other associated agencies and the public, to gain an understanding of the services provided and to identify opportunities for cooperation and greater efficiency among service providers. The term "municipal services" generally refers to the full range of services that a public agency provides or is authorized to provide. The purpose of this MSR is to evaluate the Raisin City Water District and the Mid-Valley Water District for these purposes.

The law governing LAFCos is known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), codified at Government Code (GC) Section 56430, et seq. The Act requires that each LAFCo, as necessary, review and update the sphere of influence of each city and special district within its county every five (5) years and provides that no sphere of influence (SOI) can be updated until the local LAFCo conducts an MSR for the agency on a regional level.

The MSR review and SOI amendment provide a mechanism by which the Commission may shape the orderly and logical development of the local government agency. The MSR process includes three primary components.

- **The MSR Report**: Provides a review of the public agency's service delivery. Examines the agency's infrastructure, governance, and capacity to serve current and future projected growth. Identifies planned infrastructure improvements and identifies issues, needs, and/or deficiencies. The MSR provides responses to specific questions or determinations as required by the Act.

- **Public and Stakeholder Input Process**: LAFCo provides notice to the public and stakeholders of the availability of the MSR report and any planned or requested changes to the public agency's SOI. Comments and/or concerns of the public and stakeholders are taken into consideration by the Commission in its decision-making.

- **The SOI Update/Amendment**: Based on information provided in the MSR report, the LAFCo staff provides a recommendation to its Commission. Based on all sources of information, including public and stakeholder input, the LAFCo Commission may arrive at a decision to retract, expand, or maintain SOI boundaries.

B. Document Organization

Raisin City Water District and Mid-Valley Water District have been assigned an individual chapter. Each District's chapter is organized as follows:

I. ***Executive Summary:*** Provides a background of the agency, the proposed reorganization, and a brief overview of the relevant determinations and findings for consideration by LAFCo.

II. ***Agency Profile:*** Describes the agency and its governing structure. Provides an overview of the services provided by the agency.

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III. ***Adequacy of Public Services:*** Provides a comprehensive accounting of the existing and planned growth, population, infrastructure, and financial ability of the agency. Evaluates the status of and opportunities for shared facilities and other cost avoidance options.

IV. ***MSR Determinations and Findings:*** Provides suggested determinations and findings necessary for Commission consideration of the MSR pursuant to California GC Section 56430.

V. ***SOI Statements:*** Provides suggested statements for Commission consideration of the SOI Amendment pursuant to California GC Section 56425(e).

VI. ***Environmental Compliance:*** Addresses the statutory framework for consideration of the MSR and SOI as it relates to the California Environmental Quality Act (CEQA).

VII. ***Recommended Actions:*** Lists actions necessary for consideration by the Commission.

VIII. ***References****:* Provides a listing of references used in the preparation of the MSR.

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II. Raisin City Water District

A. EXECUTIVE SUMMARY

Summary of District Information

Raisin City Water District (RCWD *or* District) was formed in 1962 for the purpose of providing irrigation water to lands within its boundaries. The District's principal act is California Water Code sections 34000-38500 which enable the formation of Water Districts to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes.[1] However, the District has not provided water services since its inception. At this time, the District provides the following LAFCo authorized services: levying and collecting of assessments and standby charges, performing agreements, entering contracts, and planning for the distribution of water for irrigation purposes.

The District's boundary spans within the central part of Fresno County, approximately nine miles southwest of the City of Fresno, 12 miles southeast of the City of Kerman, and five miles northwest of the unincorporated community of Caruthers. The District is located six miles west of State Route (SR) 41, approximately nine miles south of SR 180, and eight miles east of SR 145.

The District's 51,719-acre service area is bounded by American Avenue to the north, S. McMullin Grade to the west, Conejo Avenue to the South and Brawley Avenue to the east. The Commission's adopted Sphere of Influence (SOI) includes the entire service area and extends northwest to Jensen Avenue and west to Lake Avenue. Total acreage within the District's SOI amounts to approximately 80,125-acres, which includes the District's service area of 51,719 acres.

Since its inception, the District has not been able to secure a source of surface water entitlement. Farmers within the District obtain water for irrigation purposes by pumping groundwater. The District's primary purpose is to improve groundwater conditions throughout the Raisin City area.

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[1] (Justia U.S. Law, 1913)

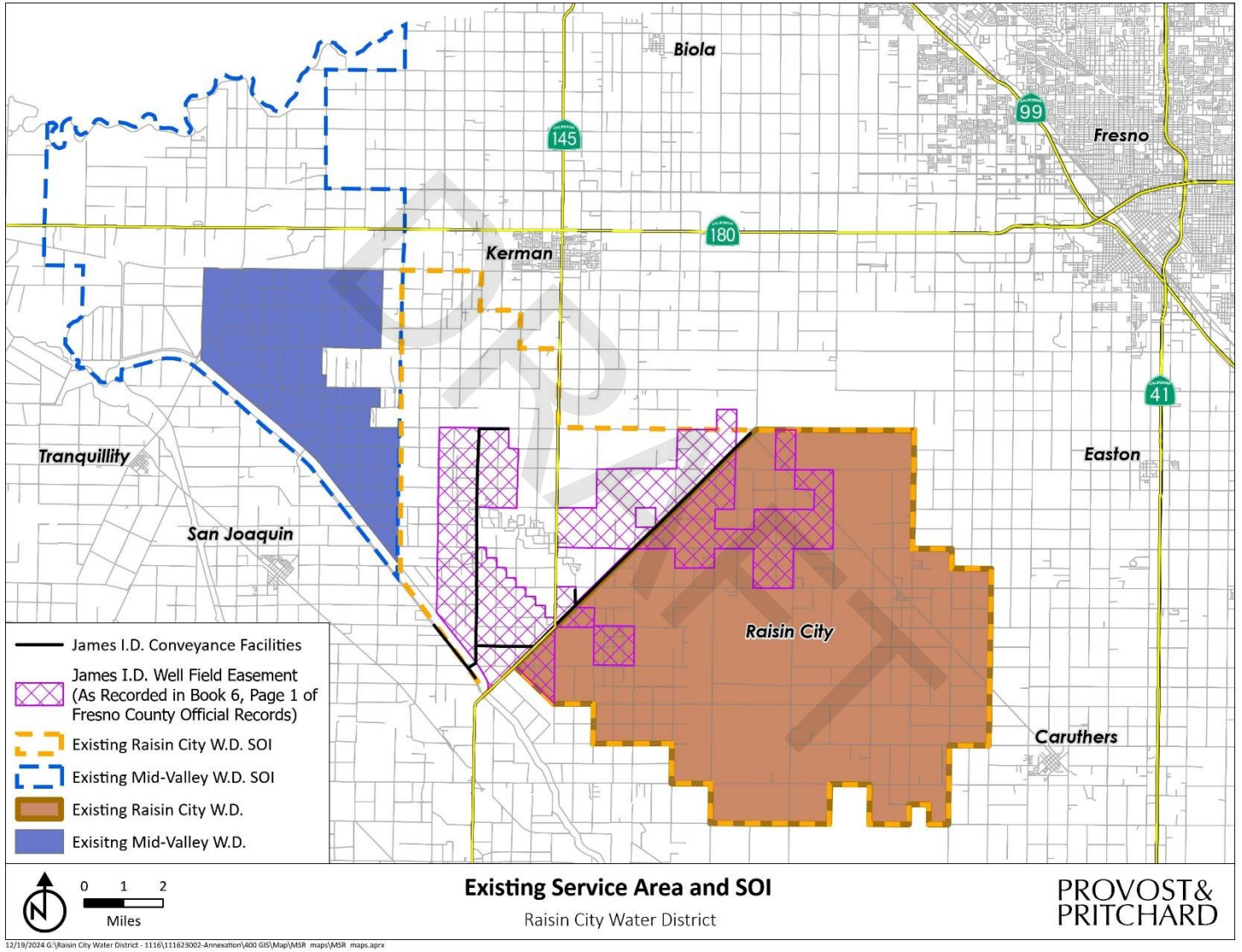


Figure II-1. **Existing Sphere of Influence and District Boundaries**

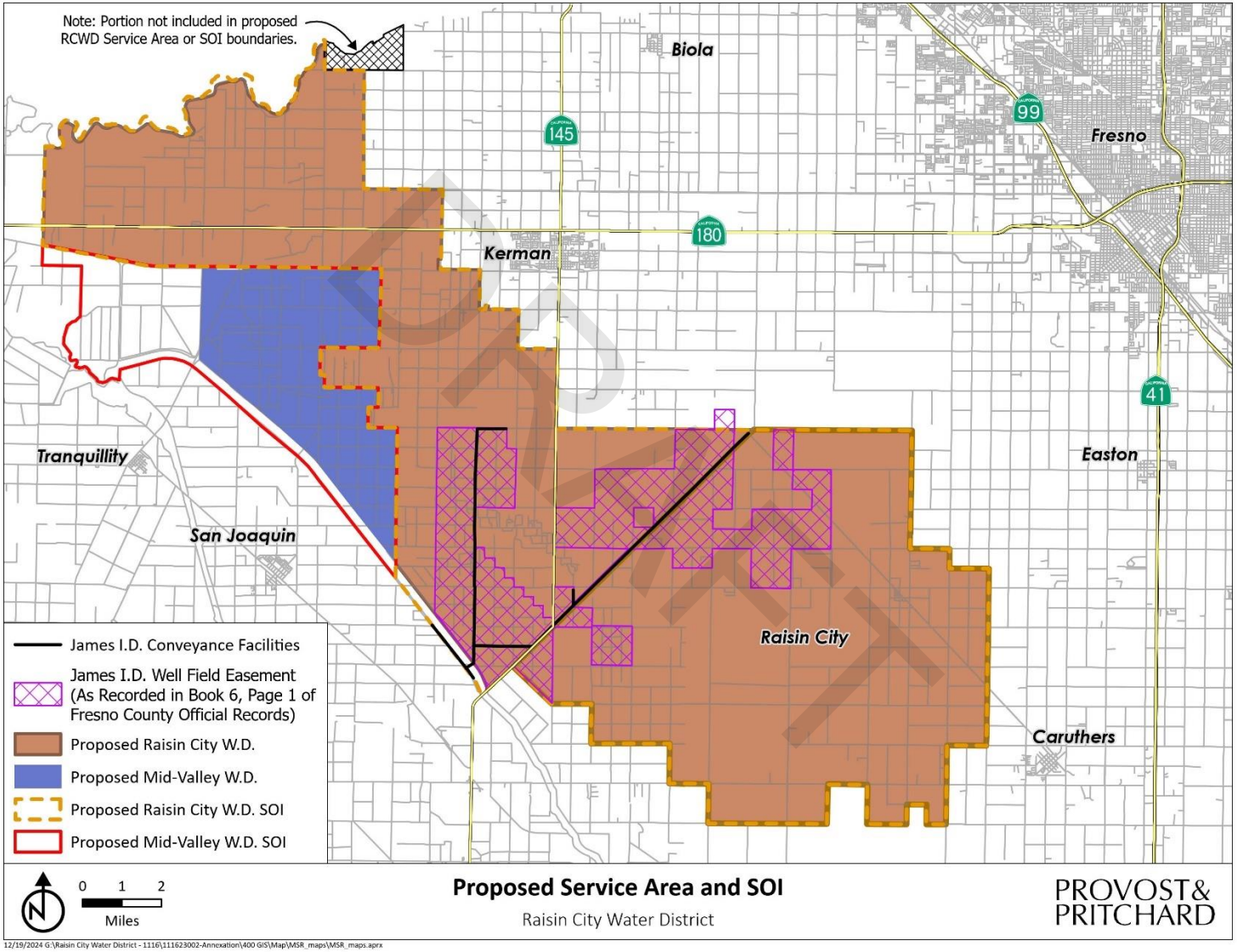


Figure II-2. **Proposed Sphere of Influence and District Boundaries**

Summary of Determinations

Table II-1. Summary of Municipal Service Review Determinations

Summary of Municipal Service Review Determinations	
SUBJECT	**DETERMINATION**
Growth and Population	No future deficiencies related to growth and population are expected.
Disadvantaged Unincorporated Communities	The District has no public facilities nor provides services related to sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a disadvantaged unincorporated community.
Present and Planned Capacity of Public Facilities	The District does not own any public facilities or physical infrastructure.
Adequacy of Public Services	Public Services provided by the District are adequate in terms of operation and maintenance.
Infrastructure Needs or Deficiencies	No direct water services to landowners are currently provided by the District.
Financial Ability of the Agency to provide Services	The District has the financial capacity to continue to operate and serve its customers, including future customers.
Status of and Opportunities for Shared Facilities	It is Fresno LAFCo observation that local agencies within the vicinity of RCWD that could present opportunities for shared facilities in the form of mutual agreement for shared infrastructure could include: • Fresno Irrigation District to the north; • Consolidated Irrigation District to the east; • Liberty Water District to the southeast; • Stinson Water District to the southwest; • James Irrigation District to the west, • Mid-Valley Water District to the northwest.
Accountability, Government Structure, and Operational Efficiencies	The District has a stable government structure that provides for accountability and operational efficiency.
Other Fresno LAFCo Policies	The District will not adversely affect agricultural resources and will support planned orderly and efficient development in the area.

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Table II-2. Summary of Sphere of Influence Determinations

Summary of Sphere of Influence Determinations	
SUBJECT	**DETERMINATION**
Present and Planned Land Uses	The District has adequate capacity, financial ability, accountability, and government structure to serve the present and planned land uses.
Present and Probable Need for Public Facilities and Services	The District does not own any public facilities or physical infrastructure.
Present Capacity of Public Facilities and Agency's Ability to Provide	The District does not own any public facilities or physical infrastructure.
Existence of Social or Economic Communities of Interest	There are no social or economic communities of interest in the area such as disadvantaged unincorporated communities for which the Commission has determined relevant within the District's proposed boundaries.
Need for Services by Disadvantaged Unincorporated Communities within the SOI	Not applicable.
Effect on Orderly Development Including Agricultural Land Preservation	The District has planned for orderly development including that which affects agricultural land preservation.
Conformance with Applicable General or Specific Plans	The District and its services are in conformance with the Fresno County General Plan and the McMullin Area Groundwater Sustainability Plan.

Background

This MSR is prepared in support of a request by the RCWD for a change in organization for purposes of amending its SOI and annexing additional land to the District. Fresno County Local Agency Formation Commission (LAFCo *or* Fresno LAFCo) most recently adopted an MSR for the District in October 2015. Existing SOI and District boundaries are shown on **Figure II-1**. This request proposes to increase the District's SOI by 27,137 acres and its service area by 55,543 acres, shown in **Figure II-2**. The SOI revision and subsequent annexation would make both boundaries coterminous with the McMullin Area Groundwater Sustainability Agency (MAGSA) boundary. In addition to the District proposed SOI revision and subsequent annexation, the Mid-Valley Water District (MVWD) has plans to reduce its SOI to avoid an overlap with RCWD. Request to revise the District's SOI necessitates the preparation of an updated MSR pursuant to GC Section 56430.

As mentioned above, MVWD has plans to reduce its SOI to avoid an overlap with RCWD's proposed SOI. In doing so, a portion of MVWD's SOI that is being removed would not be added to RCWD's proposed SOI, leaving it out of both districts' SOI. This is also illustrated in **Figure II-2**. This area is not being included in the annexation or SOI revision because it would not align with the existing boundaries of MAGSA. MVWD will take the necessary steps, separate from this SOI revision, to reduce its SOI.

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B. AGENCY PROFILE

Background

The District was formed in 1962 for the purpose of providing irrigation water to lands within its boundaries. The District's principal act is California Water Code sections 34000-38500 which enable the formation of Water Districts to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes.[2] However, the District has not provided water services since its inception. The District's currently authorized services are planning related as they are authorized to levy and collect assessments and standby charges, perform agreements, enter contracts, and plan for the distribution of water for irrigation purposes.

The District currently provides its landowners with representation, advocacy and information services regarding statewide water policy, water rights, new state legislation, and other issues affecting local agricultural irrigation. The District is a participating member of MAGSA pursuant to the Sustainable Groundwater Management Act (SGMA), which was signed into law on September 16, 2014.

The District is an independent special district which has a five-member board of directors not governed by another legislative body (either a city council or a county board of supervisors). Candidates eligible to serve as the board of directors must be a holder of title to land within the District boundaries or the legal representative of the holder of title to land within the District boundaries. District board members are subject to election of four-year staggered terms; in the event no candidates file election papers, members are appointed in lieu of an election by the Fresno County Board of Supervisors based on recommendation provided from the District's board of directors.

In accordance with GC section 56066, Fresno County is the principal county. The Fresno LAFCo is responsible for updating the SOI for the District consistent with GC section 56425(g). In order to update the agency's SOI, Fresno LAFCo has prepared this municipal service review in accordance with GC section 56430.

Lands within the District's existing and proposed SOI have been subject to extensive environmental analyses under CEQA through the Environmental Impact Report (EIR) for the County of Fresno General Plan.

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[2] (Justia U.S. Law, 1913)

Agency Information

Contact:	Randy Hopkins, Manager - Engineer
Mailing Address:	455 W. Fir Avenue Clovis, CA 93611
Physical Address:	Same as above
Phone Number:	(559) 449-2700
Website	http://rcwd.ca.gov/
Types of Services:	No direct water service; District provides planning and information services
Date Formed:	1962
Board of Directors:	The Directors are elected to four-year terms in accordance with the provisions found in the California Water Code.

As of December 2024, the current Board of Directors is constituted as listed in **Table II-3**.

Table II-3. Raisin City Water District Board of Directors

Raisin City Water District Board of Directors		
Member	**Term Began**	**Term Ends**
R. Gere Gunlund	December 2022	December 2026
Gagandip Batth	December 2022	December 2026
Don Cameron	December 2024	December 2028
Jonathan DeGroot	December 2024	December 2028
John Verwey	December 2024	December 2028

A summary of the District's statistical information is provided in **Table II-4.**

Table II-4. District Information

District Information	
Statistics	
Area in District:	51,719 acres
Area in Sphere of Influence:	80,125 acres
Staff	One

Services Provided

The District currently provides its landowners with representation, advocacy and information services regarding statewide water policy, water rights, new state legislation, and other issues affecting local agricultural irrigation. The District is a participating member of MAGSA pursuant to SGMA.

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C. ADEQUACY OF PUBLIC SERVICES

Growth and Population

According to the Draft Fresno Multi-Jurisdictional 2023-2031 Housing Element, the 2022 population of the unincorporated areas of Fresno County was 158,846 people. From 2000 to 2022, the population saw an average annual decline of 0.2 percent.[3] The District contains a total of approximately 51,719 acres. It can be expected that growth, which may demand services from RCWD, would be primarily agriculturally driven. The unincorporated community of Raisin City is within the District's service area; however, the Raisin City residents do not rely on the District for municipal services. Additionally, urban development outside of Raisin City is generally discouraged by County General Plan policies. Since the boundary of the District generally includes land in agricultural production, vacant lands, and open space, it can be expected that future demand for service from the District would occur within its existing and proposed boundaries, and would be primarily related to agricultural irrigation demands. The Fresno County General Plan designates majority of the land within the District for agricultural use.[4] Most of the land within the District service area is occupied by farming operations comprising forage crops, row crops, and orchards. Also, most land within the District service area is designated Unique Farmland, Farmland of Statewide Importance, or Prime Farmland.[5] For these reasons, it can be expected that the existing boundaries of the RCWD are sufficient to accommodate growth for a twenty-year planning period.

Disadvantaged Unincorporated Communities

The CKH requires Fresno LAFCo to make determinations regarding "disadvantaged unincorporated communities" ("DUCs") when considering a change of organization, reorganization, SOI expansion, and when conducting municipal service reviews.

For any updates to a SOI of a local agency (city or special district) that provides public facilities or services related to sewer, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies for any DUC within of contiguous to the SOI of a city or special district.

Senate Bill (SB) 244 defines a DUC as a place containing 10 or more dwelling units in close proximity to one another, within a city SOI, an island within a city boundary, or geographically isolated area, having existed for more than 50-years; and having a median household income that is 80 percent or less than a statewide median household income. These communities often lack the necessary infrastructure or technical and managerial abilities to provide their own community services. The primary intent of the new legislation is to enable LAFCos to require that cities and urban service districts include these communities in their local planning processes when considering annexation of adjacent lands. The District is located in the unincorporated portions of Fresno County generally within- US census tracts 39, 75, and 76. While these census tracts may meet the DUC criteria, the District does not own public facilities that would present a direct benefit to a potential DUC. The District does not provide municipal services that facilitate, support, or induce population growth. The District does not provide services related to public sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a DUC.

[3] (Fresno Council of Governments, 2023)
[4] (Fresno County, 2024)
[5] (California Department of Conservation, 2023)

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Present and Planned Capacity of Public Services

The District currently provides its landowners with representation, advocacy and information services regarding statewide water policy, water rights, new state legislation, and other issues affecting local agricultural irrigation. The District is a participating member of the MAGSA. The District does not own any public facilities or infrastructure, nor does it have any surface water rights. There is no surface water available for irrigation purposes within the District. District landowners are solely reliant on groundwater for their farming operations. Although the District does not provide any tangible services to its landowners, the District has plans for the construction of groundwater storage basins and related infrastructure and pipelines to eventually convey water within the District.

The District's intangible services include:[6]

- Advocacy for, and information to, landowners within the District regarding statewide water policy, new legislation, and other issues affecting agricultural irrigation;
- Participation in the implementation of the State Sustainable Groundwater Management Act on behalf of landowners within the District;
- Exploration of opportunities to develop other District based groundwater recharge facilities;
- Exploration of opportunities to develop additional sources of water to use in the District's planned groundwater recharge facilities;
- The District provides representation of its landowners in the administration of water policy within the greater Kings Basin;
- The District provides outreach to District landowners about agricultural irrigation issues.

Sustainable Groundwater Management Act

In 2014, the passing of SGMA had created the requirements for governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge. Under SGMA, these basins should reach sustainability within 20 years of implementing their sustainability plans.

As mentioned, the District is a participating member of the MAGSA pursuant to SGMA. MAGSA was formed as a Joint Powers Authority that is comprised of the County of Fresno, RCWD, and the Mid-Valley Water District. The MAGSA Board is the governing and legislative body for the McMullin Area Groundwater Sustainability Area and two members represent the RCWD area. The proposed annexation and SOI amendment would make the District's service area and SOI coterminous with the boundaries of MAGSA (see **Figure II-3**).

The District's primary objective is to represent the interests of District landowners and work to achieve groundwater sustainability in the Kings Subbasin of Fresno County. The District currently advocates for its landowners, gathers information related to MAGSA, and provides updates via board meetings and newsletters posted on its website.

[6] (Raisin City Water District, 2015)

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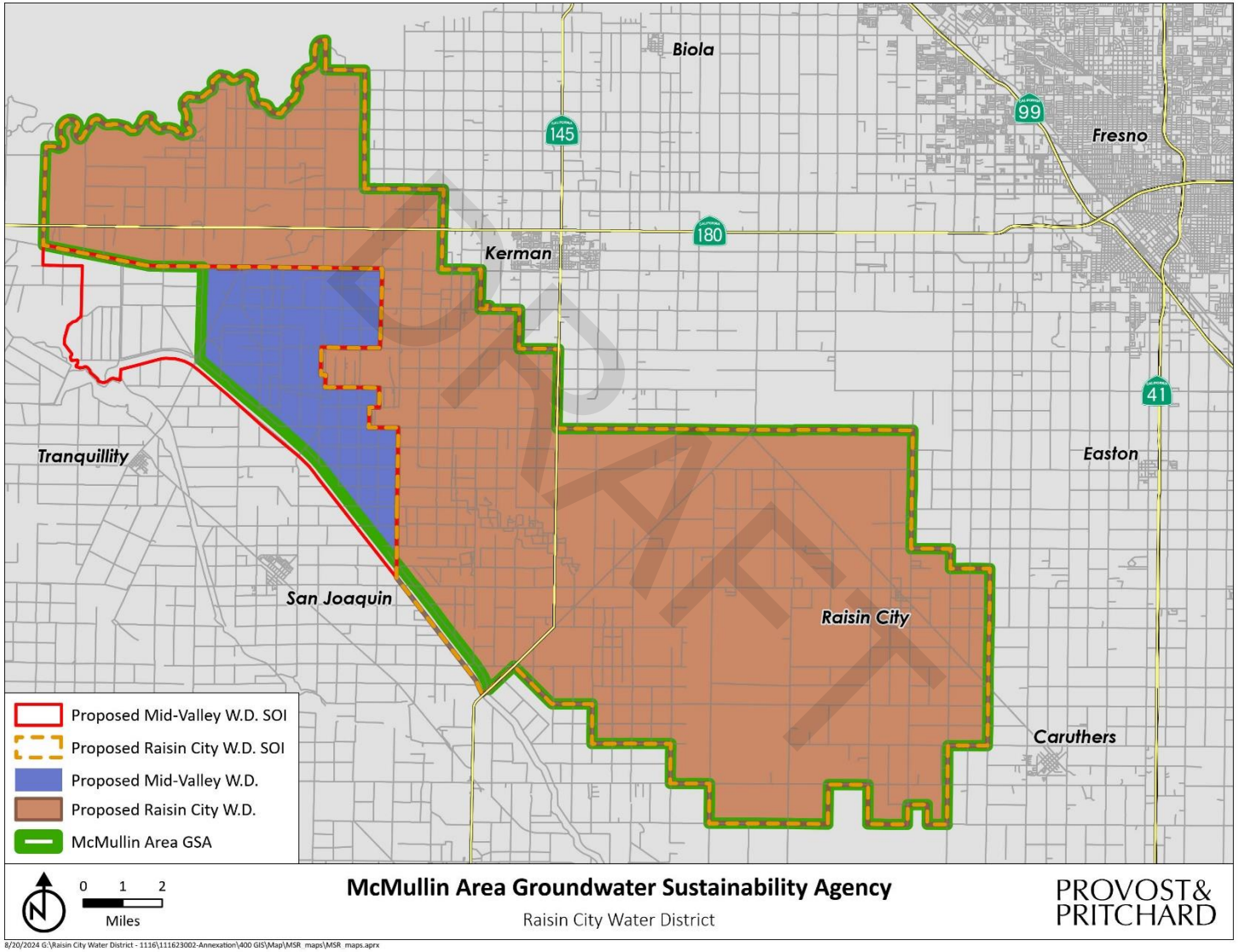


Figure II-3. McMullin Groundwater Sustainability Agency Map

Future Projects and Infrastructure

RCWD has actively pursued projects and partnerships to enhance flood water capture, groundwater recharge programs, purchase water through transfers, and develop infrastructure to deliver water to growers. These efforts were pursued to help stabilize the groundwater levels in the area, benefiting both agriculture and the disadvantaged community of Raisin City. The McMullin On-Farm Recharge Phase 2 Project is being developed which could reserve 24,000 acre-feet of supply. The Project would divert up to 500 cubic feet per second Kings River flood flows to crops plotted on soils with high infiltration capacity. These flood flows can then be used for on-farm recharge of groundwater to alleviate the existing overdraft conditions. The project would include the construction of canal, pump station, and canal crossings infrastructure.[7]

If this project does not yield enough annual supply to correct the overdraft, then crop patterns may be shifted or land fallowed, subsequently impacting not only agricultural production but the community of Raisin City and adjacent areas.

Financial Ability to Provide Services

Assessments

The District is primarily financed by annual property assessments charged to all landowners within the District. The District collects an annual land assessment of $0.75 per acre with a minimum assessment of $2 per parcel. According to the District, annual land assessments are collected by the District and are used to provide indirect services through cooperative agreements with other local agencies. The District uses funding from land assessments to administer District operations, fund the development of future District recharge projects, conduct groundwater studies, and advocate and represent landowners within the District. The District does not presently charge fees for any of these services outside of its assessments.

Adopted Budgets

The District board adopts an annual budget each year that projects the cost for District operations for the coming years (see **Appendix A**). As shown in below in **Table II-5**, the District adopted budget for fiscal year (FY) 2023-2024 shows a total of $68,060 with an estimated expenditure of $243,300. The District estimates its largest expenses to be allocated towards the following services: $74,000 for Administration Professional Fees, $50,000 for Infrastructure Planning, $45,000 for Proposition 218 Election, and $30,000 for Legal Professional Fees.

Table II-5: RCWD 2023-2024 Adopted Budget

	2022-2023 Budget	2022-2023 Actual	2023-2024 Budget
Advertising – Public Notices	$500	$0	$500
Directors Fees	$0	$0	$0
Dues – ACWA/KBWA	$11,000	$11,930	$11,000
Insurance	$3,200	$3,129	$3,000

[7] (Provost & Pritchard Consulting Group, 2022)

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Office Expense	$500	$0	$500
Professional Fees - Administration	$74,000	$31,699	$74,000
Professional Fees - Auditor	$6,000	$6,090	$6,900
Professional Fees - Legal	$30,000	$4,078	$30,000
Professional Fees – Other (Annex)	$10,000	$0	$10,000
Project Fees & Costs			
McMullin Recharge Phase 2	$0	$0	$0
Infrastructure Planning	$50,000	$20,831	$50,000
Prop. 218 Election	$45,000	$0	$45,000
Water Management Program	$0	$0	$0
Website and Outreach	$10,000	$2,677	$10,000
Unbudgeted Expense	$2,200	$13	$2,200
Total Expended	**$242,400**	**80,448**	**$243,300**
Projected Income			
Current Year Assessments	$38,560	$38,863	$38,560
Delinquent Assessments	$1,500	$2,158	$1,500
Interest	$2,400	$7,620	$8,000
Grant Funding	$20,000	$11.904	$20,000
Total Income	**$62,460**	**$60,545**	**$68,060**

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Audit Compliance

The District is in compliance with their annual financial audits. The District's financial audits from fiscal years 2018-2023 are attached as **Appendix B**. According to the District's latest audit, FY 2022-2023, the following financial highlights are noted:

1. The District's total net position decreased $30,023 or 3.17% over the course of the year operations.
2. The District's operating revenue was $39,151 for the year ended June 30, 2023. Operating expenses for the year ended June 30, 2023 were $91,139.
3. The District had no capital assets for the year ended June 30, 2023.
4. The District had no long-term debt for June 30, 2023.

While the District's net position decreased from FY 2021-2022 to FY 2022-2023, this was due to the increase in engineering expenses related to the McMullin On-Farm Recharge Project and other planning and engineering expenses. According to the proposed budget for the District (see **Table II-5**), no expenses related to the McMullin On-Farm Recharge Project is specifically called out for FY 2023-2024. However, the District anticipates spending approximately $95,000 related to infrastructure planning and a Prop. 218 election.

Status of, and Opportunities for, Shared Facilities

The opportunity for shared facilities has the potential to reduce costs of services. It is up to LAFCo to determine if sharing facilities with other service providers is feasible.

The District's boundaries are located within the vicinity of various local agencies that could present opportunities for shared facilities in the form of mutual agreements for shared infrastructure. The neighboring agencies with surface water infrastructure or access to surface water include James Irrigation District (JID), Consolidated Irrigation District (CID), Fresno Irrigation District (FID), Mid-Valley Water District (MVWD), Laguna Irrigation District (LID), Kings River Conservation District (KRCD), and the Kings River Water Association (KRWA). The District is a member of the Kings Basin Water Authority (KBWA), a group of 60 public and private organizations dedicated to the preservation and implementation of the Kings Basin Integrated Regional Water Management Plan. The District is also a member of the McMullin Recharge Group (MRG), formed in 1999 to address the long-term water supply imbalance in the Raisin City area.

Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies

The District is served by a governing Board of Directors that provides governance and accountability. The District's stable management structure provided by the Board consists of the elected five (5) members listed in this report. The Board of Directors are elected to four-year terms. The District Board meetings are held the third Tuesday of each month at 1:30 p.m. at 455 W. Fir Avenue, Clovis, CA 93611. Meetings are conducted in accordance with the Brown Act and the meeting locations and facilities are in compliance with the Americans with Disabilities Act. The District posts its official agenda at the meeting location at least 72 hours prior to its regular meetings, specifying the time and location of the meeting and briefly describing items to be discussed and/or acted on. The District will also post the official agenda and accompanying information on the District website at least 72 hours prior to its regular meeting. Based on the information provided above, there are no other means available to improve the District's accountability and government structure.

Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

Fresno County General Plan Consistency

All proposals shall be consistent with the goals, objectives, policies, and standards of the Fresno County General Plan and any applicable area plan. The Commission may find a proposal consistent with the General Plan or area plan as a whole, although the proposal is found to be inconsistent with one or more standards, if the Commission identifies the inconsistencies and finds that:

1. The negative effect in a particular instance is outweighed by the overall positive impact of the proposal on the County;
2. The proposal will not materially detract from the General Plan or area plan as a whole; and
3. The proposal is inconsistent with one or more standards of the General Plan or area plan due to the unique nature of the proposal and/or special or unusual circumstances in the area or the County at the

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time that could not have been anticipated when the General Plan was developed and that the situation is not likely to occur frequently enough so as to warrant amending the General Plan or area plan.

District Policies

The District is in compliance with its bylaws, last updated August 11, 2015 (see **Appendix C**).

Website

The District maintains its own website, which is located at http://rcwd.ca.gov/. The website provides basic contact information, a location map, board member information, meeting agendas/minutes, newsletters, and other helpful insights into the workings of the District.

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D. DETERMINATIONS AND FINDINGS

California GC Section 56430 provides that LAFCos, upon receipt and consideration of an MSR, are required to adopt written findings addressing topics as follows.

Growth and Population

According to the Draft Fresno Multi-Jurisdictional 2023-2031 Housing Element, the 2022 population of the unincorporated areas of Fresno County was 158,846 people. From 2000 to 2022, the population saw an average annual decline of 0.2 percent.[8] The District contains a total of approximately 51,719 acres. It can be expected that growth, which may demand services from RCWD, would be primarily agriculturally driven. The unincorporated community of Raisin City is within the District's service area, but the Raisin City residents do not rely on the District for municipal services. Nonetheless, urban development would most likely occur within the community of Raisin City. Urban development outside of Raisin City is generally discouraged by County General Plan policies. Since the boundary of the District generally includes land in agricultural production, vacant lands, and open space, it can be expected that future demand for service from the District would occur within its existing and proposed boundaries, and would be primarily related to agricultural irrigation demands. The Fresno County General Plan designates majority of the land within the District for agricultural use.[9] Most of the land within the District service area is occupied by farming operations comprising forage crops, row crops, and orchards. Also, most land within the District service area is designated Unique Farmland, Farmland of Statewide Importance, or Prime Farmland.[10] For these reasons, it can be expected that the existing boundaries of the RCWD are sufficient to accommodate growth for a twenty-year planning period.

Disadvantaged Unincorporated Communities

There are two DUCs located within the District's boundaries, Raisin City and Perrin Colony.[11] While both communities meet the DUC criteria, the District does not own public facilities that would present a direct benefit to a potential DUC. The District does not provide municipal services that facilitate, support, or induce population growth. The District does not provide services related to public sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a DUC.

Present and Planned Capacity of Public Services

The District currently provides its landowners with representation, advocacy and information services regarding statewide water policy, water rights, new state legislation, and other issues affecting local agricultural irrigation. The District is a participating member of the MAGSA. The District does not own any public facilities or infrastructure, nor does it have any surface water rights. There is no surface water available for irrigation purposes within the District. District landowners are solely reliant on groundwater for their farming operations. Although the District does not provide any tangible services to its landowners, the District has plans for the construction of groundwater storage basins and related infrastructure and pipelines to eventually convey water within the District.

The District states that it is in place to be a vocal advocate and representative agency on behalf of its landowners throughout the implementation of SGMA and the ever-changing water climate.

Furthermore, the District proposed SOI Update and annexation will not impact existing facilities of other special districts such as JID. JID currently holds and operates a well field, with accompanying infrastructure

[8] (Fresno Council of Governments, 2023)
[9] (Fresno County, 2024)
[10] (California Department of Conservation, 2023)
[11] (Fresno Local Agency Formation Commission, 2020)

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and easements therefor, on the parcels more particularly described in the legal description attached hereto as **Appendix F. JID Wells**, which are located within the area to be annexed by the District. The District shall not attempt to operate, encumber, or otherwise prevent JID's operation of, the JID Wells without JID's prior written consent. These areas are also illustrated in **Figure II-2**.

As mentioned, the District's currently authorized service is groundwater management planning. If the District decides to provide additional services, it would have to be activated through a formal process pursuant to the CKH.

Financial Ability of the Agency to Provide Services

The District is primarily financed by annual property assessments charged to all landowners within the District.

Annual land assessments are collected by the District and are utilized to allow the District to provide indirect services through cooperative agreements with other local agencies. The District uses land assessment to maintain the operation of the District, help fund the development of future District recharge projects, conduct groundwater studies, and represent and advocate for landowners within the District.

The District does not presently charge fees for any of its provided services; however, it historically has relied on the collection of land assessments and state grant opportunities to fund its ongoing operation. These existing land assessments and revenues generated by the District are sufficient to cover the District's operating costs.

In FY 2018-2019, the District's net position was at $1,159,690. As of the latest audit report for FY 2022-2023, the District's net position is at $918,197. The District has seen a steady decrease in net position over that period with a total net decrease in 23.2%. The primary factors contributing to the net position decrease are due to the fact that expenses have either increased each year and/or the District is incurring additional costs, primarily planning and engineering costs. The full audit reports for fiscal years 2018 through 2023 can be found in **Appendix B**.

Status of, and Opportunities for, Shared Facilities

The opportunity for shared facilities has the potential to reduce costs of services. It is up to LAFCo to determine if sharing facilities with other service providers is feasible. There are various local agencies in the vicinity of RCWD that could present opportunities for shared facilities. An effort should be made to explore what those opportunities could entail.

The District is a member of the KBWA, a group of 60 public and private organizations dedicated to the preservation and implementation of the Kings Basin Integrated Regional Water Management Plan. The District is also a member of the MRG, formed in 1999 to address the long-term water supply imbalance in the Raisin City area.

Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies

The District was formed in 1962 for the purpose of providing irrigation water to lands within its boundaries. The District currently provides its landowners with representation, advocacy and information services regarding statewide water policy, water rights, new state legislation, and other issues affecting local agricultural irrigation. The District has an elected five-member Board of Directors. The Board meets regularly on the third Tuesday of each month at 1:30 p.m. at 455 W. Fir Avenue, Clovis, California 93611. The Board meetings are publicly-noticed and are conducted in compliance with the Brown Act. The meeting locations and facilities are in compliance with the Americans with Disabilities Act.

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Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

Fresno LAFCo has a Policies and Procedures document, adopted on April 3, 1986 and last revised on June 8, 2022. It can be found at the following link:

https://www.fresnolafco.org/files/0aec8ac1d/LAFCo+Policy+Manual+2022.pdf

The District is in compliance with its bylaws, which were last updated August 11, 2015.

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E. SOI STATEMENTS

GC Section 56425(e) requires LAFCo to consider and make a written statement with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

Raisin City Water District currently encompasses approximately 51,719 acres of varying land uses in Fresno County. The total acreage planned within the District is 80,125 acres. The District currently comprises land zoned and used for agricultural purposes.

With the proposed annexation, the District proposes to amend its service area by 55,543 acres and SOI boundary by 27,137 acres. As evaluated in this report relative to: 1) present and planned land uses; 2) present and probable need for public facilities and services; 3) present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide; and 4) the existence of any social or economic communities of interest in the area (i.e. disadvantaged unincorporated communities) for which the Commission may determine relevant, it is recommended that the SOI of the Raisin City Water District be amended to include the boundary indicated in Error! Reference source not found.

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F. ENVIRONMENTAL COMPLIANCE (CEQA)

An MSR and SOI amendment are considered to be a "project" as defined by the California Environmental Quality Act (CEQA; Public Resources Code Section 21000, et seq.), and therefore are subject to analysis for potential environmental effects. In LAFCo's role as lead agency under CEQA, the Commission generally will determine that adoption of the MSR is categorically exempt from CEQA review under CEQA Guidelines Section 15306, Information Collection, which states:

> "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded."

The supporting findings for this CEQA exemption are as follows:

- The purpose of an MSR is to collect data for the purpose of evaluating an agency's ability to provide services within its sphere of influence.
- Adoption of an MSR does not result in any change to land use or zoning, nor does it grant an entitlement or permit of any kind, either directly or indirectly.
- Nothing resulting from adoption of an MSR has the potential to create any physical change to the environment.

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G. RECOMMENDED ACTIONS

Staff recommends that the Commission takes the following actions:

ENVIRONMENTAL REVIEW

A. Recommended Action: Find the proposal to be exempt from CEQA under CEQA Guidelines Section 15306, Information Collection

MUNICIPAL SERVICE REVIEW

Recommended Action: ADOPT the seven determinations required in GC Section 56430 for the RCWD as identified in this municipal service review report.

SPHERE OF INFLUENCE AMENDMENT

Recommended Action: ADOPT statements as discussed in this report, pursuant to GC Section 56425(e) as follows:

1) The District has adequate capacity, financial ability, accountability, and government structure to serve the present and planned land uses;
2) The District has the capacity, financial ability, accountability, and government structure to provide for the present and probable need for public facilities and services;
3) The District has the present capacity of public facilities and has adequate public services to provide for the area it is authorized to provide;
4) There are no social or economic communities of interest in the area such as disadvantaged unincorporated communities for which the Commission has determined relevant within the District's proposed boundaries.

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III. Mid-Valley Water District

A. EXECUTIVE SUMMARY

Summary of District Information

Mid-Valley Water District (MVWD *or* District) was formed in 1984 for the purpose of obtaining a contract for surface water supply from the United States Bureau of Reclamation's then-proposed Mid-Valley Canal Unit of the Central Valley Project (CVP). At that time there was a Mid-Valley Water Authority comprising approximately 30 water agencies from Madera County to Kern County, including Fresno County. The purpose of the Authority was to seek Congressional authority to construct the Mid-Valley Canal. The first action the District took was to establish a contract with Fresno County to be the primary benefactor of any water obtained.

In 1992, the passing of the Central Valley Project Improvement Act (CVPIA) reallocated 800,000 acre-feet (AF) of Delta flows for environmental needs. The loss of the water to the CVP created a permanent water shortage, effectively putting an indefinite hold on construction of the Mid-Valley Canal. As a result of environmental restrictions like the CVPIA, there is now very little chance of obtaining a long-term surface water supply from the Delta. In addition, local surface water supplies are fully committed. It is therefore highly unlikely the District will be able to acquire a reliable surface water supply in the foreseeable future.

The District's boundary spans within the northwestern region of Fresno County, approximately 2.5 miles north of the City of San Joaquin and five miles southwest of the City of Kerman. The District is located two miles south of State Route (SR) 180, approximately six miles west of SR 145, and 10.5 miles northeast of SR 33.

The District's 13,678-acre service area is bounded by the California Avenue alignment to the north, the Napa Avenue alignment to the west, the Parlier Avenue alignment to the south and Lake Avenue to the east. The Commission's adopted Sphere of Influence (SOI) includes the entire service area and extends northwest to the San Joaquin River. Total acreage within the District's SOI amounts to approximately 42,552 acres, which includes the District's service area of 13,678 acres.

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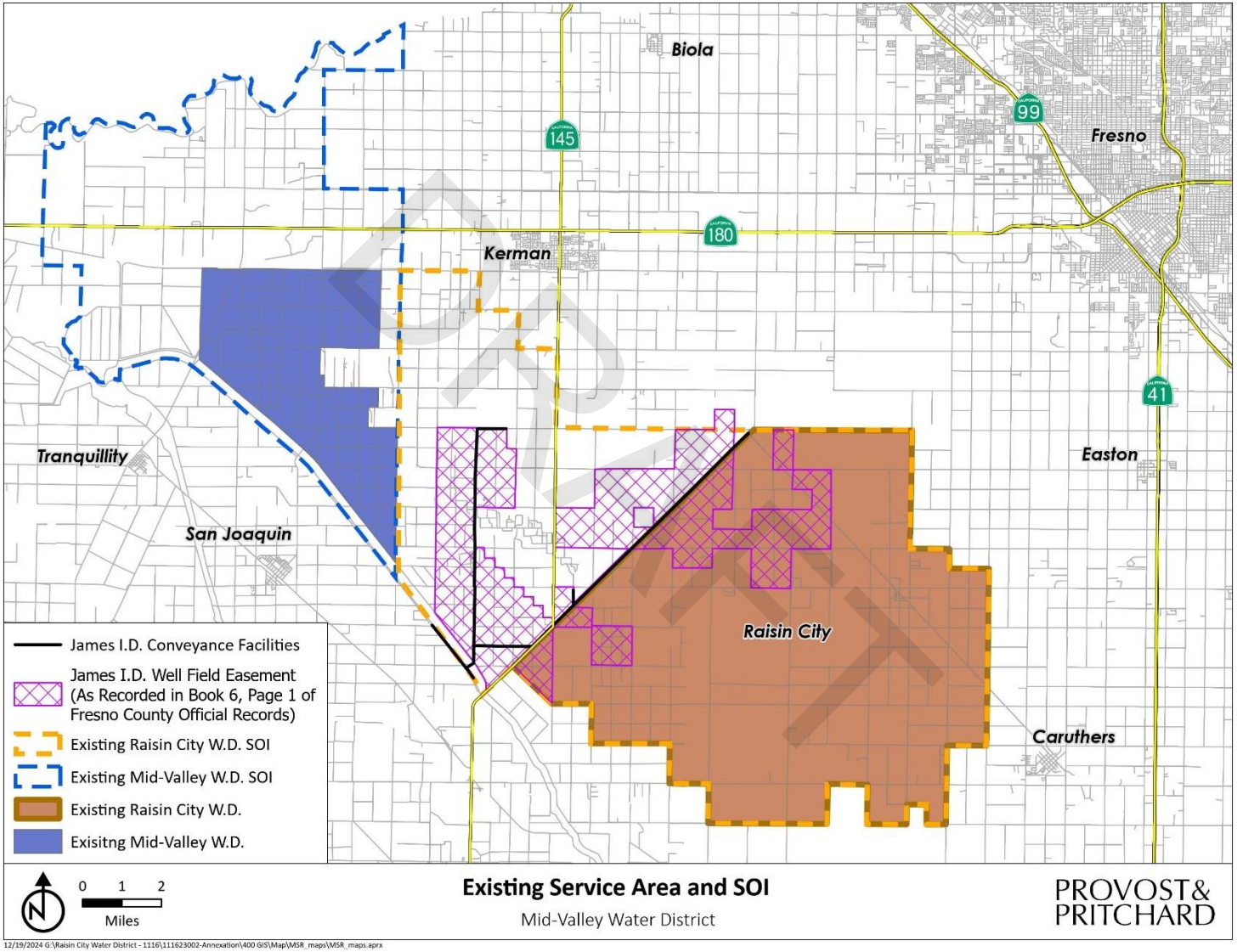


Figure III-1. **Existing Sphere of Influence and District Boundaries**

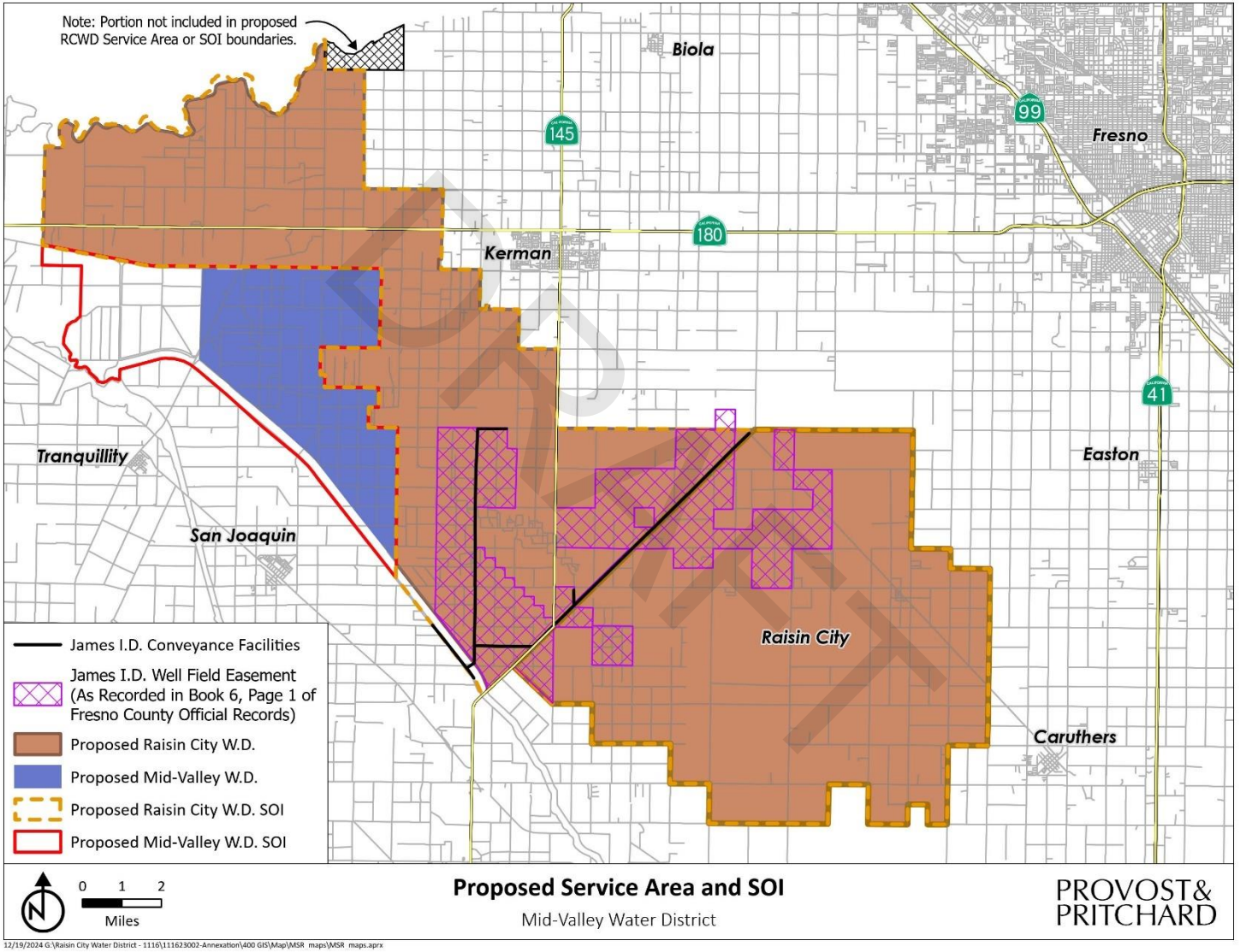


Figure III-2. **Proposed Sphere of Influence and District Boundaries**

Summary of Determinations

Table III-1. Summary of Municipal Service Review Determinations

Summary of Municipal Service Review Determinations	
SUBJECT	**DETERMINATION**
Growth and Population	No future deficiencies related to growth and population are expected.
Disadvantaged Unincorporated Communities	The District has no public facilities nor provides services related to sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a disadvantaged unincorporated community.
Present and Planned Capacity of Public Facilities	The District does not own any public facilities or physical infrastructure.
Adequacy of Public Services	Public Services provided by the District are adequate in terms of operation and maintenance.
Infrastructure Needs or Deficiencies	No direct water services to landowners are currently provided by the District.
Financial Ability of the Agency to provide Services	The District has the financial capacity to continue to operate and serve its customers, including future customers.
Status of and Opportunities for Shared Facilities	It is Fresno LAFCo's observation that local agencies within the vicinity of MVWD that could present opportunities for shared facilities in the form of mutual agreement for shared infrastructure could include: • Fresno Irrigation District to the north; • Consolidated Irrigation District to the east; • Liberty Water District to the southeast; • Stinson Water District to the southwest; • James Irrigation District to the west, • Raisin City Water District to the east.
Accountability, Government Structure, and Operational Efficiencies	The District has a stable government structure that provides for accountability and operational efficiency.
Other Fresno LAFCo Policies	The District will not adversely affect agricultural resources and will support planned orderly and efficient development in the area.

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Table III-2. Summary of Sphere of Influence Determinations

Summary of Sphere of Influence Determinations	
SUBJECT	**DETERMINATION**
Present and Planned Land Uses	The District has adequate capacity, financial ability, accountability, and government structure to serve the present and planned land uses.
Present and Probable Need for Public Facilities and Services	The District does not own any public facilities or physical infrastructure.
Present Capacity of Public Facilities and Agency's Ability to Provide	The District does not own any public facilities or physical infrastructure.
Existence of Social or Economic Communities of Interest	There are no social or economic communities of interest in the area such as disadvantaged unincorporated communities for which the Commission has determined relevant within the District's proposed boundaries.
Need for Services by Disadvantaged Unincorporated Communities within the SOI	Not applicable.
Effect on Orderly Development Including Agricultural Land Preservation	The District has planned for orderly development including that which affects agricultural land preservation.
Conformance with Applicable General or Specific Plans	The District and its services are in conformance with the Fresno County General Plan and the McMullin Area Groundwater Sustainability Plan.

Background

This MSR is prepared in support of a separate but related request by Raisin City Water District (RCWD) for the purpose of expanding its SOI, which would result in a corresponding reduction to the MVWD SOI. Fresno LAFCo most recently adopted an MSR for the District in August 2007. Existing SOI and District boundaries are shown on **Figure III-1**. The current request proposes to decrease the District's SOI by 28,874 acres, shown in **Figure III-2**. Furthermore, the reduction of MVWD's SOI would result in a portion of land to be completely out of both districts' SOI. The resulting SOI boundary would ensure that MVWD and RCWD's SOI would both be within the boundaries of MAGSA. If this area were to be left in MVWD's SOI, or added to RCWD's proposed SOI or service area, then the boundaries would no longer be coterminous with MAGSA. This area is highlighted in **Figure III-2**.

This request for an amendment to the District's SOI necessitates the preparation of an updated MSR pursuant to GC Section 56430.

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B. AGENCY PROFILE

Background

The District was formed to obtain a contract for surface water supply from the United States Bureau of Reclamation's then proposed Mid-Valley Canal Unit of the Central Valley Project. However, due to environmental restrictions imposed by the Central Valley Improvement Act, the District has been unable to maintain a long-term water supply.

The District is a participating member of MAGSA pursuant to the Sustainable Groundwater Management Act (SGMA), which was signed into law on September 16, 2014.

The District is an independent special district which has a five-member board of directors not governed by another legislative body (either a city council or a county board of supervisors). Candidates eligible to serve as the board of directors must be a holder of title to land within the District boundaries or the legal representative of the holder of title to land within the District boundaries. District board members are subject to election of four-year staggered terms; in the event no candidates file election papers, members are appointed in lieu of an election by the Fresno County Board of Supervisors based on recommendation provided from the District's board of directors.

In accordance with GC section 56066, Fresno County is the principal county. The Fresno LAFCo is responsible for updating the SOI for the District consistent with GC section 56425(g). In order to update the agency's SOI, Fresno LAFCo has prepared this municipal service review in accordance with GC section 56430.

Lands within the District's existing and proposed SOI have been subject to extensive environmental analyses under CEQA through the EIR for the County of Fresno General Plan. .

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Agency Information

Contact:	Randy Hopkins, Engineer-Manager
Mailing Address:	455 W. Fir Avenue Clovis, CA 93611
Physical Address:	Same as above
Phone Number:	(559) 449-2700
Website	N/A
Types of Services:	Authorized to deliver irrigation water; however, the District does not have a long-term water supply. Currently the District does not provide any direct services.
Date Formed:	1984
Board of Directors:	The Directors are elected to four-year terms in accordance with the provisions found in the California Water Code.

As of December 2024, the current Board of Directors is constituted as listed in **Table III-3**.

Table III-3. Mid-Valley Water District Board of Directors

Raisin City Water District Board of Directors		
Member	**Term Began**	**Term Ends**
Ariel Namvar	2022	2026
Fara Raban	2022	2026
Varinder Nijjar	2024	2028
Jasbir Sidhu	2024	2028
Farokh Saadat	2022	2026

A summary of the District's statistical information is provided in **Table III-4.**

Table III-4. District Information

District Information	
Statistics	
Area in District:	13,678 acres
Area in Sphere of Influence:	42,552 acres
Staff	One

Services Provided

The District currently does not provide any services to landowners with its service area. The District was formed to obtain a contract for surface water via Reclamation's CVP; however, a long-term water supply contract has not been secured since the District's inception. The District is a participating member of MAGSA pursuant to SGMA.

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C. ADEQUACY OF PUBLIC SERVICES

Growth and Population

According to the Draft Fresno Multi-Jurisdictional 2023-2031 Housing Element, the 2022 population of the unincorporated areas of Fresno County was 158,846 people. From 2000 to 2022, the population saw an average annual decline of 0.2 percent.[12] The District contains a total of approximately 13,678 acres. The District contains 73 parcels consisting of 32 landowners. Current land uses within the District boundaries are agricultural and are expected to remain as such. No growth or population increase is anticipated by the District.

The ability of the District to serve the existing population has been intermittent. A long term water supply has not been available, and the District has not provided much water due to the lack of water available to the District. The District will continue to work with other agencies in the region to secure a water supply contract.

Disadvantaged Unincorporated Communities

The CKH requires Fresno LAFCo to make determinations regarding DUCs when considering a change of organization, reorganization, SOI expansion, and when conducting municipal service reviews.

For any updates to a SOI of a local agency (city or special district) that provides public facilities or services related to sewer, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies for any DUC within of contiguous to the SOI of a city or special district.

SB 244 defines a DUC as a place containing 10 or more dwelling units in close proximity to one another, within a city SOI, an island within a city boundary, or geographically isolated area, having existed for more than 50-years; and having a median household income that is 80 percent or less than a statewide median household income. These communities often lack the necessary infrastructure or technical and managerial abilities to provide their own community services. The primary intent of the new legislation is to enable LAFCos to require that cities and urban service districts include these communities in their local planning processes when considering annexation of adjacent lands. There are no DUCs within or adjacent to the District.

Present and Planned Capacity of Public Services

Since its formation, the District has not been able to secure a long-term water supply from Reclamation's CVP. The primary reason the District was formed was to receive CVP water from the then-proposed Mid-Valley Canal Unit. In 1992, the CVPIA reallocated 800,000 AF of Delta flows for environmental needs. The District was originally set to receive a portion of those flows once the Mid-Valley Canal Unit was built. Now that there are no upcoming plans to build the Mid-Valley Canal Unit, it is highly unlikely the District will be able to acquire a reliable surface water supply in the foreseeable future. In addition, local surface water supplies are fully committed.

Throughout its existence, the District has received minor amounts of short-term water supplies from various sources. In 1985 the District delivered 1,119 AF, by direct delivery through the Mendota Pool, from groundwater obtained from the Britz family. James Irrigation District (JID), a neighboring district, expressed concern that the District's pumping from the Mendota Pool could interfere with its own pumping. To alleviate those concerns, the District entered into a contract with JID agreeing to cut off pumping in the event of a Mendota Pool channel constriction problem.

[12] (Fresno Council of Governments, 2023)

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In 1986, the District delivered 786 AF of Bureau of Reclamation Section 215 water from the Delta. A greater volume of water could have been delivered at that time, but infrastructure was insufficient.

In 1987, the District secured a three-year water supply contract from Reclamation for 1,500 AF on behalf of three landowners. In the same year, the District delivered 7,509 AF of groundwater through the Mendota Pool and 371 AF of floodwater.

In 1988, 9,617 AF of groundwater were delivered through the Mendota Pool to six landowners.

In 1989, District had the opportunity to obtain a long-term water supply contract from Reclamation for 2.0 AF per acre pending the conclusion of the Delta Hearings. An Improvement District was formed in 1990 covering the land at the North side of the District for the purpose of long-term contracting with Fresno County for the purchase of its Cross Valley Bureau of Reclamation water. However, to this day, an agreement has never been reached.

In 1992, Governor Wilson signed AB 3030, which allowed local water agencies to adopt groundwater management plans. The major purpose of AB 3030 was to permit local control of groundwater to reduce the risk of controls at the state level. To keep costs down, the District contracted with Kings River Conservation District (KRCD) to be included in the KRCD Groundwater Management Plan, while retaining the option of doing its own plan at any future time. In 1994, the District obtained a contract with the Kings River Water Association for the unlimited diversion of water during Kings River flood releases. This contract is a three-year contract that is always renewed. Throughout the year proposals were presented by the District, as well as RCWD, to take delivery of the City of Fresno sewer effluent. The City continued discussions through 1996, but no agreement was reached.

In 1999, the initial steps of construction began on a canal intended to deliver water to a proposed reservoir in the southern portion of the District. Test holes were dug by backhoe, topographical surveys were completed, and the canal was designed. KRCD became involved as it was pursuing projects to recharge District groundwater. The project was dropped for a more favorable project at another location; however, there still is interest in the project by JID and potentially KRCD.

Since 2003, the District has received deliveries of surplus water shown in **Table III-5**:

Table III-5: MVWD Surplus Water Since 2003

Year	USBR Section 215 (AF)	Kings River Floodwater (AF)	Total
2003	368		368
2005	846		846
2006	268	3,648	3,916
2011	2,899		2,899
2017		7,889	7,889

Sustainable Groundwater Management Act

In 2014, the passing of SGMA had created the requirements for governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and

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recharge. Under SGMA, these basins should reach sustainability within 20 years of implementing their sustainability plans.

As mentioned, the District is a participating member of the MAGSA pursuant to SGMA. MAGSA was formed as a Joint Powers Authority that is comprised of the County of Fresno, RCWD, and the MVWD. The MAGSA Board is the governing and legislative body for the McMullin Area Groundwater Sustainability Area and one member represents the MVWD area. The District will still be in the confines of MAGSA once the proposed SOI amendment is approved (see **Figure III-3**).

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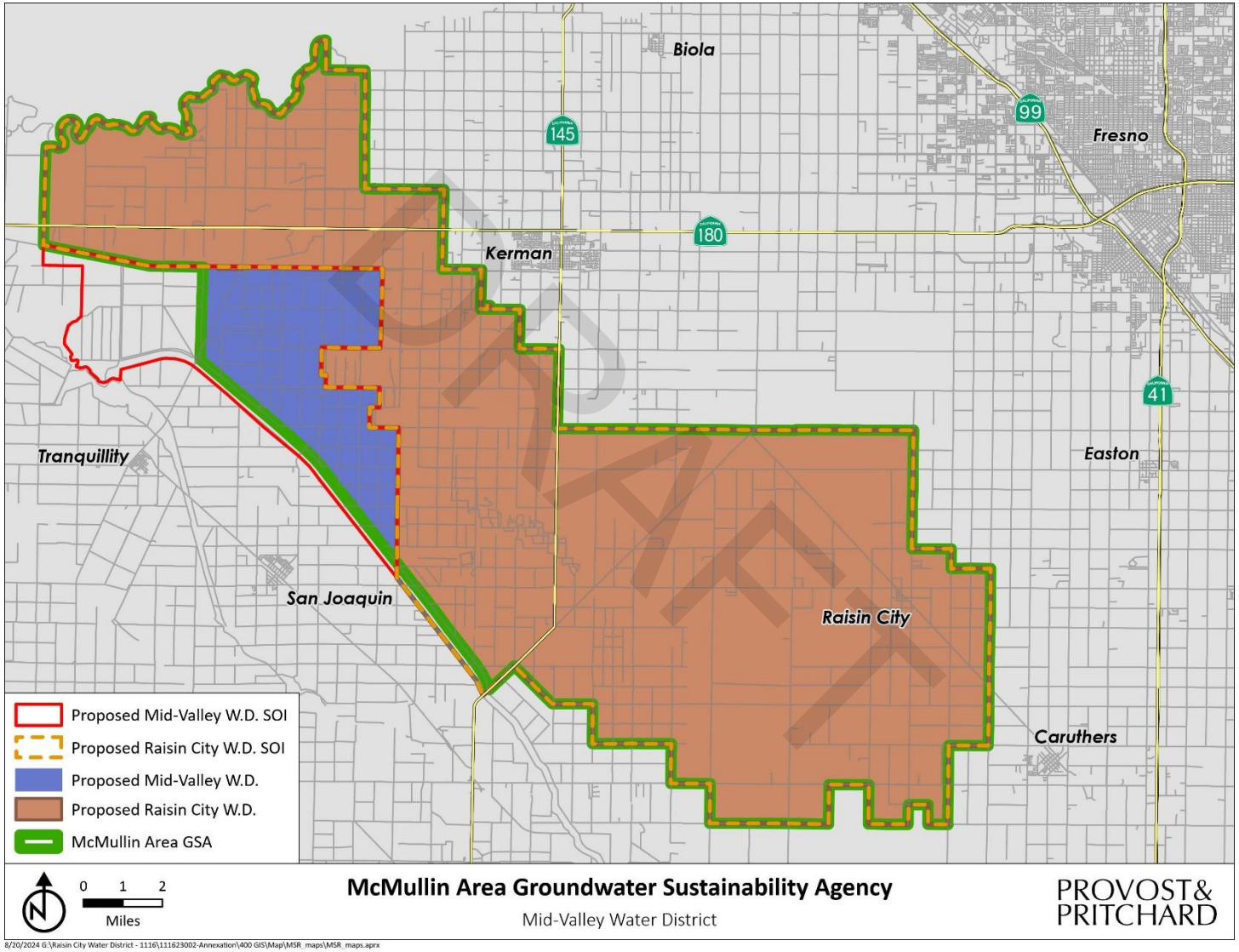


Figure III-3. **McMullin Groundwater Sustainability Agency Map**

Financial Ability to Provide Services

Assessments

The District is primarily financed by annual property assessments charged to all landowners within the District. The District collects an annual land assessment of $3.00 per acre. According to the District, annual land assessments are collected by the District and are used to provide indirect services through cooperative agreements with other local agencies. The District uses funding from land assessments to administer District operations, fund the development of future District projects and to advocate and represent landowners within the District. The District does not charge fees aside from its assessments.

Adopted Budgets

The District board adopts an annual budget each year that projects the cost for District operations for the coming years. The District adopted budget for fiscal year (FY) 2023-2024 shows a total of $38,750. See **Table III-6** for a breakdown for the FY 2023-2024 budget and the previous year FY 2022-2023.

Table III-6: MVWD Adopted 2023-2024 Budget

	2022-2023 Budget	2022-2023 Actual	2023-2024 Budget
Administration Budget			
Management	$12,000	$7,446	$8,000
Legal	$5,000	$1,510	$5,000
Accounting	$12,000	$12,765	$12,000
Audit	$4,000	$3,540	$4,000
Legal Notices	$500	$260	$500
ACWA	-	$5,153	$5,200
Miscellaneous	$4,000	$7,978	$3,800
Total Administration Budget	**$37,500**	**$38,653**	**$38,500**
Water Management Budget			
Sustainable Groundwater Management Act	-	-	-
Integrated Regional Water Management	$250	-	$250
Total Water Procurement Budget	**$250**	**-**	**$250**
Grand Total	**$37,750**	**$38,653**	**$38,750**

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Audit Compliance

The District is in compliance with its annual audits. The most recent audit for FY 2022-2023 is attached as **Appendix C.** According to the FY 2022-2023 audit prepared for the District, the following financial highlights are noted:

1. The District's total net position increased $1,941 or 1.72% over the course of the year operations.
2. The District's operating revenue was $36,830 for the year ended June 30, 2023. Operating expenses for the year ended June 30, 2023 were $36,640. The District's operating revenue is solely generated from landowner assessments.
3. The District had no capital assets for the year ended June 30, 2023.
4. The District had no long-term debt for June 30, 2023.

Status of, and Opportunities for, Shared Facilities

The opportunity for shared facilities has the potential to reduce costs of services. It is up to LAFCo to determine if sharing facilities with other service providers is feasible.

The District's boundaries are located within the vicinity of various local agencies that could present opportunities for shared facilities in the form of mutual agreements for shared infrastructure. The neighboring agencies with surface water infrastructure or access to surface water include JID, CID, FID, RCWD, LID, KRCD, and the KRWA. The District does not own or operate any infrastructure so any sort of sharing with another entity would not be symbiotic. However, if other Districts were to allow MVWD to utilize their facilities, total costs to landowners could be reduced.

The District is a participating member of the Association of California Water Agencies (ACWA). ACWA is the largest statewide coalition of public water agencies in the country. ACWA contains 430 public agency members which are collectively responsible for 90% of the water delivered to cities, farms and businesses in California.[13]

Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies

California Water Code section 34000-38500 enables the formation of Water Districts. The District is an independent special district with a separate board of directors not governed by other legislative bodies (either a city council or a county board of supervisors).

The District does not have any employees and has contracted with a private consulting firm, Provost & Pritchard Consulting Group, to provide services on an as-needed basis. Provost & Pritchard Consulting Group was the first District Engineer and has been contracted by the District ever since.

A body of five officials, elected to four-year terms, serves as the Board of Directors governing the District.

The Board creates policy by adopting resolutions or ordinances at duly noticed public hearings. The Board designates the third Wednesday of each month at 1:30 p.m. as its official meeting date. However, the District does not need to meet monthly so meetings are on an as-needed basis, typically once a year. Board meetings are held at the offices of the Provost & Pritchard Consulting Group. Meetings are noticed and posted consistent with Brown Act requirements, although the frequency of meetings is not in compliance with the Brown Act. There appears to be opportunities for public involvement and input at the yearly meeting.

Based on the information provided above, there are no other means available to improve the District's accountability and government structure.

[13] (Association of California Water Agencies, 2024)

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Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

Fresno County General Plan Consistency

All proposals shall be consistent with the goals, objectives, policies, and standards of the Fresno County General Plan and any applicable area plan. The Commission may find a proposal consistent with the General Plan or area plan as a whole, although the proposal is found to be inconsistent with one or more standards, if the Commission identifies the inconsistencies and finds that:

1. The negative effect in a particular instance is outweighed by the overall positive impact of the proposal on the County;
2. The proposal will not materially detract from the General Plan or area plan as a whole; and
3. The proposal is inconsistent with one or more standards of the General Plan or area plan due to the unique nature of the proposal and/or special or unusual circumstances in the area or the County at the time that could not have been anticipated when the General Plan was developed and that the situation is not likely to occur frequently enough so as to warrant amending the General Plan or area plan.

District Policies

The District is in compliance with its bylaws, amended and restated in 1995 (see **Appendix E**).

Website

The District does not maintain its own website. Currently, there is no publicly accessible available information regarding the District's workings. A website would provide information such as meeting times and locations, budgets, rates, ordinances, agendas, completed/upcoming projects, and other District affairs.

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D. DETERMINATIONS AND FINDINGS

California GC Section 56430 provides that LAFCos, upon receipt and consideration of an MSR, are required to adopt written findings addressing topics as follows.

Growth and Population

According to the Draft Fresno Multi-Jurisdictional 2023-2031 Housing Element, the 2022 population of the unincorporated areas of Fresno County was 158,846 people. From 2000 to 2022, the population saw an average annual decline of 0.2 percent.[14] The District contains a total of approximately 13,678 acres. Current land uses for the 73 parcels consisting of 32 landowners within the District boundaries are agricultural, and are expected to remain agricultural. No growth or population increase is anticipated by the District.

Disadvantaged Unincorporated Communities

There are no DUCs within or adjacent to the District. Additionally, the District does not provide municipal services that facilitate, support, or induce population growth. The District does not provide services related to public sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a DUC.

Present and Planned Capacity of Public Services

Since its formation, the District has not been able to secure long-term water supply from Reclamation's CVP. The primary reason the District was formed was to receive CVP water from the then-proposed Mid-Valley Canal Unit. In 1992, the CVPIA reallocated 800,000 AF of Delta flows for environmental needs. The District was originally set to receive a portion of those flows once the Mid-Valley Canal Unit was built. Now that there are no upcoming plans to build the Mid-Valley Canal Unit, it is highly unlikely the District will be able to acquire a reliable surface water supply in the foreseeable future. In addition, local surface water supplies are fully committed.

Financial Ability of the Agency to Provide Services

The District is primarily financed by annual property assessments charged to all landowners within the District.

Annual land assessments are collected by the District and are utilized to allow the District to provide indirect services through cooperative agreements with other local agencies. The District uses land assessment to maintain the operation of the District, help fund the development of future District projects, conduct groundwater studies, and represent and advocate for landowners within the District.

The District does not presently charge fees to landowners within its service area. These existing land assessments generated by the District are sufficient to cover the District's operating costs as seen in the most recent financial audit.

Status of, and Opportunities for, Shared Facilities

The opportunity for shared facilities has the potential to reduce costs of services. It is up to LAFCo to determine if sharing facilities with other service providers is feasible. There are various local agencies in the vicinity of MVWD that could present opportunities for shared facilities. Sharing opportunities can bring landowner costs down for each agency involved. An effort should be made to explore what those opportunities could entail.

[14] (Fresno Council of Governments, 2023)

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The District is a participating member of the Association of California Water Agencies (ACWA). ACWA is the largest statewide coalition of public water agencies in the country. ACWA contains 430 public agency members which are collectively responsible for 90% of the water delivered to cities, farms and businesses in California.

Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies

The District was formed in 1984 for the purpose of securing a water supply for agricultural irrigation purposes. The District currently does not provide any direct services. The District has an elected five-member Board of Directors. The Board designates the third Wednesday of each month at 1:30 p.m. as its official meeting date. In reality, the District meets on an as-needed basis, typically once a year at the specified day and time noted above. The Board meetings are publicly-noticed and are conducted in compliance with the Brown Act. The meeting locations and facilities are in compliance with the Americans with Disabilities Act. There appears to be opportunities for public involvement and input at the yearly meeting.

Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

Fresno LAFCo has a Policies and Procedures document, adopted on April 3, 1986 and last revised on June 8, 2022. It can be found at the following link:

https://www.fresnolafco.org/files/0aec8ac1d/LAFCo+Policy+Manual+2022.pdf

The District is in compliance with its bylaws, amended and restated in 1995.

The District does not have a website and should design one moving forward pursuant to SB 929.

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E. SOI STATEMENTS

GC Section 56425(e) requires LAFCo to consider and make a written statement with respect to each of the following:

5. The present and planned land uses in the area, including agricultural and open-space lands.
6. The present and probable need for public facilities and services in the area.
7. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
8. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

Mid-Valley Water District currently encompasses approximately 13,678 acres of varying land uses in Fresno County. The total acreage planned within the District is 42,552 acres. The District currently comprises land zoned and used for agricultural purposes.

The District proposes to reduce its SOI boundary by 28,874 acres resulting in a SOI of 13,678 acres. As evaluated in this report relative to: 1) present and planned land uses; 2) present and probable need for public facilities and services; 3) present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide; and 4) the existence of any social or economic communities of interest in the area (i.e. disadvantaged unincorporated communities) for which the Commission may determine relevant, it is recommended that the SOI of the Mid-Valley Water District be amended to what is shown in **Figure III-2**.

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F. ENVIRONMENTAL COMPLIANCE (CEQA)

An MSR and SOI amendment are considered to be a "project" as defined by the California Environmental Quality Act (CEQA; Public Resources Code Section 21000, et seq.), and therefore are subject to analysis for potential environmental effects. In LAFCo's role as lead agency under CEQA, the Commission generally will determine that adoption of the MSR is categorically exempt from CEQA review under CEQA Guidelines Section 15306, Information Collection, which states:

> "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded."

The supporting findings for this CEQA exemption are as follows:

4. The purpose of an MSR is to collect data for the purpose of evaluating an agency's ability to provide services within its sphere of influence.
5. Adoption of an MSR does not result in any change to land use or zoning, nor does it grant an entitlement or permit of any kind, either directly or indirectly.
6. Nothing resulting from adoption of an MSR has the potential to create any physical change to the environment.

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G. RECOMMENDED ACTIONS

Staff recommends that the Commission takes the following actions:

ENVIRONMENTAL REVIEW

B. Recommended Action: Find the proposal to be exempt from CEQA under CEQA Guidelines Section 15306, Information Collection.

MUNICIPAL SERVICE REVIEW

Recommended Action: ADOPT the seven determinations required in GC Section 56430 for the MVWD as identified in this municipal service review report.

SPHERE OF INFLUENCE AMENDMENT

Recommended Action: ADOPT statements as discussed in this report, pursuant to GC Section 56425(e) as follows:

1) The District has adequate capacity, financial ability, accountability, and government structure to serve the present and planned land uses;
2) The District has the capacity, financial ability, accountability, and government structure to provide for the present and probable need for public facilities and services;
3) The District has the present capacity of public facilities and has adequate public services to provide for the area it is authorized to provide;
4) There are no social or economic communities of interest in the area such as disadvantaged unincorporated communities for which the Commission has determined relevant within the District's proposed boundaries.

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IV. References

Association of California Water Agencies. (2024). *ACWA*. Retrieved from ACWA: https://www.google.com/search?q=acwa&sca_esv=0a31b4c8707f31fc&sca_upv=1&source=hp&ei=MIRwZvHOOYKLkPIPsumo-A4&iflsig=AL9hbdgAAAAAZnCSQG4ex2zbDfn46TWQBJWYbdqnALwo&ved=0ahUKEwjxps_opeOGAxWCBUQIHbI0Cu8Q4dUDCBc&uact=5&oq=acwa&gs_lp=Egdnd3Mtd2l6IgRhY3dhMggQABiA

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Appendix A. RCWD Adopted Budget (FY 23-24)

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Raisin City Water District
2023-2024 Budget

Description	Adopted 2023-24 Budget
Advertising - Public Notices	$500
Directors Fees	0
Dues - ACWA/KBWA	11,000
Insurance	3,200
Office Expense	500
Professional Fees - Administration	74,000
Professional Fees - Auditor	6,900
Professional Fees - Legal	30,000
Professional Fees - Other (Annex)	10,000
Project Fees & Costs	0
McMullin Recharge Phase 2	0
Infrastructure Planning	50,000
Prop. 218 Election	45,000
Water Management Program	0
Website and Outreach	10,000
Unbudgeted Expense	2,200
Total Expenses	$243,300
Projected Income	
Current Year Assessments	$38,560
Delinquent Assessments	1,500
Interest	8,000
Grant Funding	20,000
Total Income	$68,060

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Appendix B. RCWD Financial Audit (FYs 18-23)

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RAISIN CITY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2019

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RAISIN CITY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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RAISIN CITY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2019

Board of Directors

R. Gere Gunlund	President
Jusdip Jerry Rai	Vice-President
Gagandip Batth	Director
Don Cameron	Director
Doug Moles	Director

Administration

Randy Hopkins	Manager
Rick Besecker	Treasurer

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Raisin City Water District
Fresno, California

We have audited the accompanying financial statements of Raisin City Water District (a special district) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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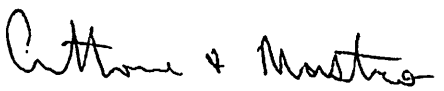
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Raisin City Water District, as of June 30, 2019, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4–6 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.



December 11, 2019

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As management of the Raisin City Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2019. Please read in conjunction with the District's financial statements, which follow this section.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

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Condensed Statement of Net Position
June 30, 2019 and 2018

	2019	2018	Dollar Change	Percentage Change
Current Assets	$ 1,102,132	$ 1,211,901	$ (109,769)	-9.06%
Capital Assets	-	-	-	-
Total Assets	1,102,132	1,211,901	(109,769)	-9.06%
Current Liabilities				
Total Liabilities	57,758	70,531	(12,773)	-18.11%
Unrestricted Assets	1,044,374	1,141,370	(96,996)	-8.50%
Total Net Position	$ 1,044,374	$ 1,141,370	$ (96,996)	-8.50%

- Net assets, primarily cash, has decreased from the prior year due to the District incurring additional planning costs for the year.

Revenues, Expenses and Changes in Net Position
A comparison of the Statement of Revenues, Expenses and Changes in Net position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2019 and 2018

	2019	2018	Dollar Change	Percentage Change
Operating Revenues	$ 37,802	$ 38,327	$ (525)	-1.37%
Operating Expenses	161,945	466,151	(304,206)	-65.26%
Operating Income (Loss)	(124,143)	(427,824)	303,681	-70.98%
Non-Operating Revenues	27,147	19,504	7,643	39.19%
Change In Net Position	(96,996)	(408,320)	311,324	-76.25%
Net Position - Beginning of Year	1,141,370	1,549,690	(408,320)	-26.35%
Net Position - End of Year	$ 1,044,374	$ 1,141,370	$ (96,996)	-8.50%

- Revenues are consistent with the prior year and while expenses have decreased from the prior year, the District is incurring additional costs, primarily planning costs, over the prior year.

Budgetary Highlights
The District adopts an annual budget each year to project the costs for operations for the coming year. The budget includes these projected expenses and the means of financing them.

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Management throughout the year analyzes the District's budget; however, it is not reported on, nor shows in the financial statements section of this annual report.

The budget is divided into the following categories.

- Administration
- Advertising
- Audit
- Dues
- Insurance
- Legal
- Miscellaneous
- Office
- Planning
- Project Costs
- Website

At June 30, 2019 actual to budget comparison is presented in the following table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2019

	Actual	Budget	Difference	Percentage
Total Expenses	$ 161,945	$ 785,450	$ (623,505)	-79.38%

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact: Raisin City Water District, 286 W. Cromwell Avenue, Fresno, California 93711.

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RAISIN CITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2019

Assets	
Current Assets	
Cash	$1,091,012
Accrued Interest Receivable	6,987
Delinquent Assessments Receivable	2,308
Prepaid Insurance	1,825
Total Current Assets	1,102,132
Total Assets	1,102,132
Liabilities	
Current Liabilities	
Accounts Payable	57,758
Total Liabilities	57,758
Net Position	
Unrestricted	1,044,374
Total Net Position	$1,044,374

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

RAISIN CITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

Operating Revenues	
Assessments	$ 37,802
Total Operating Revenues	37,802
Operating Expenses	
Advertising	215
Dues	10,265
Engineering and Planning	116,190
Insurance	2,430
Legal and Accounting	32,845
Total Operating Expenses	161,945
Operating Income (Loss)	(124,143)
Nonoperating Income	
Interest Income	27,147
Change In Net Position	(96,996)
Net Position at Beginning of Year	1,141,370
Net Position at End of Year	$ 1,044,374

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

RAISIN CITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 37,235
Cash Paid to Suppliers	(174,721)
Net Cash Flows from Operating Activities	(137,486)
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	26,236
Net Change in Cash	(111,250)
Cash at the Beginning of Year	1,202,262
Cash at the End of Year	$ 1,091,012

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (124,143)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Delinquent Assessments Receivable	(567)
Prepaid Insurance	(3)
Accounts Payable	(12,773)
Net Cash Flows from Operating Activities	$ (137,486)

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

(1) Description of Entity

(a) Description of Operations

Raisin City Water District (the "District") was formed in 1962 as a special district in the State of California and is governed by a five-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to obtain a surface water supply for the benefit of lands within the District. A surface water supply has not yet been made available.

(b) Reporting Entity

In accordance with the requirements of Statement No. 14, The *Financial Reporting Entity, of the Governmental Accounting Standards Board (GASB)*, the financial statements must present the District (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Raisin City Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. This includes funds on deposit with the State of California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established.

(d) Net Position

Net position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions.

(e) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2019 consisted of the following:

Checking – WestAmerica Bank	$ 10,830
State of California Local Agency Investment Fund (LAIF)	1,080,182
Total Cash	$1,091,012

Concentration of Credit Risk

The District does not have an investment policy that contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

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 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.

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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 or investments, other than the following provision for deposits: The California Government Code requires California banks and savings and loan associations to collateralize a district's deposits by pledging government securities. The market value of the pledged securities must equal at least 110 percent of a district's deposits. California law also allows financial institutions to collateralize a district's deposits by pledging first trust deed mortgage notes having a value of 150 percent of a district's total deposits. The district may waive collateral requirements for deposits on interest bearing accounts which are fully insured by Federal Deposit insurance up to $250,000.

At June 30, 2019, the carrying amount of the District's cash deposits in an interest-bearing account was $10,830 and the bank balance was $22,152. The difference between the bank balance and the carrying amount represents outstanding checks in transit. At June 30, 2019, the carrying amount and LAIF balance of the Districts cash deposits in an interest-bearing account was $1,080,182.

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RAISIN CITY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2020

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RAISIN CITY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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RAISIN CITY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2020

Board of Directors

R. Gere Gunlund	President
Jusdip Jerry Rai	Vice-President
Gagandip Batth	Director
Don Cameron	Director
Doug Moles	Director

Administration

Randy Hopkins	Manager
Rick Besecker	Treasurer

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Raisin City Water District
Fresno, California

We have audited the accompanying financial statements of Raisin City Water District (a special district) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

DRAFT

7543 North Ingram, Suite 102
Fresno, California 93711
phone 559-261-4300
fax 559-261-4301

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Raisin City Water District, as of June 30, 2020, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4–6 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.

Cuttone & Mastro

November 13, 2020

DRAFT

As management of the Raisin City Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2020. Please read in conjunction with the District's financial statements, which follow this section.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

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Condensed Statement of Net Position
June 30, 2020 and 2019

	2020	2019	Dollar Change	Percentage Change
Current Assets	$ 886,497	$ 1,102,132	$ (215,635)	-19.57%
Capital Assets	182,718	20,180	162,538	805.44%
Total Assets	1,069,215	1,122,312	(53,097)	-4.73%
Current Liabilities				
Total Liabilities	169,125	57,758	111,367	192.82%
Unrestricted Assets	900,090	1,064,554	(164,464)	-15.45%
Total Net Position	$ 900,090	$ 1,064,554	$ (164,464)	-15.45%

- Net assets, primarily cash, has decreased from the prior year due to the District incurring additional planning costs and construction in progress for the year.
- In 2020, the District continued toward the construction of the McMullin Recharge Project. Total costs to date that have been capitalized are $182,715.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2020 and 2019

	2020	2019	Dollar Change	Percentage Change
Operating Revenues	$ 39,296	$ 37,802	$ 1,494	3.95%
Operating Expenses	223,775	141,765	82,010	57.85%
Operating Income (Loss)	(184,479)	(103,963)	(80,516)	77.45%
Non-Operating Revenues	20,015	27,147	(7,132)	-26.27%
Change In Net Position	(164,464)	(76,816)	(87,648)	114.10%
Net Position - Beginning of Year	1,064,554	1,141,370	(76,816)	-6.73%
Net Position - End of Year	$ 900,090	$ 1,064,554	$ (164,464)	-15.45%

- Revenues are consistent with the prior year and while expenses have increased from the prior year, the District is incurring additional costs, primarily planning costs, over the prior year.

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Budgetary Highlights

The District adopts an annual budget each year to project the costs for operations for the coming year. The budget includes these projected expenses and the means of financing them.

Management throughout the year analyzes the District's budget; however, it is not reported on, nor shows in the financial statements section of this annual report.

The budget is divided into the following categories.

- Administration
- Advertising
- Audit
- Dues
- Insurance
- Legal
- Miscellaneous
- Office
- Planning
- Project Costs
- Website

At June 30, 2020, the actual to budget comparison is presented in the following table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2020

	Actual	Budget	Difference	Percentage
Total Expenses	$ 223,775	$ 1,005,450	$ (781,675)	-77.74%

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact: Raisin City Water District, 286 W. Cromwell Avenue, Fresno, California 93711.

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RAISIN CITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

Assets	
Current Assets	
Cash	$ 878,348
Accrued Interest Receivable	3,180
Delinquent Assessments Receivable	3,119
Prepaid Insurance	1,850
Total Current Assets	886,497
Capital Assets - Net	182,718
Total Assets	1,069,215
Liabilities	
Current Liabilities	
Accounts Payable	169,125
Total Liabilities	169,125
Net Position	
Unrestricted	900,090
Total Net Position	$ 900,090

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

RAISIN CITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

Operating Revenues	
Assessments	$ 39,296
Total Operating Revenues	39,296
Operating Expenses	
Advertising	104
Bad Debt	1,600
Dues	10,230
Engineering and Planning	153,291
Insurance	2,482
Legal and Accounting	57,275
Miscellaneous	(1,207)
Total Operating Expenses	223,775
Operating Income (Loss)	(184,479)
Nonoperating Income	
Interest Income	20,015
Change In Net Position	(164,464)
Net Position at Beginning of Year, Restated	1,064,554
Net Position at End of Year	$ 900,090

DRAFT

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

RAISIN CITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 38,485
Cash Paid to Suppliers	(112,433)
Net Cash Flows from Operating Activities	(73,948)
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	23,822
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Assests Acquired	(162,538)
Net Change in Cash	(212,664)
Cash at the Beginning of Year	1,091,012
Cash at the End of Year	$ 878,348

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (184,479)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Delinquent Assessments Receivable	(811)
Prepaid Insurance	(25)
Accounts Payable	111,367
Net Cash Flows from Operating Activities	$ (73,948)

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

(1) Description of Entity

(a) Description of Operations

Raisin City Water District (the "District") was formed in 1962 as a special district in the State of California and is governed by a five-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to obtain a surface water supply for the benefit of lands within the District. A surface water supply has not yet been made available.

(b) Reporting Entity

In accordance with the requirements of Statement No. 14, The *Financial Reporting Entity, of the Governmental Accounting Standards Board (GASB)*, the financial statements must present the District (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Raisin City Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. This includes funds on deposit with the State of California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established.

(d) Net Position

Net position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions.

(e) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2020 consisted of the following:

Checking – WestAmerica Bank	$ 19,370
State of California Local Agency Investment Fund (LAIF)	858,978
Total Cash	$ 878,348

Authorized Deposits and Investments

The District's investment policy authorizes investments in the California Local Agency Investment Fund (LAIF). The District's investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates

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Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the Local Agency Investment Fund is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies consists of Local Agency Investment Fund at 97.8% as of June 30, 2020, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk

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 does 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As of June 30, 2020, the District did not have cash with banks that exceeded federal depository insurance limits.

The custodial risk for investments is the risk that, in the event of the failure of the counterparty 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 does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Local Agency Investment Fund).

As of June 30, 2020, the carrying amount of the District's cash deposits in an interest-bearing account and the bank balance was $19,370. As of June 30, 2020, the carrying amount and LAIF balance of the Districts cash deposits in an interest-bearing account was $858,978.

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(4) Capital Assets

Capital asset activity for the year ended June 30, 2020 consisted of the following:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
CIP	$ 20,180	$ 162,538	$ -	$ 182,718
Less Accumulated Depreciation	-	-	-	-
	$ 20,180	$ 162,538	$ -	$ 182,718

(5) Restatement of Beginning Financial Position

The beginning net position has been restated to reflect the capitalization of assets by the district for a capital project which was in progress as of June 30, 2019. The amount of the capitalized was $20,180.

Net Position at Beginning of Year, As Previously Stated	$1,044,374
Restatement Amount	20,180
Net Position at Beginning of Year, Restated	$1,064,554

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CUTTONE & MASTRO
CERTIFIED PUBLIC ACCOUNTANTS

November 13, 2020

To the Board of Directors
Raisin City Water District
Raisin City, California

We have audited the financial statements of Raisin City Water District for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 17, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Raisin City Water District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Raisin City Water District's financial statements was management's estimate of the allowance for doubtful accounts is based on historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole. Management expects to eventually collect a material amount of the assessments due to the land securing most of the assessments.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and correct by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

DRAFT

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Fresno, California 93711
phone 559-261-4300 fax 559-261-4301

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 13, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of board of directors and management of Raisin City Water District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Cuttone & Mastro

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RAISIN CITY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2021

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RAISIN CITY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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RAISIN CITY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2021

Board of Directors

R. Gere Gunlund	President
Jonathan DeGroot	Vice-President
Gagandip Batth	Director
Don Cameron	Director
John Verwey	Director

Administration

Randy Hopkins	Manager
Rick Besecker	Treasurer

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cuttone & mastro
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Raisin City Water District
Clovis, California

DRAFT

We have audited the accompanying financial statements of Raisin City Water District (a special district), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

7543 North Ingram, Suite 102
Fresno, California 93711
phone 559-261-4300
fax 559-261-4301

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Raisin City Water District, as of June 30, 2021, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 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.

Chilton & Martin

November 4, 2021

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RAISIN CITY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Raisin City Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2021. Please read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position decreased $84,863 or 7.90% over the course of the year operations.
- The District's operating revenue was $37,492 for the year ended June 30, 2021. Operating expenses for the year ended June 30, 2021 were $127,359.
- The District had construction in progress in the amount of $467,000 for June 30, 2021.
- The District had no long-term debt for June 30, 2021.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

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Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

Condensed Statement of Net Position
June 30, 2021 and 2020

	2021	2020	Dollar Change	Percentage Change
Current Assets	$ 526,002	$ 886,497	$ (360,495)	-40.67%
Capital Assets	467,000	357,231	109,769	30.73%
Total Assets	993,002	1,243,728	(250,726)	-20.16%
Current Liabilities				
Total Liabilities	3,262	169,125	(165,863)	-98.07%
Restricted for Capital Assets, Net of Related Debt	467,000	357,231	109,769	30.73%
Unrestricted Assets	522,740	717,372	(194,632)	-27.13%
Total Net Position	$ 989,740	$ 1,074,603	$ (84,863)	-7.90%

The table shows that the District's net position decreased $84,863 or 7.90% for the year ended June 30, 2021. Factors contributing to this change include:

- Net assets, primarily cash, has decreased from the prior year due to the District incurring additional planning costs and construction in progress for the year.
- In 2021, the District continued toward the construction of the McMullin Recharge Project. Total costs to date that have been capitalized are $467,000.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2021 and 2020

	2021	2020	Dollar Change	Percentage Change
Operating Revenues	$ 37,492	$ 39,296	$ (1,804)	-4.59%
Operating Expenses	127,359	49,262	78,097	158.53%
Operating Income (Loss)	(89,867)	(9,966)	(79,901)	801.74%
Non-Operating Revenues	5,004	20,015	(15,011)	-75.00%
Change In Net Position	(84,863)	10,049	(94,912)	-944.49%
Net Position - Beginning of Year	1,074,603	1,064,554	10,049	0.94%
Net Position - End of Year	$ 989,740	$ 1,074,603	$ (84,863)	-7.90%

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The table shows that the District's net position increase was $84,863 or 7.90% for the year ended June 30, 2021. Factors contributing to this change include:

- Revenues are consistent with the prior year and expenses have increased from the prior year.

Budgetary Highlights

The District adopts an annual budget each year to project the costs for operations for the coming year. The budget includes these projected expenses and the means of financing them. Management throughout the year analyzes the District's budget; however, it is not reported on, nor shows in the financial statements section of this annual report.

At June 30, 2021, the actual to budget comparison is presented in the following table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2021

	Actual	Budget	Difference	Percentage
Total Expenses	$ 127,359	$ 500,000	$ (372,641)	-74.53%

Capital Assets

The District had Construction in progress in the amount of $467,000 for June 30, 2021. The District's construction in progress consists of the design for the McMullin Recharge Project. It is estimated that the design was at approximately 30% completion at June 30, 2021.

Debt Service Requirements

The District has no long-term debt.

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Raisin City Water District, 455 W. Fir Avenue, Clovis, California 93611.

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RAISIN CITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

Assets	
Current Assets	
Cash	$ 520,192
Accrued Interest Receivable	420
Delinquent Assessments Receivable	3,413
Prepaid Insurance	1,977
Total Current Assets	526,002
Capital Assets - Net	467,000
Total Assets	993,002
Liabilities	
Current Liabilities	
Accounts Payable	3,262
Total Liabilities	3,262
Net Position	
Restricted for Capital Assets, Net of Related Debt	467,000
Unrestricted	522,740
Total Net Position	$ 989,740

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

RAISIN CITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

Operating Revenues	
Assessments	$ 37,492
Total Operating Revenues	37,492
Operating Expenses	
Advertising	301
Dues	10,715
Election Expense	8,194
Engineering and Planning	61,384
Insurance	2,508
Legal and Accounting	44,222
Miscellaneous	35
Total Operating Expenses	127,359
Operating Income (Loss)	(89,867)
Nonoperating Income	
Interest Income	3,642
GSA Reimbursement	1,362
Total Nonoperating Income	5,004
Change In Net Position	(84,863)
Net Position at Beginning of Year, Restated	1,074,603
Net Position at End of Year	$ 989,740

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

RAISIN CITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 37,198
Cash Paid to Suppliers	(293,349)
Net Cash Flows from Operating Activities	(256,151)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
GSA Reimbursements and Other Income	1,362
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	6,402
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Assests Acquired	(109,769)
Net Change in Cash	(358,156)
Cash at the Beginning of Year	878,348
Cash at the End of Year	$ 520,192

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (89,867)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Delinquent Assessments Receivable	(294)
Prepaid Insurance	(127)
Accounts Payable	(165,863)
Net Cash Flows from Operating Activities	$ (256,151)

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

(1) Description of Entity

(a) Description of Operations

Raisin City Water District (the "District") was formed in 1962 as a special district in the State of California and is governed by a five-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to obtain a surface water supply for the benefit of lands within the District. A surface water supply has not yet been made available.

(b) Reporting Entity

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Raisin City Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. It is the policy of the District to invest only in banks or savings and loans and the California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established. For those customers that do become uncollectible, liens can be placed on property for future collection.

(d) Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

a. **Net investment in capital assets**—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets. The District did not have a net investment in capital assets at June 30, 2021.

b. **Restricted net position**—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District did not have a restricted net position as of June 30, 2021.

c. **Unrestricted net position**—All remaining net position that does not meet the definition of "restricted" or "invested in capital assets".

(e) Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2021 consisted of the following:

Checking – WestAmerica Bank	$ 19,815
State of California Local Agency Investment Fund (LAIF)	500,377
Total Cash	$ 520,192

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Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs to valuation methodology include inputs –other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
State of California - LAIF	$ 500,377	$ -	$ 500,377	$ -

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 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. This account is considered Level 2.

Authorized Deposits and Investments

The District's investment policy authorizes investments in the California Local Agency Investment Fund (LAIF). The District's investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

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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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the LAIF is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies, is LAIF at 96.19% as of June 30, 2021, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk.

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 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 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District did not have cash with financial institutions that exceeded federal depository insurance limits as of June 30, 2021.

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(4) Capital Assets

Capital asset activity for the year ended June 30, 2021 consisted of the following:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Construction In Progress	$ 357,231	$ 109,769	$ -	$ 467,000
Less Accumulated Depreciation	-	-	-	-
	$ 357,231	$ 109,769	$ -	$ 467,000

The District's construction in progress consists of the design for the McMullin Recharge Project. It is estimated that the design was at approximately 30% completion at June 30, 2021.

(5) Restatement of Beginning Financial Position

The beginning net position has been restated to reflect the capitalization of assets by the district for a capital project which was in progress as of June 30, 2021. The amount of the capitalized costs were $174,513.

Net Position at Beginning of Year, As Previously Stated	$ 900,090
Restatement Amount	174,513
Net Position at Beginning of Year, Restated	$1,074,603

(6) Subsequent Events

Management has evaluated subsequent events through November 4, 2021, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

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RAISIN CITY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2022

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RAISIN CITY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

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RAISIN CITY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2022

Board of Directors

R. Gere Gunlund	President
Jonathan DeGroot	Vice-President
Gagandip Batth	Director
Don Cameron	Director
John Verwey	Director

Administration

Randy Hopkins	Manager
Rick Besecker	Treasurer

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Raisin City Water District
Clovis, California

Opinion

We have audited the accompanying statements of Raisin City Water District (the district) as of and for the year ended June 30, 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Raisin City Water District, as of June 30, 2022, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Raisin City Water District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

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7543 North Ingram, Suite 102
Fresno, California 93711
phone 559-261-4300 fax 559-261-4301

In performing an audit in accordance with generally accepted 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 Raisin City Water District 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 judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about the Raisin City Water District 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 on pages 4-6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Rutherford & Montero

November 28, 2022

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RAISIN CITY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Raisin City Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2022. Please read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position decreased $40,012 or 4.04% over the course of the year operations.
- The District's operating revenue was $39,331 for the year ended June 30, 2022. Operating expenses for the year ended June 30, 2022 were $81,240.
- The District had no capital assets for the year ended June 30, 2022.
- The District had no long-term debt for June 30, 2022.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

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Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

Condensed Statement of Net Position
June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Current Assets	$ 486,286	$ 526,002	$ (39,716)	-7.55%
Capital Assets	-	467,000	$ (467,000)	-100.00%
Noncurrent Assets	467,000	-	467,000	#DIV/0!
Total Assets	953,286	993,002	(39,716)	-4.00%
Current Liabilities				
Total Liabilities	5,076	3,262	1,814	55.61%
Restricted for Capital Assets, Net of Related Debt	-	467,000	(467,000)	-100.00%
Unrestricted Assets	948,210	522,740	425,470	81.39%
Total Net Position	$ 948,210	$ 989,740	$ (41,530)	-4.20%

The table shows that the District's net position decreased $41,530 or 4.2% for the year ended June 30, 2022. Factors contributing to this change include:

- Net assets, primarily cash, has decreased from the prior year due to the District's expenses exceeding revenues for the year.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Operating Revenues	$ 37,813	$ 37,492	$ 321	0.86%
Operating Expenses	81,240	127,359	(46,119)	-36.21%
Operating Income (Loss)	(43,427)	(89,867)	46,440	-51.68%
Non-Operating Revenues	1,897	5,004	(3,107)	-62.09%
Change In Net Position	(41,530)	(84,863)	43,333	-51.06%
Net Position - Beginning of Year	989,740	1,074,603	(84,863)	-7.90%
Net Position - End of Year	$ 948,210	$ 989,740	$ (41,530)	-4.20%

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The table shows that the District's net position decrease was $41,530 or 4.2% for the year ended June 30, 2022. Factors contributing to this change include:

- Revenues are consistent with the prior year and expenses have decreased from the prior year by $46,119 or 36.21%. However, expenses continued to exceed revenue.

Budgetary Highlights

The District adopts an annual budget each year to project the costs for operations for the coming year. The budget includes these projected expenses and the means of financing them. Management throughout the year analyzes the District's budget; however, it is not reported on, nor shows in the financial statements section of this annual report.

At June 30, 2022, the actual to budget comparison is presented in the following table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2022

	Actual	Budget	Difference	Percentage
Total Expenses	$ 81,240	$ 256,000	$ (174,760)	-68.27%

Capital Assets

The District has no capital assets.

Debt Service Requirements

The District has no long-term debt.

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Raisin City Water District, 455 W. Fir Avenue, Clovis, California 93611.

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RAISIN CITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

Assets	
Current Assets	
Cash	$ 477,993
Accrued Interest Receivable	884
Delinquent Assessments Receivable	5,236
Prepaid Insurance	2,173
Total Current Assets	486,286
Noncurrent Assets	
Other Receivables	467,000
Total Assets	953,286
Liabilities	
Current Liabilities	
Accounts Payable	5,076
Total Liabilities	5,076
Net Position	
Unrestricted	948,210
Total Net Position	$ 948,210

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

RAISIN CITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

Operating Revenues	
Assessments	$ 37,813
Total Operating Revenues	37,813
Operating Expenses	
Advertising	139
Dues	11,465
Engineering and Planning	44,555
Insurance	2,697
Legal and Accounting	16,744
Miscellaneous	139
Outreach	5,501
Total Operating Expenses	81,240
Operating Income (Loss)	(43,427)
Nonoperating Income	
Interest Income	1,897
Total Nonoperating Income	1,897
Change In Net Position	(41,530)
Net Position at Beginning of Year	989,740
Net Position at End of Year	$ 948,210

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

RAISIN CITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 35,990
Cash Paid to Suppliers	(79,622)
Net Cash Flows from Operating Activities	(43,632)
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	1,433
Net Change in Cash	(42,199)
Cash at the Beginning of Year	520,192
Cash at the End of Year	$ 477,993

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (43,427)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Delinquent Assessments Receivable	(1,823)
Prepaid Insurance	(196)
Accounts Payable	1,814
Net Cash Flows from Operating Activities	$ (43,632)

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

(1) Description of Entity

(a) Description of Operations

Raisin City Water District (the "District") was formed in 1962 as a special district in the State of California and is governed by a five-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to obtain a surface water supply for the benefit of lands within the District. A surface water supply has not yet been made available.

(b) Reporting Entity

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Raisin City Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. It is the policy of the District to invest only in banks or savings and loans and the California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established. For those customers that do become uncollectible, liens can be placed on property for future collection.

(d) Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

a. **Net investment in capital assets**—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets. The District did not have a net investment in capital assets at June 30, 2022.

b. **Restricted net position**—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District did not have a restricted net position as of June 30, 2022.

c. **Unrestricted net position**—All remaining net position that does not meet the definition of "restricted" or "invested in capital assets".

(e) Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2022 consisted of the following:

Checking – WestAmerica Bank	$ 15,230
State of California Local Agency Investment Fund (LAIF)	462,763
Total Cash	$ 477,993

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Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs to valuation methodology include inputs –other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
State of California - LAIF	$ 462,763	$ -	$ 462,763	$ -

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 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. This account is considered Level 2.

Authorized Deposits and Investments

The District's investment policy authorizes investments in the California Local Agency Investment Fund (LAIF). The District's investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

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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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the LAIF is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies, is LAIF at 96.81% as of June 30, 2022, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk.

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 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 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District did not have cash with financial institutions that exceeded federal depository insurance limits as of June 30, 2022.

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(4) Capital Assets

Capital asset activity for the year ended June 30, 2022 consisted of the following:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2022
Construction In Progress	$ 467,000	$ -	$ 467,000	$ -
Less Accumulated Depreciation	-	-	-	-
	$ 467,000	$ -	$ 467,000	$ -

The District's construction in progress consists of the design for the McMullin Recharge Project was transferred to McMullin Area Groundwater Sustainability Agency (MAGSA) during the year ending June 30, 2022. At June 30, 2022 the District had no capital assets.

(5) McMullin Area Groundwater Sustainability Agency Receivable

The District funded the McMullin Recharge Project designs, an asset valued at $467,000 for the year ending June 30, 2021. The District transferred the assets to McMullin Area Groundwater Sustainability Agency (MAGSA) during the year ending June 30, 2022 for them to begin construction of the project. MAGSA will reimburse the District in full for the designs. The District anticipates receiving reimbursement in 2024.

(6) Subsequent Events

Management has evaluated subsequent events through November 28, 2022, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

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RAISIN CITY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2023

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RAISIN CITY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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RAISIN CITY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2023

Board of Directors

R. Gere Gunlund	President
Jonathan DeGroot	Vice-President
Gagandip Batth	Director
Don Cameron	Director
John Verwey	Director

Administration

Randy Hopkins	Manager
Rick Besecker	Treasurer

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Raisin City Water District
Clovis, California

Opinion
We have audited the accompanying statements of Raisin City Water District (the district) as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Raisin City Water District, as of June 30, 2023, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Raisin City Water District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Raisin City Water 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 Responsibility for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

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7543 North Ingram, Suite 102
Fresno, California 93711
phone 559-261-4300 fax 559-261-4301

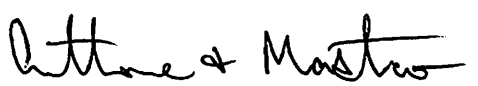
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Raisin City Water District 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 judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about the Raisin City Water District 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 on pages 4-6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



September 4, 2023

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RAISIN CITY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Raisin City Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2023. Please read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position decreased $30,023 or 3.17% over the course of the year operations.
- The District's operating revenue was $39,151 for the year ended June 30, 2023. Operating expenses for the year ended June 30, 2023 were $91,139.
- The District had no capital assets for the year ended June 30, 2023.
- The District had no long-term debt for June 30, 2023.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

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Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

Condensed Statement of Net Position
June 30, 2023 and 2022

	2023	2022	Dollar Change	Percentage Change
Current Assets	$ 467,127	$ 486,286	$ (19,159)	-3.94%
Noncurrent Assets	467,000	467,000	-	0.00%
Total Assets	934,127	953,286	(19,159)	-2.01%
Current Liabilities				
Total Liabilities	15,940	5,076	10,864	214.03%
Unrestricted Assets	918,187	948,210	(30,023)	-3.17%
Total Net Position	$ 918,187	$ 948,210	$ (30,023)	-3.17%

The table shows that the District's net position decreased $30,023 or 3.17% for the year ended June 30, 2023. Factors contributing to this change include:

- Net assets, primarily cash, has decreased from the prior year due to the use of current assets to meet the needs of the District.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2023 and 2022

	2023	2022	Dollar Change	Percentage Change
Operating Revenues	$ 39,151	$ 37,813	$ 1,338	3.54%
Operating Expenses	91,139	81,240	9,899	12.18%
Operating Income (Loss)	(51,988)	(43,427)	(8,561)	19.71%
Non-Operating Revenues	21,965	1,897	20,068	1057.88%
Change In Net Position	(30,023)	(41,530)	11,507	-27.71%
Net Position - Beginning of Year	948,210	989,740	(41,530)	-4.20%
Net Position - End of Year	$ 918,187	$ 948,210	$ (30,023)	-3.17%

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The table shows that the District's net position decrease was $30,023 or 3.17% for the year ended June 30, 2023. Factors contributing to this change include:

- Revenues are consistent with the prior year and expenses have increased from the prior year by $9,899 or 12.18% due to increased engineering expenses.

Budgetary Highlights

The District adopts an annual budget each year to project the costs for operations for the coming year. The budget includes these projected expenses and the means of financing them. Management throughout the year analyzes the District's budget; however, it is not reported on, nor shows in the financial statements section of this annual report.

At June 30, 2023, the actual to budget comparison is presented in the following table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2023

	Actual	Budget	Difference	Percentage
Total Expenses	$ 91,139	$ 242,400	$ (151,261)	-62.40%

Capital Assets

The District has no capital assets.

Debt Service Requirements

The District has no long-term debt.

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Raisin City Water District, 455 W. Fir Avenue, Clovis, California 93611.

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RAISIN CITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

Assets	
Current Assets	
Cash	$ 458,090
Accrued Interest Receivable	3,324
Delinquent Assessments Receivable	3,366
Prepaid Insurance	2,347
Total Current Assets	467,127
Noncurrent Assets	
Other Receivables	467,000
Total Assets	934,127
Liabilities	
Current Liabilities	
Accounts Payable	15,940
Total Liabilities	15,940
Net Position	
Unrestricted	918,187
Total Net Position	$ 918,187

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

RAISIN CITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

Operating Revenues	
Assessments	$ 39,151
Total Operating Revenues	39,151
Operating Expenses	
Advertising	130
Dues	11,930
Engineering and Planning	58,693
Insurance	2,955
Legal and Accounting	14,741
Miscellaneous	13
Outreach	2,677
Total Operating Expenses	91,139
Operating Loss	(51,988)
Nonoperating Income	
Interest Income	10,061
Grant Income	11,904
Total Nonoperating Income	21,965
Change In Net Position	(30,023)
Net Position at Beginning of Year	948,210
Net Position at End of Year	$ 918,187

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

RAISIN CITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 41,021
Cash Paid to Suppliers	(80,449)
Net Cash Flows from Operating Activities	(39,428)
CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES	
Grants Received	11,904
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	7,621
Net Change in Cash	(19,903)
Cash at the Beginning of Year	477,993
Cash at the End of Year	$ 458,090

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (51,988)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Delinquent Assessments Receivable	1,870
Prepaid Insurance	(174)
Accounts Payable	10,864
Net Cash Flows from Operating Activities	$ (39,428)

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

(1) Description of Entity

(a) Description of Operations

Raisin City Water District (the "District") was formed in 1962 as a special district in the State of California and is governed by a five-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to obtain a surface water supply for the benefit of lands within the District. A surface water supply has not yet been made available.

(b) Reporting Entity

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Raisin City Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. It is the policy of the District to invest only in banks or savings and loans and the California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established. For those customers that do become uncollectible, liens can be placed on property for future collection.

(d) Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

a. **Net investment in capital assets**—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets. The District did not have a net investment in capital assets at June 30, 2023.

b. **Restricted net position**—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District did not have a restricted net position as of June 30, 2023.

c. **Unrestricted net position**—All remaining net position that does not meet the definition of "restricted" or "invested in capital assets".

(e) Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2023 consisted of the following:

Checking – WestAmerica Bank	$ 34,710
State of California Local Agency Investment Fund (LAIF)	423,380
Total Cash	$ 458,090

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Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs to valuation methodology include inputs –other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
State of California - LAIF	$ 423,380	$ -	$ 423,380	$ -

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 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. This account is considered Level 2.

Authorized Deposits and Investments

The District's investment policy authorizes investments in the California Local Agency Investment Fund (LAIF). The District's investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

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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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the LAIF is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies, is LAIF at 92.42% as of June 30, 2023, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk.

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 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 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District did not have cash with financial institutions that exceeded federal depository insurance limits as of June 30, 2023.

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(4) McMullin Area Groundwater Sustainability Agency Receivable

The District funded the McMullin Recharge Project designs, an asset valued at $467,000. The District transferred the assets to McMullin Area Groundwater Sustainability Agency (MAGSA) during the year ending June 30, 2022 for them to begin construction of the project. MAGSA will reimburse the District for the eligible design costs provided MAGSA receives grant funding for the project. The District anticipates receiving reimbursement in 2024.

(5) Subsequent Events

Management has evaluated subsequent events through September 4, 2023, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

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Appendix C. RCWD By-Laws

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AMENDED AND RESTATED
BYLAWS OF
RAISIN CITY WATER DISTRICT
COUNTY OF FRESNO, STATE OF CALIFORNIA

ARTICLE I. PURPOSE

These are the Bylaws of Raisin City Water District (the "District"). The purposes of the Bylaws are to provide for the orderly conduct of the members of the District's Board of Directors (the "Board"), and meetings of the Board, and encourage public participation in such Board meetings. These Bylaws are stated and adopted as of August 11, 2015, and shall govern the District from this point forward and shall supersede any previous Bylaws adopted by the District.

ARTICLE II. DISTRICT POWERS

All District powers shall be those established by the California Water District Law and shall be exercised by, under, and by virtue of the authority of the Board. All powers for the management, government, and control of the District and its affairs, not by law or these Bylaws conferred upon any other person, officer, or official are hereby reserved in the Board of the District to the maximum extent permitted by law.

ARTICLE III. OFFICE

1. PRINCIPAL OFFICE.

The principal office for the transaction of the business of the District is hereby fixed and located at 1100 West Shaw Avenue, Fresno, California 93711.

2. METHOD OF CHANGING LOCATION OF OFFICE.

If for any reason it is necessary that the location of the District office be changed or that a change of location of such office will better suit the convenience of the District and its members, the Board is hereby expressly authorized and empowered to enact a resolution by a majority vote to be entered upon its minutes to change the location of the District office to some other place or location. The District office need not be located within the District.

ARTICLE IV. MEETINGS OF THE DISTRICT

1. LOCATION OF MEETINGS

The Board of Directors shall hold regular and special meetings of the Directors at Raisin City Elementary School, located at 6425 West Bowles, Raisin City, California 93652.

2. ORGANIZATION MEETING.

At the first regular meeting after the Directors take office following the general election of the District, the Directors shall meet and organize as a Board, and may transact any

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other business of the District. At its organizational meeting, the Board shall elect the President and the Vice President from its members and appoint a Secretary, a Treasurer and an Assessor-Tax Collector, who need not be members of the Board.

3. REGULAR MEETINGS.

The Board shall hold a regular meeting, in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq., on the second Tuesday of each month at the location designated in Article IV, Section 1, at the hour of 3:00 p.m. At least 72 hours before a regular meeting, the Board or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. No action or discussion shall be taken on any item not appearing on the posted agenda. However, members of the Board may briefly respond to statements made or questions posed by persons exercising their public testimony rights. Also, either on their own initiative or in response to questions posed by the public, members of the Board may ask a question for clarification, provide a reference to staff or other resources for factual information or request staff to report back to the Board at a subsequent meeting concerning any matter.

a. ITEMS NOT POSTED ON AGENDA

Any member of the Board or the Board may also take action to direct staff to place a matter of business on a future agenda. The Board may take action on items of business not appearing on the posted agenda under any of the following conditions: (i) upon a determination by a majority vote of the Board that an emergency situation exists, which for purposes of these Bylaws shall mean any of the following: (A) work stoppage or other activity which severely impairs public health, safety, or both, as determined by a majority of the members of the Board, or (B) crippling disaster which severely impairs public health, safety, or both, as determined by a majority of the members of the Board; (ii) upon a determination of a 2/3 vote of the Board, or, if less than 2/3 of the members of the Board are present, a unanimous vote of those members present, that there is a need to take immediate action and the need to take action arose came to the attention of the local agency subsequent to the agenda being posted as specified herein; or (iii) the item was posted pursuant to this Article III, Section 2 for a prior meeting of the Board occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which the action is being taken.

b. PUBLIC PARTICIPATION

Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that are within the subject matter jurisdiction of the Board. The agenda need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee composed exclusively of the Board at a public meeting wherein all interested members of the public were afforded an opportunity to address the committee on the item (before or during the committee's consideration of the item)

unless the item has been substantially changed since the committee heard the item. Whether an item has been substantially changed shall be determined by the Board.

c. ADOPTION OF REGULATIONS

No action or discussion shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by these Bylaws. The Board may adopt reasonable regulations to ensure that the intent of the preceding sentence is carried out including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker but the Board may not prohibit public criticism of the policies, procedures, programs or services of the District or of the acts or omissions of the Board.

4. CHANGE OF TIME AND PLACE OF REGULAR MEETINGS.

The Board, by resolution entered upon its minutes, may change the place, date and/or time of the regular meeting at any time. Regular and special meetings of the Directors shall be held within the boundaries of the territory over which the District exercises jurisdiction unless exceptional circumstances exist as set forth by California Government Code § 54954(b), or as otherwise may be authorized under the Brown Act.

5. ADJOURNED MEETINGS.

The Board, or any members of the Board if less than a quorum, may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. (Cal. Gov. Code § 54955.) Any act done at an adjourned meeting shall have the same force and effect as if done at the meeting from which it was adjourned. A notice specifying the time and place of the adjourned meeting together with the order of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held, as well as at the District office, within twenty-four (24) hours after the time of adjournment.

6. SPECIAL MEETINGS.

A special meeting may be called at any time by the President or the General Manager by delivering personally or by any other legally permissible means to each member of the Board in accordance with Section 54956 of the Government Code. The written notice shall be given personally or by any other permitted means to each Board member and to whoever has requested notice in writing. At such time as the District establishes a website, the notice shall also be posted on the District's website at least 24 hours before the time of the meeting as specified in the notice. The special meeting notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered a special meeting. The special meeting notice must be posted at least 24 hours before the meeting in the usual agenda posting location. The written notice may be dispensed with as to any director who at any time prior to the time the meeting convenes files with the secretary written waiver of

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notice. The written notice may also be dispensed with as to any director who is actually present at the meeting at the time it convenes.

7. CLOSED SESSIONS.

The Board may enter into a closed session during a regular, adjourned regular, special or adjourned special meeting to consider matters as may lawfully be considered in such sessions. (Cal. Gov. Code § 54950 et seq.) Prior to any closed session, the item(s) to be discussed shall be disclosed and only those matters covered in such disclosure may be considered in such closed session, and the Board shall make a finding regarding which individuals' participation is deemed essential for discussion of which closed session items. Disclosure may take the form of a reference to the item(s) as listed by number or letter on the agenda. Due to the fact that the national and state water, environmental, and political issues are so complex, the Board may find that the participation of the District's directors and their alternates in closed sessions of the Board meetings is essential in order to allow the Alternate Directors to be able to keep abreast of these matters so that they may vote meaningfully upon issues presented at meetings when they are called on to do so. After a closed session, the Board shall report publicly, orally or in writing, any action taken in closed session, as well as the vote or abstention of every member present as provided by law. Any information provided in closed session shall maintain its privileged and confidential nature, pursuant to the provisions included in section 54956.96 of the Government Code.

8. QUORUM.

A majority of the Board shall constitute a quorum for the transaction of business and a vote of a majority of the Directors present at any meeting attended by a quorum shall determine any proposition or resolution presented.

9. CONDUCT OF MEETINGS.

The President, or in his absence the Vice President, shall preside and conduct all meetings of the Board. In the absence of the President and Vice President at any meeting where a quorum is present, the Board shall appoint a President Pro Tempore (who shall be a Director), who shall preside over the meeting. Any representative abstaining from a vote shall be counted for purposes of determining the existence of a quorum, but shall not be deemed to be voting.

10. MEETINGS ARE PUBLIC.

All meetings of the Board and every committee shall be called, held, noticed and conducted according to the provisions of the Ralph M. Brown Act (California Government Code Sections 54950 et seq.), except such committee meetings that are not subject to said Act. All meetings of the Board and every committee subject to the aforementioned Act, are open to the public, but the public does not have any right to vote on any matter being determined by any District committee. Accordingly, all District committees shall comply with the provisions of this Article IV, with regard to conducting their meetings.

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11. MINUTES

The Secretary of shall prepare minutes of all meetings of the Board of Directors and, as soon as possible after each meeting, provide each Director with a copy of the draft minutes

12. COMPENSATION

Compensation and reimbursable expenses of the Board and any committee members shall be set from time to time by the Board in accordance with California law and Article VI of these Bylaws.

ARTICLE V. ELECTIONS

1. GENERAL DISTRICT ELECTION.

The general district election of the District shall be held at the time provided by the California Elections Code. (California Elections Code Section 23500, et seq.), and any other applicable laws of the State of California. Such election shall be called, noticed, held and conducted in a manner determined by the Board which is consistent with such California Elections Code, the California Water District Law, and all other applicable laws of the State of California, and the Directors and the elective officers (if any) of the District shall be elected at said election.

2. SPECIAL ELECTIONS.

The Board by resolution may call a special election on any proposition which the Board desires to present or is required by law to present to the voters of the District. Such special election shall be called, noticed, held and conducted in a manner determined by the Board which is consistent with the California Elections Code, the California Water District Law, and all other applicable laws of the State of California.

3. NOTICE OF ELECTIONS.

The Board or the Fresno County Clerk shall, before any general or special district election is held, give notice of the time and place and purpose of the election as required by law. The polling place or places in all elections shall be determined by the Board and set forth in the notice of election, or as may be provided by the applicable laws of the State of California.

4. QUALIFIED VOTERS.

All persons voting at a general or special election of the District shall be qualified as provided by the California Elections Code, the California Water District Law and all other applicable laws of the State of California and shall be entitled to the number of votes as therein provided. (Cal. Water Code §§ 35003 & 35003.1.) When any parcel, or parcels of land lying within the boundaries of this District are assessed to more than one person, as shown by the next preceding assessment book of the District, each person whose name appears on said assessment,

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book for said parcel shall be entitled to his or her pro rata share of all votes cast by the reason of ownership of said parcel. Every qualified voter, or his or her legal representative, may vote either in person or by proxy at any District election. The manner of voting either in person or by proxy shall he as specified in the California Elections Code, the California Water District Law, and these Bylaws.

5. PROXY.

No appointment of a proxy shall be valid, accepted, or vote allowed thereon at any general or special District election unless it meets all of the following requirements:

a. It is in writing.

b. It is executed by the person or legal representative of the person who under California law and these Bylaws is entitled to the votes for which the proxy is given.

c. It is acknowledged or certified in accordance with Section 2015.5 of the California Code of Civil Procedure.

d. It specifies the election at which it is to be used. An appointment of a proxy shall be used only at the election specified.

e. It shall be on a form prescribed by the Fresno County Clerk meeting the above requirements.

Every appointment of a proxy is revocable at the pleasure of the person executing it at any time before the person appointed as proxy shall have cast a ballot representing the votes for which the appointment was given. Before a legal representative votes at a District election, he shall present to the precinct board a certified copy of his authority, which shall be kept and filed with the returns of the election. (Cal. Water Code. §§ 35004 & 35005.)

6. NOMINATION OF DIRECTORS AND OFFICERS.

All Directors and any other officers to be voted upon at a general or special District election, for election to the offices of the District, shall first qualify for their names to be placed on the ballot to be voted upon for the respective office to which they seek election as set forth in the California Elections Code, by the California Water District Law, Article VI of these Bylaws, and by any other applicable laws of the State of California.

7. RECALL ELECTIONS.

Recall elections shall be called, held and conducted as prescribed in Division 16 of the California Elections Code (Elections Code Section 27000, et seq.) and the California Water District Law.

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ARTICLE VI. DIRECTORS AND OFFICERS

1. QUALIFICATIONS.

Each Director of the District must be a holder of title to land in the District or the legal representative of a landholder. (Cal. Water Code § 34700..) If the landholder is a corporation, the president of the corporation or a person selected by resolution of its board of directors, may serve as a Director. The Directors and officers of the District must be over eighteen (18) years of age, and be otherwise qualified in accordance with California law.

2. DUTIES.

The Board and the officers and employees of the District shall perform all duties set forth in the California Water District Law and these Bylaws, and shall at all times comply with the Constitution and the laws of the State of California.

3. OFFICERS.

The officers of the District shall be a President, a Vice president a Secretary, Treasurer and an Assessor-Tax Collector. Officers other than the President and Vice President are not required to be Directors. One person may hold two or more offices, except that no one person shall hold any two or more of the offices of President, Vice President and Secretary.

4. SUBORDINATE OFFICERS.

The Board shall employ and appoint such other officers and employees as the business of the District may require. Each such officer or employee shall hold such office for such period, have such authority and perform such duties, and receive such salary, as provided in the Bylaws or as the Board may from time to time determine.

5. TENURE OF OFFICE.

Directors and elective officers (if any) shall hold their office for the term provided in the California Elections Code or the California Water District Law. (Cal. Water Code § 34705.) The President, Vice President, Secretary, Treasurer, Assessor-Tax Collector and any other officer appointed by the Board shall serve at the pleasure of the Board and may be removed either with or without cause by a majority of the Directors at any time in office, at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of remove may be conferred by the Board. Any Director or officer may resign at any time by giving written notice to the Board or to the President or to the Secretary of the District. Any such resignation shall take effect at the date of the receipt of such notice or a later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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6. TIME AND MANNER OF APPOINTMENT OR ELECTION OF DIRECTORS AND OFFICERS.

The Board and elective officers (if any) shall be elected at the general election as provided at Article V., except as otherwise provided in the California Elections Code or the California Water District Law. The Secretary, the Treasurer and The Assessor-Tax Collector shall be appointed by the Board and the Board shall have the power to segregate the offices of Assessor and Tax Collector in any manner permitted by the California Elections Code or California Water District Law.

7. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause may be filled by appointment by the Board within sixty (60) days immediately subsequent to the effective date of such vacancy, and a notice of the vacancy shall be posted in three (3) more conspicuous places in the District at least fifteen (15) days before the appointment is made. (Cal. Water Code. § 3470; Gov. Code § 1780.) A person appointed to fill a vacancy on the Board shall hold office until the next district general election that is scheduled 130 or more days after the effective date of the vacancy, unless an election is also held on the same date for the purpose of electing a director to serve a full term in the same office to which the person was appointed, in which even the person appointed to the vacancy shall fill the balance of the unexpired term of his predecessor. In lieu of making an appointment to fill a vacancy on the Board, the remaining members of the Board may within 60 days of the vacancy call an election to fill the vacancy, which election shall be held on the next available election date provided by Chapter 1 of Division 4 of the California Elections Code that is 130 or more days after the vacancy occurs. In the event the Board elects not to fill a vacancy on the Board as provided by this Bylaw, it shall be filled in accordance with California Government Code Section 1780 or its successor.

8. PRESIDENT.

The Board shall elect one of its members as President of the District. The President shall be the chief executive officer of the District and shall have general supervision, direction, and control of the business and affairs of the District. The President shall preside at all meetings of the members and all meetings of the Board. The President shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board or the Bylaws.

9. VICE PRESIDENT.

The Board shall elect one of its members as Vice President of the District. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may from time to time be prescribed by the Board or these Bylaws.

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10. SECRETARY.

The Secretary of the District shall be appointed by the Board. The Secretary shall keep a record of all proceedings had at meetings of the Board at the principal office of the District, or such other place as the Board may order. Such record shall include the time and place of holding the meetings, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, and the number of members present or represented at members' meetings, and the proceedings thereof. The Secretary shall file all documents pertaining to the District's affairs at the office of the District and the same shall be open to inspection at all times by any person interested. The Secretary shall give, or cause to be given, notice of all meetings of the Board and of the members of the District as required by California law or the Bylaws, and shall keep the seal of the District in safe custody and shall have such other powers and perform such other duties as may from time to time be prescribed and required by the Board or the Bylaws.

11. TREASURER.

The Treasurer shall be appointed by the Board. (Cal. Water Code § 34711.) The Treasurer shall receive the credit of the District and in trust for its use and benefit all monies belonging to the District, and shall deposit all such monies and other valuables in the name of and to the credit of the District with such depositories as may be designated by the Board. The Treasurer shall disburse funds of the District as may be ordered by the Board and shall render to the President and the Directors, whenever they request it, an account of all his or her transactions as Treasurer and the financial condition of the District. Books of account as maintained by the Treasurer shall at all times be open to inspection by any Director. The Treasurer shall do and perform such other duties as are required of the Treasurer by the California Water District Law or other applicable laws of the State of California.

12. ASSESSOR-TAX COLLECTOR.

The Assessor-Tax Collector shall be appointed by the Board. (Cal. Water Code § 34711.) The Assessor-Tax Collector shall in each fiscal year prepare the District assessment book, prepare and mail any assessments to the levied upon landowners within the District, submit to the Board of Supervisors a statement of all assessments levied against property in the District and do and perform such by the California Water District Law or other applicable laws of the State of California. The Assessor-Tax Collector shall render to the President and Directors, whenever they request it, an account of all his or her transactions as Assessor-Tax Collector. The Board is expressly authorized to provide for the election of the office of Assessor-Tax Collector (or, if segregated, the offices of Assessors and/or Tax Collector) in accordance with the provisions of the California Water District Law.

13. DEPUTIES AND EMPLOYEES.

The Board may employ agents, officers and employees as required and prescribe their duties and fix their compensation. The Board may appoint deputies or assistants for the offices of Secretary, Treasurer and Assessor-Tax Collector in such numbers as may be necessary to perform the functions of said offices. The Board may consolidate the duties of any deputy or

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assistant so that such deputy or assistant may act as deputy or assistant to more than one officer of the District.

14. BONDS OF OFFICERS.

The Board may require a bond in an amount to be determined by the Board for any Director, officer or employee. The premium for any such bond shall be paid by the District.

ARTICLE VII. COMPENSATION OF DIRECTORS AND OFFICERS

1. DIRECTORS.

Unless otherwise provided by a resolution adopted by the Board, no Director shall receive compensation for his or her attendance at meetings of the Board or for any other services rendered as a Director. Any resolution adopted by the board providing compensation to Directors shall not exceed the amount of One Hundred Dollars ($100.00) per day for each day's attendance at meetings of the Board and for each day's service rendered as a Director by request of the Board, not exceeding a total of six (6) days in any calendar month, together with any expenses incurred in the performance of duties required or authorized by the Board. (Cal. Water Code § 34741.)

2. SECRETARY.

Unless otherwise determined by the Board, the Secretary of the District shall serve without compensation, other than to receive such allowance as may be authorized by the Board from time to time to cover expenses incurred by the Secretary in the performance of his or her duties on behalf of the District. (Cal. Water Code § 34741.)

3. TREASURER AND ASSESSOR-TAX COLLECTOR.

The Treasurer and Assessor-Tax Collector shall each be paid such amounts as may be determined by the Board for each fiscal year that they shall perform the duties of those offices, and if their services shall be terminated prior to the expiration of a fiscal year, their salaries shall be prorated to the date of termination, and such salaries shall be paid in one lump sum as soon as the District has sufficient funds with which to pay the same. (Cal. Water Code § 34741.)

4. MISCELLANEOUS OFFICERS.

The Board, by resolution, may compensate officers, employees and deputies other than those set forth above in these Bylaws, with such sums as shall be fixed by the Board. (Cal. Water Code § 34741.)

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ARTICLE VIII. COMMITTEES

1. FORMATION OF COMMITTEES.

The Board may establish committees it deems necessary to carry out the purposes of the District.

a. ROLE OF COMMITTEE

At the time the Board establishes a committee, the Board shall specify (a) the purpose of the committee; (b) the duties of the committee; (c) the authority, if any, delegated to the committee; (d) whether the committee is a standing or ad hoc committee; and (e) any other reporting or other information required by law.

b. REPORTING TO BOARD

All committees shall provide reports and recommendations to the Board.

c. BOARD RETAINS DISCRETIONARY AUTHORITY

To the extent the Board delegates any authority to a committee under this Article VI, the Board shall have final discretionary authority over any decision made by such committee.

2. MEMBERSHIP OF COMMITTEES

The Board shall appoint the members of each committee. Ad hoc committees shall be compromised of two Directors. All other committees shall be comprised of two Directors and at least one member of staff. Ad hoc committees shall not include alternates. All other committees may include alternates, if appointed by the Board.

3. TIME PERIOD FOR OPERATION OF COMMITTEES

Upon the formation of any ad hoc committee, the Board shall specify a date certain – no more than one-year following the formation of such committee – upon which the existence of such ad hoc committee shall cease without further action of the Board. The Board may establish similar timeframes for the operation of all other committees.

4. TERMS

Each committee member shall have a term of four years or less. If for any reason there is a member vacancy on any committee, the Board shall select a new member. At least one committee member shall be replaced on each committee no less than once every two years.

5. GOVERNANCE OF COMMITTEES

Each committee will select its own officer who will become the Chairman of the committee. The Board Secretary shall take minutes and prepare agendas and packets. The committee and District staff shall coordinate meeting schedules and work efforts to allow the maximum time possible for preparation and distribution of committee reports and clear and

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concise recommendations. If the committee has been delegated any decision-making authority by the Board, each committee member shall have one vote.

ARTICLE VIIII. FINANCES, BUDGET, EXPENSES

1. BUDGET

By a date set by the Board of Directors each Fiscal year, the Board of Directors shall adopt a budget for the District for the ensuring Fiscal year. The Fiscal Year of the District shall be from July 1 through June 30 of each year.

2. INSPECTION

All books and records are subject to disclosure under to the Public Records Act.

3. EXECUTION OF CONTRACTS

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Authority, and such authorization may be general or confined to specific instances except as otherwise provided by these Bylaws. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power to bind the District by any contract or engagement, to pledge its credit, or to render it liable for any purpose or in any amount

4. ANNUAL REPORT AND AUDIT

The Board of Directors shall cause an annual report and annual audit to be prepared and made available for inspection pursuant to Article VIIII, section 2 and the Public Records Act after the close of the fiscal year. The minimum requirements of the audit shall be prescribed by the State Controller, as provided in section 26909 of the California Government Code.

ARTICLE X. MISCELLANEOUS

5. INSURANCE

The District shall procure, carry and maintain commercial general liability insurance to include coverage for all operations of the District under these Bylaws, including, but not limited to the following: (a) premises, operations and mobile equipment liability; (b) completed operations and products liability; (c) blanket contractual liability; (d) explosion, collapse, and underground hazards; (e) personal injury liability; and (f) protective liability for impacts on the Parties' operations. The Authority shall provide the Commercial General Liability Insurance with limits not less than the following: (i) $3,000,000.00 on each occurrence, or for a combined occurrence of bodily injury and property damage; (ii) $1,000,000.00 completed operations and products liability; and (iii) $1,000,000.00 personal and advertising injury. The District shall provide the policy with an endorsement for a general aggregate limit per project. Defense costs may not be included in said general aggregate limit.

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6. COUNSEL

The Board of Directors may retain general or special counsel to serve at its pleasure to represent the District.

ARTICLE XI. AMENDMENT OR REPEAL OF BYLAWS

These Bylaws of the District may be repealed or amended or new Bylaws adopted by the assent of two-thirds (2/3) of the total vote the District, given either in writing or by ballot cast at a District election. The Bylaws may also be amended by four-fifths (4/5) vote of the Directors and approval of the Board of Supervisors of Fresno County.

ARTICLE XII. INCURRING INDEBTEDNESS BY DISTRICT

By resolution adopted by a majority of the Board, the District may, in any fiscal year, borrow money to pay its expenses and anticipated expenses for that fiscal year in the event the revenues received by the District to that date are insufficient to discharge such expenses as they mature, and to issue evidences of indebtedness for such borrowings executed by the President and the Secretary in the name of and on behalf of the District; provided, however, that the District shall not borrow any money or incur any indebtedness except by a bond issue or by warrants authorized as provided by California Water District Law, or as may otherwise be authorized by the laws of the State of California.

ARTICLE XIII. SAVINGS CLAUSE

Should any provision of these Bylaws be inconsistent with the laws of the State of California, such laws (and not these Bylaws) shall govern and these Bylaws shall be interpreted to be consisted with such laws.

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AUGUST 11, 2015
RESOLUTION NO. 2015-4

RESOLUTION OF THE BOARD OF DIRECTORS,
RAISIN CITY WATER DISTRICT
APPROVING RAISIN CITY WATER DISTRICT BYLAWS

RESOLVED by the Board of Directors of the Raisin City Water District ("District"), at a regular meeting duly called and held on August 11, 2015, at the meeting place of the District, Raisin City Elementary School, 6425 West Bowles, Raisin City, California 93652 as follows:

WHEREAS, the District was formed and organized as a special district in the State of California in 1962; and

WHEREAS, the District previously adopted Bylaws on October 3, 1995, under which the District has operated since that time; and

WHEREAS, the Directors believe it is desirable for the District to amend its Bylaws to provide additional guidelines regarding the governance of the District, provide greater clarity, and to account for modifications to applicable statutes and regulations; and

WHEREAS, District staff has prepared draft Amended and Restated Bylaws of the Raisin City Water District, a copy of which is attached hereto as Exhibit "A," to, *inter alia*, provide rules of order and procedure for the governance of the District; and

WHEREAS, upon their adoption, the Amended and Restated Bylaws of the Raisin City Water District shall supersede any and all previously adopted bylaws, if any, utilized by the District; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Raisin City Water District hereby adopt the Amended and Restated Bylaws of the Raisin City Water District, in the form attached hereto as Exhibit "A," as the District's official bylaws for the purpose of providing rules of order and procedure for the governance of the District.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Directors of the Raisin City District, at a regular meeting of the Board held on the 11th of August, 2015, by the following vote:

AYES: 4

NOES: 0

ABSENT: 1

ABSTAIN: 0

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ATTEST:

President

Vice President

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Raisin City Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2015-4 adopted August 11, 2015.

Secretary

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Appendix D. MVWD Adopted Budget (FY 23-24)

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Mid-Valley Water District

2023/24 Cash Disbursements

Date	Check Number	Payee	Amount	Management	Legal	Accounting	Audit	Legal Notices	IRWM	Miscel-laneous
07/15/23		Bank Charge	65.96							65.96
07/31/23	1091	Provost & Pritchard	1,164.54			1,078.77				85.77
08/15/23		Bank Charge	58.49							58.49
09/19/23	1092	KerWest Inc	230.00					230.00		
09/19/23	1093	Law Offices of David E Holland	316.00		316.00					
09/19/23	1094	Provost & Pritchard	7,174.50	375.00		6,256.03				543.47
09/15/23		Bank Charge	86.88							86.88
10/16/23	1095	Cuttone & Mastro	4,300.00				4,300.00			
10/16/23	1096	Kings Basin Water Authority	250.00						250.00	
10/16/23	1097	Provost & Pritchard	1,672.88	82.11	1,590.77					
10/15/23		Bank Charge	66.53							66.53
11/15/23		Bank Charge	86.71							86.71
11/27/23	1098	Calfornia Farm Water Coalition	125.00							125.00
11/27/23	1099	Provost & Pritchard	1,522.87	179.87		1,343.00				
12/07/23	1041	ACWA/JPIA	2,182.00							2,182.00
12/11/23		Check Purchase Charge	167.34							167.34
12/15/23		Bank Charge	60.14							60.14
01/17/24	1100	ACWA/JPIA	3,060.00							3,060.00
01/17/24	1101	Provost & Pritchard	1,034.31			1,034.31				
01/15/24		Bank Charge	73.69							73.69
02/15/24		Bank Charge	73.30							73.30
03/20/24	1102	Provost & Pritchard	620.84			620.84				
		Total Budgeted Disbursements	24,391.98	636.98	1,906.77	10,332.95	4,300.00	230.00	250.00	6,735.28
		Actual 2022/23	34,403	7,446	1,510	12,765	3,540	260	0	8,881
		Adopted 2023/24 Budget	37,750	12,000	5,000	12,000	3,000	500	250	5,000
		Percent of Adopted 2023/24 Budget	65	5	38	86	143	46	100	135
Off-Budget Disbursements										
10/05/23		USBR	12,230.98							12,230.98
		Total Off-Budget Disbursements	12,230.98	0.00	0.00	0.00	0.00	0.00	0.00	12,230.98
		Total Disbursements	36,622.96	636.98	1,906.77	10,332.95	4,300.00	230.00	250.00	18,966.26

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Mid-Valley Water District

2023/24 Cash Receipts

Date	Number	Customer	Amount	1st Benefit Assessment	2nd Benefit Assessment	Delinquent Benefit Assessment	Penaties and Fees	Interest	Other
08/21/23		County of Fresno	1,198.66			1,198.66			
09/21/23		B & P Singh and K Sangha	3,475.58			2,245.89	20.00	1,209.69	
02/05/24		County of Fresno	21,250.39	21,250.39					
		Total Receipts	25,924.63	21,250.39	0.00	3,444.55	20.00	1,209.69	0.00

2023/24 Bank Balance

Local Agency Investment Fund

Date	Description	Withdrawals	Deposits	Balance
07/01/23	Balance Forward			68,256.94
07/15/23	Interest Earned		535.91	68,792.85
10/13/23	Interest Earned		752.82	69,545.67
08/08/23	Transfer from General		25,000.00	94,545.67
10/04/23	Transfer to General	13,000.00		81,545.67
10/30/23	Transfer to General	5,000.00		76,545.67
12/08/23	Transfer to General	5,000.00		71,545.67
01/24/24	Transfer to General	5,000.00		66,545.67
01/12/24	Interest Earned		775.90	67,321.57
	Interest Earned			67,321.57
	Transfer to General			67,321.57
	Transfer from General			67,321.57
06/30/23	Ending Balance			67,321.57

General Checking Account

Date	Description	Withdrawals	Deposits	Balance
07/01/23	Balance Forward			33,033.25
	Receipts		25,924.63	58,957.88
	Transfers from LAIF		28,000.00	86,957.88
	Transfers to LAIF	25,000.00		61,957.88
	Disbursements	36,622.96		25,334.92
06/30/24	Ending Balance			25,334.92

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MID-VALLEY WATER DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2023

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MID-VALLEY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2023

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MID-VALLEY WATER DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2023

Board of Directors

Ariel Namvar	President
Nadav Ichaki	Vice President/Secretary
Jay Gill	Treasurer
Farokh Saadat	Assessor-Collector
Fara Raban	Director

Administration

Randy Hopkins	Manager – Engineer
Rick Besecker	Assistant Assessor-Collector & Treasurer
David Holland	Attorney

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cuttone & mastro
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Mid-Valley Water District
Clovis, California

Opinion
We have audited the accompanying statements of Mid-Valley Water District (the district) as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Mid-Valley Water District, as of June 30, 2023, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Mid-Valley Water District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Mid-Valley Water District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

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7543 North Ingram, Suite 102
Fresno, California 93711
phone 559-261-4300 fax 559-261-4301

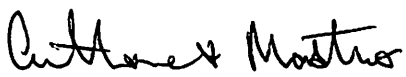
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Mid-Valley Water District 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 judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about the Mid-Valley Water District 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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



September 28, 2023

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MID-VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Mid-Valley Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the year ended June 30, 2023. Please read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position increased $1,941 or 1.72% over the course of the year operations.
- The District's operating revenue was $36,830 for the year ended June 30, 2023. Operating expenses for the year ended June 30, 2023 were $36,640.
- The District had no capital assets for June 30, 2023.
- The District had no long-term debt for June 30, 2023.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report, the basic financial statements of the District and selected additional information. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

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Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

Condensed Statement of Net Position
June 30, 2023 and 2022

	2023	2022	Dollar Change	Percentage Change
Current Assets	$115,981	$116,064	$ (83)	-0.07%
Capital Assets	-	-	-	-
Total Assets	115,981	116,064	(83)	-0.07%
Current Liabilities	1,165	3,189	(2,024)	-63.47%
Long Term Debt	-	-	-	-
Total Liabilities	1,165	3,189	(2,024)	-63.47%
Total Net Position	$114,816	$112,875	$ 1,941	1.72%

The table shows that the District's net position increased $1,941 or 1.72% for the year ended June 30, 2023. Factors contributing to this change include:

- Current liabilities decreasing by $2,024, as a result of utilizing less of the attorney services.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2023 and 2022 will explain the changes in financial position that resulted from the operating activities during that period. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2023 and 2022

	2023	2022	Dollar Change	Percentage Change
Operating Revenues	$ 36,830	$ 36,988	$ (158)	-0.43%
Operating Expenses	36,640	29,431	7,209	24.49%
Operating Income (Loss)	190	7,557	(7,367)	-97.49%
Non-Operating Revenues	1,751	358	1,393	389.11%
Change In Net Position	1,941	7,915	(5,974)	-75.48%
Net Position - Beginning of Year	112,875	104,960	7,915	7.54%
Net Position - End of Year	$114,816	$112,875	$ 1,941	1.72%

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The table shows that the District's net position increase was $1,941 or 1.72% for the year ended June 30, 2023. Factors contributing to this change include:

- Total revenue did not differ much from the prior year. Revenue for the year ended June 30, 2023 was $36,830. Expenses increased compared to prior year by $7,209 or 24.49%.

Budgetary Highlights

The District adopts an annual budget each year to project the costs for operations, capital, and debt service for the coming year. The budget includes these projected expenses and the means of financing them. Management throughout the year analyzes the District's budget; however, it is not reported on, nor shown in the financial statements section of this annual report.

At June 30, 2023 an actual to budget comparison is presented in the following summarized table:

Actual vs. Budget Comparison
For the Year Ended June 30, 2023

	Actual	Budget	Difference	Percentage
Total Expenses	$ 36,640	$ 37,750	$ (1,110)	-2.94%

Capital Assets

The District has no capital assets.

Debt Service Requirements

The District has no long-term debt.

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mid-Valley Water District, 455 W. Fir Avenue, Clovis, California 93611.

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MID-VALLEY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

Assets	
Current Assets	
Cash	$101,290
Assessments Receivable	14,155
Accured Interest Receivable	536
Total Current Assets	115,981
Total Assets	115,981
Liabilities	
Current Liabilities	
Accounts Payable	1,165
Total Liabilities	1,165
Net Position	
Unrestricted	114,816
Total Net Position	$114,816

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

MID-VALLEY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

Operating Revenues	
Assessments	$ 36,830
Total Operating Revenues	36,830
Operating Expenses	
Administration	18,502
Legal and Accounting	17,888
Sustainable Groundwater Management	250
Total Operating Expenses	36,640
Operating Income	190
Nonoperating Revenues	
Interest Income	1,751
Total Nonoperating Revenues	1,751
Change In Net Position	1,941
Net Position at Beginning of Year	112,875
Net Position at End of Year	$114,816

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

MID-VALLEY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received From Customers	$ 35,624
Cash Paid to Suppliers	(38,664)
Net Cash Flows From Operating Activities	(3,040)
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	1,360
Net Change in Cash	(1,680)
Cash at Beginning of Year	102,970
Cash at End of Year	$101,290

Reconciliation of Operating Income to Net Cash Flows from Operating Activities:	
Operating Income	$ 190
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in Assets and Liabilities	
Assessments Receivable	(1,206)
Accounts Payable	(2,024)
Net Cash Flows From Operating Activities	$ (3,040)

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

MID-VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) Description of Entity

(a) Description of Operations

Mid-Valley Water District (the District) was formed September 11, 1984 as a special district in the State of California and is governed by a five-person Board of Directors. The District was formed to obtain a surface water supply for use by landowners in the District. In 1987, approval was granted to obtain the right of way for the acquisition and construction of canals to be utilized by the District.

(b) Reporting Entity

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Mid-Valley Water District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. It is the policy of the District to invest only in banks or savings and loans and the California Local Agency Investment Fund.

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(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established. For those customers that do become uncollectible, liens can be placed on property for future collection. There are $12,949 of receivables that are considered delinquent, however the properties have liens for the unpaid assessments and the District believes the assessments will be collected.

(d) Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

a. **Net investment in capital assets**—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets. The District did not have a net investment in capital assets at June 30, 2023.

b. **Restricted net position**—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District did not have a restricted net position as of June 30, 2023.

c. **Unrestricted net position**—All remaining net position that does not meet the definition of "restricted" or "net invested in capital assets".

(e) Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2023 consisted of the following:

Cash In Bank - Bank of America	$ 33,033
Investment in Local Agency Investment Fund	68,257
Total Cash	$101,290

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Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs to valuation methodology include inputs – other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
State of California - LAIF	$ 68,257	$ -	$ 68,257	$ -

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 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. This account is considered Level 2.

Authorized Deposits and Investments

The District's investment policy authorizes investments in the California Local Agency Investment Fund (LAIF). The District's investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

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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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the LAIF is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies, is LAIF at 67.4% as of June 30, 2023, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk.

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 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 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District did not have cash with financial institutions that exceeded federal depository insurance limits as of June 30, 2023.

(4) Subsequent Events

Management has evaluated subsequent events through September 28, 2023, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

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Appendix E. MVWD Bylaws

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EXHIBIT A

AMENDED AND RESTATED

BYLAWS OF

MID-VALLEY WATER DISTRICT

COUNTY OF FRESNO, STATE OF CALIFORNIA

ARTICLE I. DISTRICT POWERS

All District powers shall be those established by the California Water District Law and shall be exercised by, under, and by virtue of the authority of the Board of Directors. All powers for the management, government and control of the District and its affairs, not by law or these Bylaws conferred upon any other person, officer, or official are hereby reserved in the Board of Directors of the District to the maximum extent permitted by law.

ARTICLE II. OFFICE

1. PRINCIPAL OFFICE.

The principal office for the transaction of the business of the District is hereby fixed and located at 286 West Cromwell, Fresno, California.

2. METHOD OF CHANGING LOCATION OF OFFICE.

If for any reason it is necessary that the location of the District office be changed or that a change of location of such office will better suit the convenience of the District and its members, the Board of Directors is hereby expressly authorized and empowered to enact a resolution by a majority vote to be entered upon its minutes to change the location of the District office to some other place or location within the County of Fresno.

ARTICLE III. MEETINGS

1. ORGANIZATION MEETING.

At the first regular meeting after the Directors take office following the general election of the District, the Directors shall meet and organize as a Board, and may transact any other business of the District. At its organizational meeting, the Board shall elect the President and the Vice President from its members and appoint a Secretary, a Treasurer and an Assessor-Tax Collector, who need not be members of the Board of Directors.

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2. REGULAR MEETINGS.

The Board shall hold a regular meeting on the third Thursday of each month at the District office at the hour of 10:00 a.m. At least 72 hours before a regular meeting, the Board or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. No action or discussion shall be taken on any item not appearing on the posted agenda. However, members of the Board may briefly respond to statements made or questions posed by persons exercising their public testimony rights. Also, either on their own initiative or in response to questions posed by the public, members of a legislative body may ask a question for clarification, provide a reference to staff or other resources for factual information or request staff to report back to the Board at a subsequent meeting concerning any matter. A member of the Board or the Board may also take action to direct staff to place a matter of business on a future agenda. The Board may take action on items of business not appearing on the posted agenda under any of the following conditions: (i) upon a determination by a majority vote of the Board that an emergency situation exists, which for purposes of these Bylaws shall mean any of the following (a) work stoppage or other activity which severely impairs public health, safety, or both, as determined by a majority of the members of the Board, or (b) crippling disaster which severely impairs public health, safety, or both, as determined by a majority of the members of the Board; (ii) upon a determination of a 2/3 vote of the Board, or, if less than 2/3 of the members of the Board are present, a unanimous vote of those members present, that there is a need to take immediate action and the need to take action came to the attention of the local agency subsequent to the agenda being posted as specified herein; or (iii) the item was posted pursuant to this Article III, Section 2 for a prior meeting of the Board occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which the action is being taken. Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that are within the subject matter jurisdiction of the Board. The agenda need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee composed exclusively of the Board at a public meeting wherein all interested members of the public were afforded an opportunity to address the committee on the item (before or during the committee's consideration of the item) unless the item has been substantially changed since the committee heard the item. Whether an item has been substantially changed shall be determined by the Board. No action or discussion shall be taken on any item not appearing on the agenda unless the action

is otherwise authorized by these Bylaws. The Board may adopt reasonable regulations to ensure that the intent of the preceding sentence is carried out including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker but the Board may not prohibit public criticism of the policies, procedures, programs or services of the District or of the acts or omissions of the Board.

3. CHANGE OF TIME AND PLACE OF REGULAR MEETINGS.

The Board, by resolution entered upon its minutes, may change the place, date and/or time of the regular meeting at any time. Unless otherwise permitted by law, every meeting shall take place within the territorial boundaries of the District.

4. ADJOURNED MEETINGS.

The Board, or any members of the Board if less than a quorum, may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Any act done at an adjourned meeting shall have the same force and effect as if done at the meeting from which it was adjourned. A notice specifying the time and place of the adjourned meeting together with the order of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held, as well as at the District office, within twenty-four (24) hours after the time of adjournment.

5. SPECIAL MEETINGS.

Special meetings of the Board may be called at any time by the President or by three (3) members of the Board by delivering personally or by mail written notice to each member of the Board. The notice shall be given at least five (5) days before the time of the meeting as specified in the notice. Notice shall be given personally or by mail to each local newspaper of general circulation, radio or television station requesting notice in writing and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted, and no other business shall be considered at such special meeting. Unless otherwise permitted by law, every special meeting shall be held within the territorial boundaries of the District. The Board or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall be posted in a location that is freely accessible to members of the public. The agenda shall provide an opportunity for members of the public to directly address the Board on any item of at which action is proposed to be taken prior to action on the item. The Board may adopt reasonable regulations to ensure that the intent

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of the preceding sentence is carried out including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. The Board shall not prohibit public criticism of the policies, procedures, programs or services of the District or of the acts or omissions of the Board. The written notice may be dispensed with as to any member of the Board who, prior to the time the meeting convenes, files with the Secretary a written waiver of notice or as to any member who is actually present at the meeting at the time it convenes. The waiver may be given by telegram. The call and notice of the special meeting shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public, which may be the District office.

6. CLOSED SESSIONS.

The Board may enter into a closed session during a regular, adjourned regular, special or adjourned special meeting to consider such matters as may lawfully be considered in such sessions. Prior to any closed session, the item(s) to be discussed shall be disclosed and only those matters covered in such disclosure may be considered in such closed session. Disclosure may take the form of a reference to the item(s) as listed by number or letter on the agenda. After any closed session, the Board shall report publically, orally or in writing, any action taken in closed session, as well as the vote or abstention of every member present in the manner provided by law.

7. QUORUM.

A majority of the Board shall constitute a quorum for the transaction of business and a vote of a majority of the Directors present at any meeting attended by a quorum shall determine any proposition or resolution presented.

8. CONDUCT OF MEETINGS.

The President, or in his absence the Vice President, shall preside at all meetings of the Board. In the absence of the President and Vice President at any meeting where a quorum is present, the Board shall appoint a President Pro Tem (who shall be a Director), who shall preside at the meeting.

ARTICLE IV. ELECTIONS

1. GENERAL DISTRICT ELECTION.

The general district election of the District shall be held at the time provided by the Uniform District Election Law. (California Elections Code Section 23500, et seq.), and any other applicable laws of the State of California. Such election shall be called, noticed, held and conducted in a manner determined by the Board of Directors which is consistent with such Uniform

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District Election Law, the California Water District Law, and all other applicable laws of the State of California, and the Directors and the elective officers (if any) of the District shall be elected at said election.

2. SPECIAL ELECTIONS.

The Board of Directors by resolution may call a special election on any proposition which the Board desires to present or is required by law to present to the voters of the District. Such special election shall be called, noticed, held and conducted in a manner determined by the Board of Directors which is consistent with the California Water District Law, the California Elections Code and all other applicable laws of the State of California.

3. NOTICE OF ELECTIONS.

The Board of Directors or the Fresno County Clerk shall, before any general or special district election is held, give notice of the time and place and purpose of the election as required by law. The polling place or places in all elections shall be determined by the Board of Directors and set forth in the notice of election, or as may be provided by the applicable laws of the State of California.

4. QUALIFIED VOTERS.

All persons voting at a general or special election of the District shall be qualified as provided by the Uniform District Election Law, California Water District Law and all other applicable laws of the State of California and shall be entitled to the number of votes as therein provided. When any parcel or parcels of land lying within the boundaries of this District are assessed to more than one person, as shown by the next preceding assessment book of the District, each person whose name appears on said assessment book for said parcel shall be entitled to his or her pro rata share of all votes cast by the reason of ownership of said parcel. Every qualified voter, or his or her legal representative, may vote either in person or by proxy at any District election. The manner of voting either in person or by proxy shall be as specified in the Uniform District Election Law, the California Water District Law, and these Bylaws.

5. PROXY.

No appointment of a proxy shall be valid, accepted, or vote allowed thereon at any special or general District election unless it meets all of the following requirements:

a. It is in writing.

b. It is executed by the person or legal representative of the person who under California law and these Bylaws is entitled to the votes for which the proxy is given.

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c. It is acknowledged or certified in accordance with Section 2015.5 of the California Code of Civil Procedure.

d. It specifies the election at which it is to be used. An appointment of a proxy shall be used only at the election specified.

e. It shall be on a form as specified by the Fresno County Clerk meeting the above requirements. Every appointment of a proxy is revocable at the pleasure of the person executing it at any time before the person appointed as proxy shall have cast a ballot representing the votes for which the appointment was given. Before a legal representative votes at a District election, he shall present to the precinct board a certified copy of his authority, which shall be kept and filed with the returns of the election.

6. NOMINATION OF OFFICERS.

All Directors and any other officers to be voted upon at a general or special District election, for election to the offices of the District, shall first qualify for their names to be placed on the ballot to be voted upon for the respective office to which they seek election as set forth in the Uniform District Election Law, by the California Water District Law, and by any other applicable laws of the State of California.

7. RECALL ELECTIONS.

Recall elections shall be called, held and conducted as prescribed in Division 16 of the California Elections Code (Elections Code Section 27000, et seq.) and the California Water District Law.

ARTICLE V. DIRECTORS AND OFFICERS

1. QUALIFICATIONS.

Each Director of the District must be a holder of title to land in the District or the legal representative of a landholder. If the landholder is a corporation, the president of the corporation or the person selected by resolution of its board of directors, may serve as a Director. The Directors and officers of the District must be over eighteen (18) years of age, and be otherwise qualified in accordance with California law.

2. DUTIES.

The Board of Directors and the officers and employees of the District shall perform all duties set forth in the California Water District Law and these Bylaws, and shall at all times comply with the Constitution and the laws of the State of California.

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3. OFFICERS.

The officers of the District shall be a President, a Vice President, a Secretary, a Treasurer and an Assessor-Tax Collector. Officers other than the President and Vice President are not required to be Directors. One person may hold two or more offices, except that no one person shall hold any two or more of the offices of President, Vice President and Secretary.

4. SUBORDINATE OFFICERS.

The Board of Directors shall employ and appoint such other officers and employees as the business of the District may require. Each such officer or employee shall hold such office for such period, have such authority and perform such duties, and receive such salary, as provided in the Bylaws or as the Board of Directors may from time to time determine.

5. TENURE OF OFFICE.

Directors and elective officers (if any) shall hold their office for the term provided in the California Water District Law or the Uniform District Election Law. The President, Vice President, Secretary, Treasurer, Assessor-Tax Collector and any other officer appointed by the Board of Directors shall serve at the pleasure of the Board of Directors and may be removed either with or without cause by a majority of the Directors at any time in office, at any regular or special meeting of the Board or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors. Any Director or officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary of the District. Any such resignation shall take effect at the date of the receipt of such notice or a later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. TIME AND MANNER OF APPOINTMENT OR ELECTION OF DIRECTORS AND OFFICERS.

The Board of Directors and elective officers (if any) shall be elected at the general election as herein provided, except as otherwise provided in the California Water District Law or the Uniform District Election Law. The Secretary, the Treasurer and the Assessor-Tax Collector shall be appointed by the Board of Directors and the Board of Directors shall have the power to segregate the offices of Assessor and Tax Collector in any manner permitted by the Uniform District Election Law or California Water District Law.

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7. VACANCY.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled by appointment by the Board of Directors. Any vacancy on the Board of Directors shall be filled by appointment of the Board of Directors within sixty (60) days immediately subsequent to the effective date of such vacancy, and a notice of the vacancy shall be posted in three (3) or more conspicuous places in the District at least fifteen (15) days before the appointment is made. A person appointed to fill a vacancy on the Board of Directors shall hold office until the next district general election that is scheduled 130 or more days after the effective date of the vacancy, unless an election is also held on the same date for the purpose of electing a director to serve a full term in the same office to which the person was appointed, in which event the person appointed to the vacancy shall fill the balance of the unexpired term of his predecessor. In lieu of making an appointment to fill a vacancy on the Board of Directors, the remaining members of the Board of Directors may within 60 days of the vacancy call an election to fill the vacancy, which election shall be held on the next available election date provided by Chapter 1 of Division 4 of the California Elections Code that is 130 or more days after the vacancy occurs. In the event a vacancy on the Board of Directors is not filled as provided by this Bylaw, it shall be filled in accordance with California Government Code Section 1780 or its successor.

8. PRESIDENT.

The Board of Directors shall elect one of its members as President of the District. The President shall be the chief executive officer of the District and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the District. He shall preside at all meetings of the members and all meetings of the Board of Directors. He shall be an ex-officio member of all standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

9. VICE PRESIDENT.

The Board of Directors shall elect one of its members as Vice President of the District. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may from time to time be prescribed by the Board of Directors or these Bylaws.

10. SECRETARY.

The Secretary of the District shall be appointed by the Board of Directors. The Secretary shall keep a record of all proceedings had at meetings of the Board of Directors at the principal office of the District, or such other place as the Board of Directors may order. Such record shall include the time and place of holding the meetings, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, and the number of members present or represented at members' meetings, and the proceedings thereof. The Secretary shall file all documents pertaining to the District's affairs at the office of the District and the same shall be open to inspection at all times by any person interested. The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and of the members of the District as required by California law or the Bylaws, and s/he shall keep the seal of the District in safe custody and shall have such other powers and perform such other duties as may from time to time be prescribed and required by the Board of Directors or the Bylaws.

11. TREASURER.

The Treasurer shall be appointed by the Board of Directors. The Treasurer shall receive to the credit of the District and in trust for its use and benefit all monies belonging to the District, and shall deposit all such monies and other valuables in the name of and to the credit of the District with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse funds of the District as may be ordered by the Board of Directors and shall render to the President and the Directors, whenever they request it, an account of all his or her transactions as Treasurer and the financial condition of the District. Books of account as maintained by the Treasurer shall at all times be open to inspection by any Director. The Treasurer shall do and perform such other duties as are required of the Treasurer by the California Water District Law or other applicable laws of the State of California.

12. ASSESSOR-TAX COLLECTOR.

The Assessor-Tax Collector shall be appointed by the Board of Directors. The Assessor-Tax Collector shall in each fiscal year prepare the District assessment book, prepare and mail any assessments to be levied upon landowners within the District, submit to the Board of Supervisors a statement of all assessments levied against property in the District and do and perform such other duties as are required by the Assessor and/or Tax Collector by the California Water District Law or other applicable laws of the State of California. The Assessor-Tax Collector shall render to the President and Directors, whenever they request it, an account of all his or her transactions as Assessor-Tax Collector. The Board of Directors is expressly authorized to provide for the

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election of the office of Assessor-Tax Collector (or, if segregated, the offices of Assessor and/or Tax Collector) in accordance with the provisions of the California Water District Law.

13. DEPUTIES AND EMPLOYEES.

The Board of Directors may employ agents, officers and employees as required and prescribe their duties and fix their compensation. The Board of Directors may appoint deputies or assistants for the offices of Secretary, Treasurer and Assessor-Tax Collector in such numbers as may be necessary to perform the functions of said offices. The Board of Directors may consolidate the duties of any deputy or assistant so that such deputy or assistant may act as deputy or assistant to more than one officer of the District.

14. BONDS OF OFFICERS.

The Board of Directors may require a bond in an amount to be determined by the Board of Directors for any Director, officer or employee. The premium for any such bond shall be paid by the District.

ARTICLE VI. COMPENSATION OF DIRECTORS AND OFFICERS

1. DIRECTORS.

Unless otherwise provided by a resolution adopted by the Board of Directors, no Director shall receive compensation for his or her attendance at meetings of the Board or for any other services rendered as a Director. Any resolution adopted by the board providing compensation to Directors shall not exceed the amount of One Hundred Dollars ($100.00) per day for each day's attendance at meetings of the Board and for each day's service rendered as a Director by request of the Board, not exceeding a total of six (6) days in any calendar month, together with any expenses incurred in the performance of duties required or authorized by the Board.

2. SECRETARY.

Unless otherwise determined by the Board, the Secretary of the District shall serve without compensation, other than to receive such allowance as may be authorized by the Board of Directors from time to time to cover expenses incurred by the Secretary in the performance of his or her duties on behalf of the District.

3. TREASURER AND ASSESSOR-TAX COLLECTOR.

The Treasurer and Assessor-Tax Collector shall each be paid such amounts as may be determined by the Board of Directors for each fiscal year that they shall perform the duties of those

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offices, and if their services shall be terminated prior to the expiration of a fiscal year, their salaries shall be prorated to the date of termination, and such salaries shall be paid in one lump sum as soon as the District has sufficient funds with which to pay the same.

4. MISCELLANEOUS OFFICERS.

The Board of Directors, by resolution, may compensate officers, employees and deputies other than those set forth above in these Bylaws, with such sums as shall be fixed by the Board of Directors.

ARTICLE VII. AMENDMENT OR REPEAL OF BYLAWS

The Bylaws of the District may be repealed or amended or new Bylaws adopted by the assent of two-thirds (2/3) of the total vote of the District, given either in writing or by ballot cast at a District election. The Bylaws may also be amended by four-fifths (4/5) vote of the Directors and approval of the Board of Supervisors of Fresno County.

ARTICLE VIII. INCURRING INDEBTEDNESS BY DISTRICT

By resolution adopted by a majority of the Board of Directors, the District may, in any fiscal year, borrow money to pay its expenses and anticipated expenses for that fiscal year in the event the revenues received by the District to that date are insufficient to discharge such expenses as they mature, and to issue evidences of indebtedness for such borrowings executed by the President and the Secretary in the name of and on behalf of the District; provided, however, that the District shall not borrow any money or incur any indebtedness except by a bond issue or by warrants authorized as provided by California Water District Law, or as may otherwise be authorized by the laws of the State of California.

ARTICLE IX. PENALTIES

Any person governed by these Bylaws who shall violate the same shall be subject to suitable penalties to be levied and

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assessed by the Board of Directors not to exceed Two Hundred Dollars ($200.00) for any one offense.

RESOLVED:

The Board of Directors of Mid-Valley Water District hereby amends the bylaws of the District to read in their entirety as set forth in the within Amended and Restated Bylaws for the government and control of the affairs of the District.

Dated this 28th day of January 1994.

Norman Clark

Silveno Botelho

Larry Sullivan

Jim Couto

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CERTIFICATE OF ADOPTION

I, the undersigned, certify that I am the presently elected and acting Secretary of the Mid-Valley Water District, a California Water District, and the above Bylaws, consisting of 12 pages, are the Bylaws of this District as adopted by the Board of Directors at a meeting duly held on January 28th, 1994.

Dated: January 28th, 1994

Silveno Botelho, Secretary

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File #12136
March 8, 1994

EXHIBIT B

County of FRESNO

Agenda Item

Date: March 8, 1994

To: Board of Supervisors S.H.

From: Shari Greenwood, Clerk, Board of Supervisors

Subject: Mid-Valley Water District Bylaws

RECOMMENDED ACTION:

Approve amended and restated bylaws for Mid-Valley Water District.

FISCAL IMPACT:

None.

DISCUSSION:

Pursuant to California Water Code, Section 35306, district bylaws may be amended by a 4/5 vote of the directors and approval of the Board of Supervisors of the principal county of the district. The Mid-Valley Water District Board of Directors has amended and restated its bylaws and is requesting that your Board approve the same.

REVIEWING AGENCY:

County Counsel has reviewed the amended and restated bylaws.

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ADMINISTRATIVE OFFICE REVIEW _____ Page 1 of 1

BOARD ACTION: DATE March 8, 1994 APPROVED AS RECOMMENDED X OTHER _____

Clerk of the Board of Supervisors

UNANIMOUS X CONRAD ____ KOLIGIAN ____ LEVY ____ OKEN ____ VAGIM ____

Recording Requested By:
Mid-Valley Water District

When Recorded Return To:

Gary W. Sawyers, Esq.
Bolen, Fransen, Boostrom & Sawyers
1322 East Shaw Avenue, Suite 430
Fresno, CA 93710

COPY
original sent on 3/21/95 for recordation JOS

NO RECORDING OR FILING FEE REQUIRED
(GOVERNMENT CODE SECTIONS 6103 AND 27383)

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

CERTIFICATE OF ADOPTION OF BYLAWS

We, the undersigned, certify that we are all of the Directors and the Secretary of the Mid-Valley Water District, a California water district, and that the Amended and Restated Bylaws of Mid-Valley Water District, a true and correct copy of which is attached hereto as Exhibit A and consisting of 12 pages, are the Bylaws of this District, as adopted by the Board of Directors of the District at a meeting duly held on January 28, 1994~~5~~ The resolution of the Board of Directors formally adopting the Amended and Restated Bylaws of Mid-Valley Water District is attached to the Bylaws. The resolution of the Fresno County Board of Supervisors approving the Bylaws is attached hereto as Exhibit B.

DATED: 2/22, 1994~~5~~

Norman Clark, Director

Silveno Botelho, Director

Larry Sullivan, Director

Jim Couto, Director

Silveno Botelho, Secretary

SUBSCRIBING WITNESS FOR SILVENO BOTECHO

JAMES R. PROVOST

STATE OF CALIFORNIA)
)SS.
COUNTY OF Fresno)

On 2/22/95, before me, Louise Ann Stephens, personally appeared Norman Clark, ~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

OFFICIAL SEAL
Louise Ann Stephens
NOTARY PUBLIC - CALIFORNIA
FRESNO COUNTY
My Comm. Expires Aug. 8, 1995

Louise Ann Stephens

STATE OF CALIFORNIA)
)SS.
COUNTY OF Fresno)

On 2/22/95, before me, Louise Ann Stephens, personally appeared James Couto, ~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

WITNESS my hand and official seal.

Louise Ann Stephens

OFFICIAL SEAL
Louise Ann Stephens
NOTARY PUBLIC - CALIFORNIA
FRESNO COUNTY
My Comm. Expires Aug. 8, 1995

DRAFT

STATE OF CALIFORNIA)
)SS.
COUNTY OF Fresno)

On 2/22/95, before me, Louise Ann Stephens, personally appeared Harry Sullivan, ~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Louise Ann Stephens

STATE OF CALIFORNIA)
)SS.
COUNTY OF_____)

On _____, before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

_____

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SUBSCRIBING-WITNESS CERTIFICATE ("WITNESS JURAT")

No. 5908

State of CALIFORNIA

County of FRESNO

On this the 21ST day of MARCH 19 95, before me, the undersigned Notary Public, personally appeared JAMES R. PROVOST,

NAME OF SUBSCRIBING WITNESS

☒ personally known to me - ~~OR~~ - ☐ ~~proved to me on the oath/affirmation of~~ _____, ~~who is personally known to me~~,

NAME OF PERSON (CREDIBLE WITNESS) WHO IDENTIFIES SUBSCRIBING WITNESS

to be the person whose name is subscribed to the within instrument as a witness thereto, who, being by me duly sworn, deposes and says that HE (he/~~she~~) was present and saw SILVENO BOTELHO,

NAME OF ABSENT PRINCIPAL SIGNER

the same person described in and whose name is subscribed to the within and annexed instrument as a party thereto, execute the same, and that said affiant subscribed HIS (his/~~her~~) name to the within instrument as a witness at the request of SILVENO BOTELHO.

NAME OF PRINCIPAL SIGNER (AGAIN)

JOHN E. MATSUOKA
Comm. # 1033101
NOTARY PUBLIC - CALIFORNIA
Fresno County
My Comm. Expires Sept. 14, 1998

John E. Matsuoka

SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

☐ INDIVIDUAL
☐ CORPORATE OFFICER

_____
TITLE(S)

☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

ABSENT SIGNER (PRINCIPAL) IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

_____
TITLE OR TYPE OF DOCUMENT

_____
NUMBER OF PAGES

_____
DATE OF DOCUMENT

_____
SIGNER(S) OTHER THAN NAMED ABOVE

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Appendix F. JID Wells

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DEED

THIS INDENTURE, Made this 23rd day of April A. D. 1920

BY AND BETWEEN San Joaquin Valley Farm Lands Company, a corporation organized and existing under and by virtue of the laws of the State of California the Grantor, and James Irrigation District, a public corporation of Fresno County California, organized and existing under and by virtue of the California Irrigation District Act, the Grantee.

WITNESSETH: That the said Grantor for and in consideration of the sum of One Dollar and other valuable consideration to it in hand paid by the said Grantee the receipt whereof is hereby confessed and acknowledged has granted, bargained, sold, conveyed and confirmed and by these presents does grant, bargain, sell, convey and confirm unto the said Grantee, its successors and assigns forever, all those certain lots, pieces and parcels of land and real property situate, lying and being in the County of Fresno, State of California, to-wit:

1. That certain syphon situate in and under Levee No.1 and By-Pass No.1 of Reclamation District No 1606 and extending from the connection between said syphon and a canal at a point in, and near the southeast corner of, Section 34, T. 15 S. R. 17 E. M. D. B. & M. in a general southwesterly direction to the connection between said syphon and a canal(being Main Canal No. 1 of James Irrigation District) at a point in the Northeast Quarter of Section 3, T. 16 S. R. 17 E. M. D. B. & M. ,together with all right of ownership, operation, maintenance and repair thereof, the same being an integral part of the irrigation system of James Irrigation District;

2. Also that certain weir in and upon By-pass No. 1 of Reclamation District No. 1606, connecting Levee No .1 of said district with a parallel levee Easterly thereof and extending in a Northeaster y and Southwesterly direction across said By-pass in the Southwest quarter of Section 2, T. 16 S.R. 17 E. M. D. B. & M. the Southerly terminus thereof in said Levee No.1 of said Reclamation District being Northerly of the main headgate of Canal No.1 of James Irrigation District said weir being an integral part of the irrigation system of said James Irrigation District together with all right of ownership operation, maintenance and repair of said weir;

3. Also Lot numbered A1 of Subdivision C of Valley Garden Farms as shown upon the official map thereof of record in the office of the Recorder of Fresno County California.

3-A. All that part of Lot numbered 302 of Subdivision A of Valley Garden Farms, as per map thereof recorded in Volume 7 of Records of Surveys at pages 76 to 79 inclusive Fresno County Records(required for Artesian Well No. 40) described as follows:

Beginning at a point on the Westerly boundary of said lot distant 35 feet Northerly from the Southwest corner thereof; thence Easterly and parallel to the South boundary of said lot, 660 feet to a point hereinafter designated as the point of beginning; thence Northerly and parallel to the West boundary of said lot , 50 feet; thence Easterly and parallel to the South line of said lot 50 feet; thence Southerly and parallel to the West boundary of said lot ,50 feet; thence Westerly and parallel to the said South boundary of said lot, 50 feet to the aforementioned point of beginning ,and containing 0.06 acres.

4. Also the easement and right to enter in and upon and to hold ,possess and enjoy for the purposes of constructing over and across the same, and maintaining and operating laterals, sub-laterals and other irrigation works for the carriage

and conducting of water for irrigation purposes, those certain strips of land located and specified as rights of way for laterals and sub-laterals and other irrigation structures on that certain map on file and of record in the office of the County Recorder of said Fresno County, California, in Book 10 of Records of Surveys at pages 24 to 28 both inclusive, together with the right at all times of ingress to and egress from said strips of land, and the right at all times to enter in and upon the same, and any part thereof, for the purpose herein specified, to take, obtain and use with a minimum of injury to the freehold, such earth and material as may be necessary for the construction, maintenance, repair or enlargement of such laterals or any laterals, sub-laterals, structures, or other irrigation works, as now or hereafter may be commenced or constructed along or upon said strips of land, the structures herein referred to being any and all structures such headgates, bridges, culverts and other structures as may be necessary, desirable or expedient, in addition to the canals, laterals and sub-laterals aforementioned as a part of the irrigation system of the Grantee, together with any and all canals, laterals, sub-laterals, syphons, checks, turn-outs, culverts, bridges and other irrigation works which are now situate upon and partially or fully completed or in process of construction thereon, excepting however any electric power transmission lines, poles and transformers which may be situate thereon, the title thereto and to an easement for the construction, operation, maintenance and repair of such electric transmission lines, poles and transformers along and upon said strips of land being hereby reserved in the Grantor, and excepted herefrom, and excepting also the title to all subsisting or outstanding easements over and across or upon any of said strips of land for existing roads, and excepting further all easements of record;

5. An easement or right of way along, over and across the following described strips of land, to-wit:

(a) A strip of land 80 feet in width being 40 feet in width on each side of the following described center line, to-wit:

Beginning at the Northeasterly end of the aforementioned syphon described in paragraph 1 hereof, said point being 50 feet, more or less, westerly of the East line of Section 34, T. 15, S.R. 17 E. M.D. B. & M.; thence northerly and parallel to, and 50 feet from the easterly boundary line of Sections 34, 27, 22 15, 10 and 3 in T. 15 S.R. 17 E. M. D. B. & M. to a point which is 30 feet southerly from the north line of said Section 3;

(b) A strip of land 60 feet in width being 30 feet in width on each side of the following described center line: Beginning at a point 60 feet southerly from, measured at right angles to, the north line of said Section 3 aforementioned and 10 feet westerly from measured at right angles to, the East line of said Section 3 aforementioned; thence Easterly and parallel to the north line of said Section 3 and of said Section 2 in T. 15 S.R. 17 E. M.D. B. & M. a distance of 3781.00 feet more or less;

(c) A strip of land 110 feet in width being 55 feet in width on each side of the following described center line, to-wit:

Beginning at a point near the northeast corner of the Southeast Quarter of the Southeast Quarter of Section 34, T. 15 S.R. 17 E. M. D. B. & M. said point being 50 feet westerly from, measured at right angles to, the East boundary line of said Section 34, and also being on the center line of the right of way described in Subdivision "A" of this paragraph; thence northeasterly to a point on the Easterly

boundary line of the Southwest Quarter of the Northwest quarter of Section 35 T. 15, S.R. 17 E. M. D. B. & M., said point being 85 feet northerly from measured at right angles to, the East and West half section line of said Section 35; thence Easterly and parallel to the East and West half section line of Sections 35, and 36 in T. 15 S.R. 17 E. to a point which is 85 feet Northwesterly from, measured along a line at right angles to, the center line of McMullin Grade, an established public road; thence northeasterly along a line parallel to the center line of said McMullin Grade to a point in the north and south half section line of Section 30, T. 15 S. R. 18 E. M.D. B. & M.;

(d) Also a strip of land 80 feet in width being 40 feet in width on each side of the following described center line, to-wit: Beginning at a point 85 feet northwesterly from, measured at right angles to, the center line of the aforementioned McMullin Grade, said point being 85 feet westerly from, measured at right angles to, the north and south half section line of said Section 30, T. 15 S.R. 18 E. M. D. B. & M.; thence Northerly along a line parallel to said north and south half section line of said section 30, to the North boundary line of said section;

(e) Also a strip of land 80 feet in width being 40 feet in width on each side of the following described center line, to-wit: Beginning at a point on the south boundary line of Section 17, T.15 S.R. 18 E. M.D. B. & M. said point being 70 feet Northwesterly from measured at right angles to, the center line of the aforementioned McMullin Grade; thence northeasterly along a line parallel to the center line of said McMullin Grade through said Section 17 and Sections 16, 9, 10, 3 and 2 in said township and range, to a point on the north and south half section line of said Section 2;

(f) Also a strip of land 80 feet in width being 40 feet in width on each side of the following described center line, to-wit: Beginning at a point near the Southwest corner of Section 10, T. 15 S.R. 18 E. M. D. B. & M., said point being 70 feet northwesterly from measured at right angles to, the center line of said McMullin Grade, and also being 70 feet westerly from and measured at right angles to, the west line of said Section 10.; thence northerly and parallel to the west line of Sections 10 and 3 in said Township and range to the north line of said Section 3;

(g) Also a strip of land 80 feet in width being 40 feet in width on each side of the following described center line to-wit: Beginning at a point on the West line of Section 10 T. 15 S.R. 18 E. M.D. B. & M. 70 feet northerly from the Southwest corner of said section 10; thence easterly and parallel to the south line of Sections 10, 11 and 12, in T. 15 S. R. 18 E. M.D. B. & M., to the East line of said Section 12;

Together with any and all canals, syphons, checks, turnouts, wells, motors, pumps, and other irrigation works which are now situate upon and partially or fully completed or in process of construction thereon, excepting any electric power transmission lines and poles and any transformers which may be situate thereon, the title thereto and to an easement for the construction, operation, maintenance and repair of such electric transmission lines, poles, and transformers along and upon said strips of land being hereby reserved in the grantor; excepting also the title to all subsisting or outstanding easements over and across any of said strips of land for existing roads, and excepting further all easements of record.

The easement hereby granted upon said strips of land being an easement to construct, operate, maintain and repair a canal upon, over and across each

of said strips and also to construct, operate, maintain and repair thereon such syphons, checks, turn-outs headgates and other irrigation structures as may be necessary, desirable , or expedient as a part of the irrigation system of the Grantee andalso to construct, operate,maintain and repair thereon such wells as may be necessary, desirable or expedient for the development and furnishing of fresh water for the irrigation of the lands within the present boundaries of said irrigation district, not exceeding, however a maximum total of 200 cubic second feet of such fresh water, the right to develop and take such subterranean waters being defined and limited in the next succeeding paragraph of this conveyance;

6. Also the preferential right to develop and take a maximum total of 200 cubic second feet of fresh subterranean waters flowing, percolating,lying or being beneath the surface of the following described lands,to-wit :

In T. 15 S.R. 17 E. M. D. B. & M.: All of Sections 3, 10, 11, 15, 22, 26 and 36; the W½ ; the SE¼; and the W½ of the NE¼ of Section 2; the SW¼ ; the W½ and the SE¼ of the NW¼; the W½ and the SE¼ of the SE¼ of Section 23; the SW¼; the W½ and the SE¼ of the NW¼; the W½ and the SE¼ of the SE¼ of Section 25; all that part of sections 27, 34, and 35 lying northeasterly of By-pass No.2 heretofore conveyed to Reclamation District No. 1605;

In T. 16 S.R. 17 E. M. D. B. & M.: The Northeast triangular one half of Section 1; thatpart of the Northwest triangular one half of Section 2 lying Northeasterly of By-pass No.1 of Reclamation District No.1605;

In T. 15 S. R. 18 E. M. D. B. & M.: The E½ of Section 1; the W½ of Section 2; all of Sections 3, 8, 9 and 10; the West ½ of Section 11; all of Sections 13, 15, 17 18, 24 and 32; the S½ of Section 14; the E½ and the SW¼ of Section 16; the N½ of Section 22; and the W½ and the SE¼ of Section 30.

In T. 14 S. R. 18 E. M.D. B. & M.: the SW¼ of Section 35;

In T. 15 S.R. 19 E. M.D. B. & M. ; The N½ and the SE¼ of Section 7; all of Section 18;

The preferential right to said water hereby conveyed being conveyed upon the following conditions subsequent, to-wit: That said water shall be developed and taken from beneath the surface of said lands solely by means of wells drilled or to be drilled along and upon the strips of land described in paragraph 3 of this conveyance ,and shall be conducted to and used exclusively for, beneficial irrigation purposes solely upon the lands now situate within the boundaries of the grantee district as heretofore defined and established,and upon no other lands, and that the maximum aggregate total quantity of such fresh waters to be drawn by means of such wells from beneath the surface of such lands shall not exceed at any one time 200 cubic feet per second; and that in the event of the non-observance or violation of any of said conditions by said grantee or its successors or assigns, or in its or their behalf, or for its or their benefit, the grantor or its successors or assigns, or the then owner of any part of said lands, shall forthwith be entitled as of right to obtain and procure a permanent injunction restraining the further or continued non-observance or violation of any of said conditions and the said grantee for itself and its successors and assigns expressly waives any and all defenses in any suit for such injunction or injunctions other than the defense of fact that no non observance or violation of any such conditions had occurred.

This conveyance is made and accepted upon the express understanding and with the express covenant that the above named grantor or any of its successors or assigns may, at any time, develop by means of wells or otherwise, upon any of the lands described in this paragraph of this conveyance, salt water for any purposes

whatever and fresh water for use upon any of said lands or for use upon any other lands, and to take and use such waters for such purposes, provided, however, that the grantor or its successors or assigns shall not be entitled as of right or otherwise to develop, take or use from beneath the surface of the above described lands fresh waters for irrigation purposes at any time when the supply of such subterranean fresh waters lying percolating, or being beneath the surface of any part of said lands, does not exceed a maximum total aggregate quantity of 200 cubic feet per second, and that only the excess over and above said maximum total aggregate quantity of 200 cubic feet per second of such fresh waters may be so developed, taken and used by the grantor or its successors or assigns.

7. Also the right and title to all fresh water flowing, percolating, lying or being beneath the surface of any and all of the lands heretofore included within and as a part of the grantee district, together with the exclusive right to take, develop and distribute all of said subterranean fresh waters for beneficial use for irrigation purposes upon lands now included within and as a part of said grantee district, excepting so much of said subterranean waters as the present or any future owner of any part of said lands may develop upon the lands owned by him for exclusive use thereupon; it being expressly understood, covenanted and agreed that the right and title to said subterranean fresh waters hereby conveyed is conveyed upon the following conditions subsequent to-wit: That said subterranean fresh waters shall be developed and taken from beneath the surface of said lands solely by means of wells drilled or to be drilled within said district by said grantee or its successors or assigns upon well sites owned or hereafter to be acquired by said grantee or its successors or assigns, and shall be conducted to, and used exclusively for, beneficial irrigation purposes solely upon the lands now situate within the boundaries of the grantee district as heretofore defined and established and upon no other lands; and in the event of the non observance or violation of any of said conditions by said grantee or its successors or assigns, or in its or their behalf, or for its or their benefit, the grantor or its successors or assigns, or the then owner of any part of said lands shall forthwith be entitled as of right to obtain and procure a permanent injunction restraining the further or continued non-observance or violation of any of said conditions, and the said grantee for itself, its successors or assigns, expressly waives any and all defenses in any suit for such injunction or injunctions other than the defense of fact that no non-observance or violation or any of such conditions had occurred.

This conveyance is made and accepted upon the express understanding and with the express covenant that the above named grantor or any of its successors or assigns may, at any time, develop by means of wells or otherwise, upon any of the lands described in this paragraph of this conveyance, salt water for any purposes whatever.

TO HAVE AND TO HOLD, That above granted property and rights together with the appurtenances particularly specified unto the said grantee and unto its successors and assigns forever.

Subject However to the lien for the taxes for the current fiscal and subsequent years, and subject also to the lien of any assessment heretofore or which hereafter may be levied upon any part of said granted premises by any reclamation or other district in which the same or any part thereof is or hereafter may be situate;

Provided, However, and it is expressly understood, covenanted and agreed

by and between the parties hereto that the fee simple title of the lands above described and of the whole thereof are reserved and intended to be reserved in the grantor, subject to the rights hereby granted to the grantee.

IN WITNESS WHEREOF, The Grantor has caused these presents to be signed and sealed by its duly authorized officers by authority of its Board of Directors on this, the day and year hereinabove first written.

SAN JOAQUIN VALLEY FARM LANDS COMPANY

By WILL E .KELLER, President

(CORPORATE SEAL) By J.M. O'BRIEN, Secretary

State of California }
County of Los Angeles, } ss.

On this 1st day of May A.D. 1920, before me, Elizabeth F.Hillman, a Notary Public in and for said County, residing therein, duly commissioned and sworn, personally appeared Will E.Keller and J.M.O'Brien, known to me to be the President and Secretary respectively of San Joaquin Valley Farm Lands Company, a corporation, who executed the within instrument in behalf of said corporation and acknowledged to me that said corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal on this ,the day and year in this Certificate last above written.

ELIZABETH F. HILLMAN, Notary Public in and for

(SEAL) the County of Los Angeles, State of California.

My commission expires Oct. 6 1921.

IRS 8206 CANCELLED

(Endorsed): Deed

From San Joaquin Valley Farm Lands Company, To James Irrigation District.

Dated April 22, 1920

Filed for record at the request of James Irrigation District Sep.1 1920 at 2 min. past 9 o'clock A.M. and recorded in Vol. 6 of Official Records pg. 1 et seq. Fresno County Records.

R. N. BARSTOW, County Recorder

23158-B. By R.S. BISSETT, Deputy Recorder.