



WEST VALLEY WATER DISTRICT
855 W. Base Line Road, Rialto, CA 92376
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**FINANCE COMMITTEE MEETING
AGENDA**

WEDNESDAY, JULY 26, 2023 - 6:00 PM

NOTICE IS HEREBY GIVEN that West Valley Water District has called a meeting of the Finance Committee to meet in the Administrative Conference Room, 855 W. Base Line Road, Rialto, CA 92376.

BOARD OF DIRECTORS

**President Gregory Young, Chair
Vice President Daniel Jenkins**

Members of the public may attend the meeting in person at 855 W. Base Line Road, Rialto, CA 92376, or you may join the meeting using Zoom by clicking this link: <https://us02web.zoom.us/j/8402937790>. Public comment may be submitted via Zoom, by telephone by calling the following number and access code: Dial: (888) 475-4499, Access Code: 840-293-7790, or via email to administration@wvwd.org.

If you require additional assistance, please contact administration@wvwd.org.

I. CALL TO ORDER

II. PUBLIC PARTICIPATION

The public may address the Board on matters within its jurisdiction. Speakers are requested to keep their comments to no more than three (3) minutes. However, the Board of Directors is prohibited by State Law to take action on items not included on the printed agenda.

III. DISCUSSION ITEMS

1. Updates to the Finance Committee
2. Treasurer's Report - June 2023.
3. Monthly Revenue & Expenditures Report - June 2023.
4. Cash Disbursements Reports - June 2023.
5. Purchase Order Report - June 2023.
6. Reserve Policy.

IV. ADJOURN

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Finance Committee Agenda at the District Offices on July 19, 2023.

Elvia Dominguez

Elvia Dominguez, Board Secretary



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: July 26, 2023
TO: Finance Committee
FROM: John Thiel, General Manager
SUBJECT: TREASURER'S REPORT - JUNE 2023

DISCUSSION:

West Valley Water District ("District") contracts with the Clifton Larson Allen LLP to prepare West Valley Water District's (WVWD) Investment report on a monthly basis. The District's investment policy is in uniformity with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(b)). The Treasurer Report for the Month of June 2023 (**Exhibit A**) is presented to the Finance Committee for discussion.

FISCAL IMPACT:

Monthly Cost of \$2,625 was included in the FY 2022-23 annual budget.

STAFF RECOMMENDATION:

Approve the June 2023 Treasurer's Report.
Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Treasurer's Report

EXHIBIT A

**West Valley Water District
Cash, Investment & Reserve Balances - June 30, 2023**

Institution/Investment Type	May 2023 Balance	June 2023 Balance	OPERATING CASH	Minimum Balance	Target Balance	Maximum Balance
Funds Under Control of the District:			Balance Available for Daily Operations	\$ 40,150,659.24	\$ 31,058,900.49	\$ 16,044,641.74
District Cash Drawers	\$ 4,300.00	\$ 4,300.00	Total Operating Cash	\$ 40,150,659.24	\$ 31,058,900.49	\$ 16,044,641.74
	\$ 4,300.00	\$ 4,300.00	UNRESTRICTED RESERVES			
Checking and Savings:			CAPITAL RESERVES			
Chase - General Government Checking	\$ 2,515,820.66	\$ 1,031,911.28	Capital Project Account - 100% FY 22-23	\$ 7,334,500.00	\$ 7,334,500.00	\$ 10,000,000.00
Chase - Special Rebate Checking	\$ -	\$ -	Capital Project Account-80% FY 23-24	\$ 4,868,000.00	\$ 4,868,000.00	\$ 8,000,000.00
Chase - UTC Routine Checking	\$ 5,000.56	\$ 5,000.56	Administrative & General Account	\$ 1,582,998.10	\$ 1,582,998.10	\$ 1,582,998.10
Chase - UTC Non-Routine Checking	\$ 48,636.50	\$ 48,636.50		\$ 13,785,498.10	\$ 13,785,498.10	\$ 19,582,998.10
	\$ 2,569,457.72	\$ 1,085,548.34	LIQUIDITY FUNDS			
State of California, Local Agency Investment Fund*	\$ 11,697,493.01	\$ 11,697,493.01	Rate Stabilization Account	\$ 985,094.40	\$ 2,955,283.20	\$ 4,925,472.00
US Bank - Chandler Asset Mgmt	\$ 31,142,480.34	\$ 31,007,847.10	Operating Reserve Account	\$ 5,276,660.33	\$ 10,553,320.67	\$ 15,829,981.00
US Bank - Chandler Liquidity Fund	\$ 60,515,455.39	\$ 60,789,714.58	Emergency Account	\$ 1,344,909.62	\$ 2,689,819.23	\$ 4,034,728.85
CalTrust Pooled Investment Fund - Short Term	\$ 17,151,129.21	\$ 17,214,295.84	Water Banking Account	\$ 125,000.00	\$ 625,000.00	\$ 1,250,000.00
CalTrust Pooled Investment Fund - Medium Term	\$ -	\$ -		\$ 7,731,664.35	\$ 16,823,423.10	\$ 26,040,181.85
U. S. Treasury Bills			OTHER OPERATING RESERVES			
Government Agencies (Federal Home Loan Bank)	\$ -	\$ -	Self-Insurance Reserve	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
				\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Total	\$ 123,080,315.67	\$ 121,799,198.87	Total Unrestricted Reserves	\$ 26,517,162.45	\$ 35,608,921.20	\$ 50,623,179.95
Funds Under Control of Fiscal Agents:			Total OP Cash & UR Reserves	\$ 66,667,821.69	\$ 66,667,821.69	\$ 66,667,821.69
US BANK			RESTRICTED RESERVES			
2016A Bond - Principal & Payment Funds	\$ 154.21	\$ 154.81	2016A Bond	\$ 154.81	\$ 154.81	\$ 154.81
2016A Bond - Interest Fund	\$ -	\$ -	Customer Deposit Accounts	\$ 5,167,954.60	\$ 5,167,954.60	\$ 5,167,954.60
			Capacity Charge Acct Balance	\$ 46,963,422.58	\$ 46,963,422.58	\$ 46,963,422.58
Total	\$ 154.21	\$ 154.81	CIP account in LAIF for capital purposes	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00
Grand Total	\$ 123,080,469.88	\$ 121,799,353.68	Total Restricted Reserves	\$ 55,131,531.99	\$ 55,131,531.99	\$ 55,131,531.99
			Total Cash & Investments	\$ 121,799,353.68	\$ 121,799,353.68	\$ 121,799,353.68

I hereby certify that the investment activity for this reporting period conforms with the investment policy adopted by the West Valley Water District Board of Directors and the California Government Code Section 53601

I also certify that there are adequate funds available to meet the District's Budget.

William Fox

 Chief Financial Officer

*Quarterly interest posted the month following the quarter end.

West Valley Water District Investment Memo – June 2023

Note:

All significant assumptions, methodologies and analyzed amounts were discussed with and agreed to by the District's accounting staff. From this conversation, we believe the District's accounting staff has the requisite knowledge and understanding of the processes/analyses prepared by CLA as not to impair our independence.

Total Fund Balance

When comparing the District's total fund balances month-over-month between June (\$121,799,353.68) and May (\$123,080,469.88), CLA found the fund balance decreased by \$1,281,116.20 between June and May 2023.

U.S. Bank Chandler Custodial Account

Cash/Money Market - Per Section 9.11 of the District's investment policy, "The company shall have met either one of the following criteria: 1) attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs "Nationally Recognized Statistical Rating Organization" or 2) retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds with assets under management in excess of five hundred million dollars." Based on Chandler Asset Management's reconciliation summary for the period ending June 30, 2023, CLA was able to confirm the District's cash and money-market securities were in accordance with the investment policy. CLA also conducted a review of the District's cash and money-market securities and found that all the District's holdings were in alignment with the requirements set forth in the investment policy.

In addition to ensuring that the District's money market funds attained the highest ranking provided by more than one NRSRO, the District also met the requirements outlined in Section 9.11 of the investment policy through its established relationship with Chandler Asset Management. With total assets under management of over \$25 billion with over thirty years of experience in managing money market mutual funds, Chandler Asset Management exceeds the requirements of the District's policy.

Per the investment policy, the maximum percentage of District investments in money market funds is capped at 20%. Similarly, the allowable mutual fund and money market account instruments per California government code (Sections 53601(I) and 53601.6(b)) for local government entities are also capped at 20%. The District's money market balance percentage as of June 30, 2023 is 0.11%. Therefore, the District is following both the investment policy and California governmental code.

United States Treasury Issues – Per Section 9.1 of the investment policy, "there's no limitation as to the percentage of the portfolio that may be invested in this category."

The District's investment policy is in uniformity with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(b)). These guidelines establish that maximum investment maturities for United States Treasury Obligations are limited to five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the

West Valley Water District Investment Memo – June 2023

five-year maturity limit. These guidelines do not establish a maximum specified percentage of the District's investment portfolio for United States Treasury Obligations.

As of June 30, 2023, 59.74% of the District's total portfolio is invested in United States Treasury Issues. With no maximum percentage established for United States Treasury Issues, the District is in conformity with the investment policy and the State of California's Local Agency Investment Guidelines.

Negotiable Certificates of Deposit – Section 9.4 of the District's investment policy states "purchases are limited to securities that have a long-term debt rating of at least the "A" category, or its equivalent, by a NRSRO." All instruments categorized as negotiable certificates of deposit in the District's portfolio follow Section 9.4 of the investment policy, as each security has a satisfactory long-term debt rating, and the investment matures within the five-year time frame as dictated in the policy. Based on CLA's analysis, the purchase dates for all medium-term notes fall within the five-year framework established in the investment policy.

Per Section 9.4 of the investment policy, the maximum percentage of investments in negotiable certificates of deposit is 30% of the portfolio.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(i)) regarding negotiable certificates of deposit. These guidelines establish a maximum specified percentage of the District's investment portfolio for certificates of deposit at 30%. The State of California's guidelines also establish that maximum investment maturities for medium-term notes are limited to five years.

Negotiable certificates of deposit constitute 0.0% of the District's total investment balance as of June 30, 2023. Therefore, the District is following both the investment policy and the State of California's standards.

Medium-Term Notes – Section 9.10 of the District's investment policy states "purchases are limited to securities that have a long-term debt rating of at least the "A" category, or its equivalent, by a NRSRO." The investment policy also states that medium-term notes should have a "maximum remaining maturity of five years or less." All instruments categorized as medium-term notes in the District's portfolio follow Section 9.10 of the investment policy, as each security has a satisfactory long-term debt rating, and the investment matures within the five-year time frame as dictated in the policy. Based on CLA's analysis, the purchase dates for all medium-term notes fall within the five-year framework established in the investment policy.

Per Section 9.10 of the investment policy, the maximum percentage of investments in medium short-term notes is 30% of the portfolio.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(k)) regarding medium-term notes. These guidelines establish a maximum specified percentage of the District's investment portfolio for medium-term notes at 30%. The State of California's guidelines also establish that maximum investment maturities for medium-term notes are limited to five years.

Medium-term notes constitute 7.31% of the District's total investment balance as of June 30, 2023. Therefore, the District is following both the investment policy and the State of California's standards.

West Valley Water District Investment Memo – June 2023

Federal Agency Obligations – Per Section 9.5 of the District’s investment policy, “there is no limitation as to the percentage of the portfolio that may be invested in this category, however, purchases of callable Federal Agency obligations are limited to a maximum of 30 percent of the portfolio.” Although the policy does not explicitly list the bond rating requirements for federal agency obligations, all the District’s current federal agency holdings are rated AAA by multiple NRSRO’s as of June 30, 2023.

While the State of California’s Local Agency Investment Guidelines have not established a maximum specified percentage for investments in federal agency obligations, these guidelines establish that maximum investment maturities for Federal Agency Obligations are limited to five years (Government Code Section 53601(f)). However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

Federal agency obligations represent 7.50% of the District’s total investment balance as of June 30, 2023. Therefore, the District is in accordance with both its investment policy as well as the guidelines set-forth by the State of California.

Local Agency Investment Fund (LAIF)

The State of California, Local Agency Investment Fund (LAIF) processes a same-day transaction if notified by 10:00 am. This ability satisfies the investment requirement of 24-hour liquidity as stipulated in the investment policy for the District.

Per Section 9.2 of the District’s investment policy, the maximum percentage of investments in the State of California, Local Agency Investment Fund is unlimited.

The District’s investment policy is also in accordance with the State of California’s Local Agency Investment Guidelines (Government Code Section 16429.1) concerning the Local Agency Investment Fund. These guidelines establish no maximum specified percentage of the District’s investment portfolio while also dictating no maximum maturity date for LAIF investments.

Per the Standard and Poor’s rating system, California’s Current Credit Rating is AA-, identifying the credit quality of the fund’s portfolio performance as strong.

As of the period ending June 30, 2023, the District’s Local Agency Investment Fund balance represents 9.60% of the District’s entire portfolio. Therefore, the District is following the investment policy as well as the standards of the Local Agency Investment Guidelines.

Based on the LAIF performance report dated July 17, 2023, LAIF investments had a net-yield of 3.167%. Regarding portfolio composition, LAIF fund investments were split into the following categories (percentages may not total 100% due to rounding):

- Treasuries- 63.08%
- Agencies- 21.77%
- Certificates of Deposit/Bank Notes- 7.51%
- Commercial Paper- 4.33%
- Time Deposits- 2.85%
- Loans- 0.20%

West Valley Water District Investment Memo – June 2023

- Corporate Bonds- 0.26%

On March 20, 2019, the District received a \$3 million dollar settlement as part of a larger association of local water districts and municipalities, from the San Gabriel Valley Water Company, Fontana Union Water Company, and the San Gabriel California Corporation. Per the settlement agreement, “West Valley and the non-settling plaintiffs separately asserted six claims alleging breach of contract and other claims arising from the 1961 Decree.” The 1961 Decree governs groundwater pumping from a portion of the Rialto-Colton Basin. The claims also concern the defendants (Fontana Parties) pumping from a portion of the Rialto-Colton Basin that is outside the Rialto Basin as defined by the 1961 Decree. The San Bernardino Basin Area and most but not all the Rialto-Colton Basin are located within the service area of the Valley District and this violation served as the basis of the settlement.

The settlement check was received and deposited into the District’s General Government Checking bank account and the District’s board approved the transfer of the \$3 million in settlement funds to the District’s LAIF account on April 4, 2019. While these funds have been earmarked for Capital Improvement Projects, the District has yet to allocate these funds to any specific project and the District will house all settlement funding in the LAIF account until board approval is received for the allocation of these funds.

The Investment Trust of California (Cal TRUST)

The District maintains investments in the CalTRUST Short-Term Fund. For the month ending June 30, 2023 the Net Asset Value per share was \$10.00 (\$17,214,295.84 book value) for CalTRUST Short-Term Fund investments. Per the CalTRUST Month End Portfolio Statistics dated June 30, 2023, the credit rating for the Short-Term Fund is AAF, identifying the credit quality of the fund’s portfolio performance as very strong.

Section 9.3 of the District’s investment policy states “no limit will be placed on the percentage total in this category.” The State of California also fails to establish a maximum percentage total for investment trusts per Government Code Section 16340. As of the period ending June 30, 2023, the District’s CalTRUST investment balance represents 14.13% of the District’s entire portfolio. Therefore, the District is following the investment policy and the standards set-forth by the State of California as it relates to CalTRUST securities.

Bank Deposits

Based on the District’s investment policy, “Securities placed in a collateral pool must provide coverage for at least 100 percent of all deposits that are placed in that institution.” As of June 30, 2023, the District maintained balances within the FDIC limit of \$250,000 for each of its bank accounts, except for the Chase General Governmental Checking account. The Chase General Governmental Checking account maintains funds for operational purposes and normally carries a balance of at least \$1.5 million dollars which represents funding for one payroll, and one accounts payable check run. In CLA’s comparison between the District’s general checking account balances for June 2023 (\$1,031,911.28) and May 2023 (\$2,515,820.66), CLA observed a decrease of \$1,483,909.38. The following are contributors to the decrease. Three deposit refund checks issued for projects totaling (\$389,573.60). The remaining difference is due to normal activities.

West Valley Water District Investment Memo – June 2023

During our review of the June 2023 Chase General Governmental Checking account bank statement, it was noted that there were 7 fraudulent activities totaling \$15,688.98. West Valley Water District (“WVWD”) has a procedure where the bank issues a check/ACH exception report for WVWD to review and reject fraudulent checks/ACHs as needed. Currently, WVWD has implemented check number and amount positive pay.

While the District reconciles its deposit accounts monthly, CLA found that the District has historically reported the month-ending bank statement balance on the Treasurer’s Report. Because the monthly bank statement does not take any outstanding checks or other withdrawals into account, the District may be overstating the General Government Checking balances on the Treasurer’s Report, which ultimately impacts its liquidity.

In June, the UTC Routine Checking account was \$5,000.56 and the UTC Non-Routine Checking account balance was \$48,636.50. The balances in both accounts went remained unchanged between June 2023 and May 2023. The relatively low balances in both accounts (in comparison with the historical balances) is due to the CFO’s emphasis on transferring more of its unrestricted cash balances to the District’s investments accounts to take advantage of the increased rate of return.

In analyzing the accounting for the District’s cash drawers (\$3,600) and petty cash (\$700), per the District’s accounting staff, the District’s cash drawers are normally reconciled daily. Each drawer is counted by the customer service representative responsible for the drawer and a secondary count is performed by the customer service lead or supervisor prior to the funds being relinquished to the District’s armored security provider, Gaurda, for deposit daily. Cash deposits are reconciled daily by the District’s accounting department. Petty cash is normally reconciled by the accounting department monthly. The District’s accounting department provided CLA with a formalized reconciliation for the petty cash account and the cash drawers for June 2023, therefore CLA was able to agree the cash drawers and petty cash balance to the District Cash Drawers summary schedule.

Section 9.12 of the investment policy asserts that “there is no limit on the percentage of the portfolio that may be invested in bank deposits.” Similarly, the State of California’s Government Code for Allowable Investment Instruments fails to dictate any portfolio standards for general bank deposit accounts. Although no maximum has been established for amounts invested in bank deposits by the investment policy or the State of California, CLA can verify that as of June 30, 2023 the District had 0.89% of its portfolio invested in bank deposit accounts.

Commercial Paper

Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts payable and inventories and meeting short-term liabilities. Commercial paper is usually issued at a discount from face value and typically reflects prevailing market interest rates. Per section 9.8 of the investment policy, the entity that issues the commercial paper should meet all the following conditions “(i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000), and (iii) has debt other than commercial paper, if any, that is rated at least the “A” category by a NRSRO. For a commercial paper investment to be eligible for the District, the commercial paper shall not have a maximum maturity of 270 days or less and no more than 25% of the District’s portfolio may be invested in this category.

West Valley Water District Investment Memo – June 2023

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601 (h)) regarding Commercial Paper. These guidelines establish a maximum specified percentage of the District's investment portfolio for commercial paper at 25%. The State of California's guidelines also establish that maximum investment maturities for commercial paper should be 270 days or less.

As of June 30, 2023, the District had 0.00% invested in commercial paper investment. Therefore, the District is following both the investment policy and the State of California's standards.

Supranational

Supranationals are explicitly defined in Section 9.14 of the investment policy as "US dollar-denominated senior unsecured unsubordinated obligations or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank". Securities listed as supranationals must be rated in the AA category or higher by a NRSRO and no more than 30% of the District's portfolio may be invested in these securities with a maximum maturity of five years.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(q)) regarding supranationals. These guidelines establish a maximum specified percentage of the District's investment portfolio for supranationals at 30%. The State of California's guidelines also establish that maximum investment maturities for supranationals should be five years or less.

As of June 30, 2023, the District's investments in five securities categorized as supranationals was 0.71% of the total portfolio and securities maintained a maturity date of less than five years from the original purchase date. CLA can confirm that the District's supranational investments meet the standards of both the investment policy and the State of California.

West Valley Water District Reserve Memo – June 2023

Note:

All significant assumptions, methodologies and analyzed amounts were discussed with and agreed to by the District's accounting staff. From this conversation, we believe the District's accounting staff has the requisite knowledge and understanding of the processes/analyses prepared by CLA as not to impair our independence.

Restricted Funds

Bond Proceeds Fund(s) – Balances in the bond proceeds fund accounts represent monies derived from the proceeds of a bond issue. Per the requirements of the District's reserve policy, the target level for the debt service reserve requirement is established at the time of the bond issue. Based on documentation provided to CLA, "no reserve fund has been established in connection with the issuance of the 2016A bonds." Therefore, the June 30, 2023 ending balance of \$154.81 satisfies the minimum balance requirements per the District's reserve policy.

Customer Deposit Accounts – Due to fluctuations in the number of utility customer deposits required and the number of development projects in process, no minimum or maximum levels have been established for customer deposit accounts. The customer deposit account balances presented on the treasurer's report are based on the ending balance on the general ledger for the month. The customer deposit accounts are reconciled monthly. CLA was able to confirm that the customer deposit accounts balance presented on the June 2023 Treasurer's Report reconciles with the District's general ledger. The June 30, 2023 balance of \$5,167,954.60 in customer deposit accounts satisfies the balance requirements of the District's reserve policy.

Capacity Charge Account – The District's reserve policy does not explicitly address or specify any minimum or maximum funding levels for capacity charge accounts. However, based on the reconciliation schedule provided by the District, CLA can confirm that the balance of \$46,963,422.58 presented on the June 2023 Treasurer's Report for the Capacity Charge Account reconciles with the documentation provided to CLA with no variance.

CIP Account in LAIF for Capital Purposes – On March 20, 2019, the District received a \$3 million dollar settlement as part of a larger association of local water districts and municipalities, from the San Gabriel Valley Water Company, Fontana Union Water Company and the San Gabriel California Corporation. The check was received and deposited into the District's General Government Checking bank account and the District's board approved the transfer of the \$3 million dollars in settlement funds to the District's LAIF account on April 4, 2019. While these settlement funds have been restricted for Capital Improvement Projects, currently there are no designations or allocations for District funding towards any Capital Improvement Projects.

Capital Reserve Funds

Capital Project Account – The capital project account is used for the funding of new capital assets or the rehabilitation, enhancement, or replacement of capital assets when they reach the end of their useful lives. Per the requirements of the District's reserve policy, "the minimum target level WVWD will strive for is 100% of its then-current year fiscal year from the Capital Improvement Budgets plus 80% of the amount estimated to be needed the following fiscal year." The District currently maintains a balance of \$12,202,500.00 (\$7,334,500.00 for fiscal year 2022-23 and \$4,868,000.00 for fiscal year 2023-24) in its

West Valley Water District Reserve Memo – June 2023

capital project account, meeting the minimum target level required for both fiscal years. CLA was able to confirm that the District is in adherence with the minimum target level requirement as of June 30, 2023 by comparing the board-approved Fiscal Year 2022-23 Mid-Year Capital Improvement Budget adjustments which indicates a total CIP (Operating Revenue + Capital Project Fund) for fiscal year 2022-23 of \$7,334,500.00. The reserve policy only requires the district to maintain 80% of the amount estimated to be needed the following fiscal year (2023-24) which amounts to \$4,868,000.00, therefore, the District meets the requirement indicated in its reserve policy.

Administrative & General Account – The administrative and general account is utilized to fund certain general, administration and overhead projects. While no specific target level has been earmarked for either project, the District hopes to maintain a minimum balance in the administrative and general account equal to 5% of its annual operating expenses. Per the FY 2022-23 board-approved budget, CLA can confirm the District has an operating expenses budget of \$31,659,962.37. As of June 30, 2023, the administrative and general account contains \$1,582,998.10 which satisfies the 5% minimum requirement of the District’s reserve policy.

Liquidity Funds

Rate Stabilization Fund – This fund is established to provide flexibility to the Board when settling rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over time, temporarily defraying any unforeseen decreases in the sale of water. To remain in conjunction with the reserve policy, the District should aim to maintain a minimum level equal to 5% of water sales. Per the FY 2022-23 board-approved budget, the District anticipates water revenues of \$19,701,887.62 for the current fiscal year. The District’s current balance of \$985,094.40 in its rate stabilization account achieves the minimum target level for this account as indicated in the reserve policy.

Operating Reserve Account – This fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses or decreases in revenues and unanticipated increases in expenses. Given the significance of this account, the District strives to maintain a minimum amount equal to 60 days of the District’s budgeted total operating expenses in this account. Per the FY 2022-23 board-approved budget, CLA can confirm the District has an operating expenses budget of \$31,659,962.37. As of June 30, 2023, the operating reserve account maintains a balance of \$5,276,660.33, which satisfies the requirements of the District’s reserve policy.

Emergency Account – The emergency account may be utilized to purchase water at any time or to begin repair of the water system after a catastrophic event. Therefore, a minimum target level equal to 1% of net capital assets of the District’s water system has been established to enable the district to manage emergency situations. Per June 30, 2023 general ledger detail reporting provided by the District’s accounting staff, CLA was able to confirm that the District’s net assets total \$134,490,961.90. As of June 30, 2023, the emergency account represents a balance of \$1,344,909.62 or 1% of total net assets, allowing the District to meet its requirements for the reserve policy.

Water Banking Account – The District’s reserve policy states “The District will strive to maintain a minimum level equal to the cost of 1,000 acre-feet of water and a maximum amount equal to the cost of 10,000 acre-feet of water.” Per an invoice from the San Bernardino Valley Municipal Water District, CLA can confirm that the District currently pays \$125 per acre-feet of water. By maintaining a balance of \$125,000 in its Water Banking Account, the District is in adherence with its reserve policy.

West Valley Water District Reserve Memo – June 2023

Self-Insurance Reserve – As indicated in the minutes from the April 5, 2018 board meeting, the District’s board of directors approved \$5,000,000 in funds for employee liability claims and this amount is considered adequate based on conversations with the District’s CFO.

Balance Available for Daily Operations – This balance represents the District’s total cash balance less any fund requirements. For the month ending June 30, 2023, the District had a total of \$121,799,353.68 in various institutional accounts. The required reserve balances by type total \$81,648,694.44 and are categorized as follows:

- Restricted Funds- \$55,131,531.99
- Capital Reserve Funds- \$13,785,498.10
- Liquidity Funds- \$7,731,664.35
- Other Reserves- \$5,000,000.00

Based on the District’s Treasurer’s Report, which indicates a total cash balance of \$123,080,469.88 and fund requirements of \$81,648,694.44, the fund balance available for daily operations reconciles to the June 2023 Treasurer’s report.

CLA reviewed the Treasurer’s report for clerical accuracy and recalculated the total Unrestricted Reserves balance and agreed the totals to the June 2023 Treasurer’s Report. The Treasurer’s Report indicates that West Valley Water District’s total cash, investment, and reserve balances as of June 30, 2023 total \$121,799,353.68. In its assessment of the District’s accounts, the balances on the Treasurer’s Report appear to agree with the supporting documentation provided by the West Valley Water District.

West Valley Water District
Investment Policy Analysis
June 30, 2023

U.S. Bank - Chandler Asset Management		
Money Market	136,552.38	A
Commercial Paper	-	A
Federal Agency Obligations	9,131,018.05	A
U.S. Government	72,757,949.65	A
Corporate Bonds	8,901,653.60	A
Supranational	870,388.00	A
Negotiable CD	-	A
Total U.S. Bank - Chandler Asset Management Funds	91,797,561.68	

Checking and Savings		
Bank of Hope	-	B
Chase-1653 (Operating Account)	1,031,911.28	B
Chase-1368	5,000.56	B
Chase-1392	48,636.50	B
Chase-5993 (Rebate Account)	-	B
2016A Bond - Principal & Payment Funds	154.81	B
2016A Bond - Interest Fund	-	B
District Cash Drawers	4,300.00	C
Total Checking and Savings	1,090,003.15	

CalTRUST Short Term Fund	17,214,295.84	A
CalTRUST Medium Term Fund	-	A
LAIF	11,697,493.01	A
Total June 30, 2023 District Funds	121,799,353.68	

The balances indicated above are as of June 30, 2023

- Balances verified with monthly investment statements provided by client **A**
- Balances verified with monthly bank statements provided by client **B**
- Balances verified with monthly reconciliations provided by client **C**

The purpose of this report is to calculate the asset class percentage in comparison with the maximum portfolio percentage allowed by the district's investment policy

Based on our review of the asset classes as of 06/30/23, West Valley Water District is in compliance with its investment policy

Security Type	Maximum per Investment Policy	Balance
Commercial Paper	25%	-
Federal Agency Obligations	30%	9,131,018.05
U.S. Government	No Limit	72,757,949.65
LAIF	No Limit	11,697,493.01
CalTRUST	No Limit	17,214,295.84
Negotiable CD	30%	-
Medium Term Notes (Corporate Bonds)	30%	8,901,653.60
Money Market	20%	136,552.38
Bank Deposits	No Limit	1,090,003.15
Supranational	30%	870,388.00
		121,799,353.68
Funds Excluded from Policy	2016A	-
Total June 30, 2023 District Funds		121,799,353.68

Asset Class	June 2023	
	(% of Total Investments)	Maximum Portfolio (%)
Commercial Paper	0.00%	25%
Federal Agency Obligations	7.50%	30%
U.S. Government	59.74%	No Limit
LAIF	9.60%	No Limit
CalTRUST	14.13%	No Limit
Negotiable CD	0.00%	30%
Medium Term Notes (Corporate Bonds)	7.31%	30%
Money Market	0.11%	20%
Bank Deposits	0.89%	No Limit
Supranational	0.71%	30%

West Valley Water District
 Bond Analysis
 June 30, 2023

Liquidity Fund						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
U S Treasury Bill - 912797FX0	14,983,500.00	P-1	Yes	3/21/2023	7/11/2023	0.3
U S Treasury Bill - 912797GU5	15,559,110.00	P-1	Yes	5/26/2023	9/26/2023	0.3
U S Treasury Bill - 912797FB8	10,090,100.00	P-1	Yes	4/21/2023	10/19/2023	0.5
U S Treasury Bill - 912797FJ1	10,304,805.00	P-1	Yes	6/22/2023	11/9/2023	0.4
U S Treasury Bill - 912797FV4	9,751,100.00	P-1	Yes	6/22/2023	12/21/2023	0.3
First American Govt Obligation Fund Class Y - 31846V203	101,099.58	Aaa	Yes	various		
Total Liquidity Fund	60,789,714.58					

Money Market Fund						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
First American Govt Obligation Fund Class Y - 31846V203	35,452.80	Aaa	Yes	various		
Total Money Market	35,452.80					

Federal Agency Obligations						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
FFCB Note 3133EKZK5	248,867.50	Aaa	Yes	8/19/2019	8/14/2023	3.9
F N M A - 3135G0U43	233,794.45	Aaa	Yes	9/12/2018	9/12/2023	4.9
FHLMC MTN- 3137EAEZ8	491,355.00	Aaa	Yes	10/7/2020	11/6/2023	3.0
F N M A - 3135G06H1	426,099.90	Aaa	Yes	11/23/2020	11/27/2023	3.0
FHLMC MTN- 3137EAF A2	342,440.00	Aaa	Yes	12/2/2020	12/4/2023	3.0
Federal Home Loan Bks - 3130A0F70	238,017.60	Aaa	Yes	12/13/2018	12/8/2023	4.9
Federal Home Loan Bks - 3130AB3H7	186,135.40	Aaa	Yes	4/8/2019	3/8/2024	4.8
Federal Home Loan Bks - 3130A0XE5	246,320.00	Aaa	Yes	3/19/2019	3/8/2024	4.9
FFCB Note 3133EKNX0	242,905.00	Aaa	Yes	6/25/2019	6/3/2024	4.9
Federal Home Loan Bks - 3130A1XJ2	243,925.00	Aaa	Yes	6/12/2019	6/14/2024	4.9
F N M A - 3135G0V75	241,080.00	Aaa	Yes	7/8/2019	7/2/2024	4.9
FFCB- 3133EKP75	239,107.50	Aaa	Yes	10/15/2019	9/17/2024	4.9
F N M A - 3135G0W66	238,527.50	Aaa	Yes	10/17/2019	10/15/2024	4.9
Federal Farm Credit Bks - 3133ENS43	492,105.00	Aaa	Yes	10/20/2022	10/17/2024	2.0
Federal Farm Credit Bks - 3133ENZ94	495,115.00	Aaa	Yes	11/16/2022	11/18/2027	4.9
Federal Home Loan Bks - 3130ATUR6	594,678.00	Aaa	Yes	2/1/2023	12/13/2024	1.8
F N M A - 3135G0X24	90,076.15	Aaa	Yes	1/8/2020	1/7/2025	4.9
Federal Farm Credit Bks - 3133ENZ37	497,450.00	Aaa	Yes	11/3/2022	1/10/2025	2.2
Federal Home Loan Mortgage Company - 3137EAEPO	269,031.45	Aaa	Yes	2/13/2020	2/12/2025	4.9
F N M A Deb - 3135G03U5	157,219.40	Aaa	Yes	4/22/2020	4/22/2025	4.9
F N M A - 3135G04Z3	261,652.80	Aaa	Yes	6/17/2020	6/17/2025	4.9
F H L M C - 3137EAEU9	319,336.50	Aaa	Yes	7/21/2020	7/21/2025	4.9
F N M A - 3135G05X7	464,074.50	Aaa	Yes	10/6/2020	8/25/2025	4.8
Federal Home Loan Bks - 3130AJXA2	271,848.00	Aaa	Yes	10/7/2020	9/12/2025	4.9
FHLMC MTN - 3137EAEX3	199,621.40	Aaa	Yes	9/23/2020	9/23/2025	4.9
F N M A - 3135G06G3	453,160.00	Aaa	Yes	11/1/2020	11/7/2025	4.9
Federal Home Loan Bks - 3130AKFA9	448,790.00	Aaa	Yes	12/16/2020	12/12/2025	4.9
Federal Home Loan Bks - 3130ATUS4	498,285.00	Aaa	Yes	1/31/2023	12/10/2027	4.8
Total Federal Agency Obligations	9,131,018.05					

Negotiable Certificate of Deposit						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
Total Negotiable Certificates of Deposit						

Commercial Paper						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
Total Commercial Paper						

Supranational						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
International Finance Corp - 45950KCR9	237,805.00	Aaa	Yes	7/12/2021	10/16/2024	3.2
International Bank M T N - 459058JL8	181,528.00	Aaa	Yes	10/22/2020	10/28/2025	4.9
Inter American Devel Bk - 4581X0DV7	451,055.00	Aaa	Yes	4/13/2021	4/20/2026	5.0
Total Supranational	870,388.00					

U.S. Corporate						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
Bank of NY Mellon Corp - 06406FAD5	298,776.00	A1	Yes	3/15/2021	8/16/2023	2.4
John Deere Capital Corp - 24422EVN6	325,938.25	A2	Yes	3/1/2021	1/17/2024	2.8
National Rural Util Coop - 637432NL5	196,722.00	A1	Yes	4/6/2022	2/7/2024	1.8
Charles Schwab Corp. - 808513BN4	101,298.75	A2	Yes	3/16/2021	3/18/2024	3.0
Amazon Com Inc. - 023135BW5	287,619.00	A1	Yes	5/10/2021	5/12/2024	3.0
Jpmorgan Chase Co - 46625HJX9	294,696.00	A1	Yes	12/5/2019	5/13/2024	4.4
Caterpillar Fini Service - 14913R2L0	296,732.00	A2	Yes	5/10/2021	5/17/2024	3.0
Salesforce Com Inc - 79466LAG9	47,595.00	A2	Yes	6/29/2021	7/15/2024	3.0
US Bancorp - 91159HHX1	144,682.50	A3	Yes	2/5/2021	7/30/2024	3.4
Paccar Financial Corp - 69371RR40	113,602.80	A1	Yes	8/3/2021	8/9/2024	3.0
Paccar Financial Corp - 69371RR73	224,918.50	A1	Yes	3/31/2022	4/7/2025	3.0
Pepsico Inc - 713448CT3	287,358.00	A1	Yes	10/31/2022	4/30/2025	2.5
Pfizer Inc Sr Gbl Nto - 717081EX7	115,406.25	A1	Yes	6/3/2020	5/28/2025	4.9
Microsoft Corp - 594918BJ2	385,036.00	Aaa	Yes	1/20/2023	11/3/2025	2.7
State Str Corp - 857477BR3	74,954.40	A1	Yes	2/27/2022	2/6/2026	3.9
Apple Inc. - 037833EB2	157,757.25	Aaa	Yes	2/5/2021	2/8/2026	4.9
Unitedhealth Group Inc. - 91324PEC2	54,258.60	A3	Yes	6/16/2021	5/15/2026	4.8
Walmart Inc - 931142ER0	53,569.80	Aa2	Yes	9/8/2021	9/17/2026	5.0
Honeywell International - 438516BL9	280,095.00	A2	Yes	12/13/2022	11/1/2026	3.8
Duke Energy Carolinas - 26442CAS3	281,883.00	Aa3	Yes	10/28/2022	12/1/2026	4.0
Target Corp - 87612EBM7	128,158.80	A2	Yes	1/19/2022	1/15/2027	4.9
Procter Gamble Co The - 742718FV6	274,440.00	Aa3	Yes	2/1/2022	2/1/2027	4.9
Charles Schwab Corp - 808513BY0	85,098.15	A2	Yes	3/1/2022	3/3/2027	4.9
Berkshire Hathaway Fin - 084664CZ2	261,828.00	Aa2	Yes	3/7/2022	3/15/2027	5.0
Blackrock Inc - 09247XAN1	236,627.50	Aa3	Yes	4/27/2022	3/15/2027	4.8
Northern Tr Corp Sr Nt - 665859AW4	289,011.00	A2	Yes	5/5/2022	5/10/2027	4.9
Unitedhealth Group Inc - 91324PEG3	294,016.95	A3	Yes	5/17/2022	5/15/2027	4.9
Walmart Inc - 931142EX7	245,220.00	Aa2	Yes	9/12/2022	9/9/2027	4.9
Apple Inc - 037833DK3	235,540.00	Aaa	Yes	2/1/2023	11/13/2027	4.7
Toyota Mtr Cr Corp - 89236TKQ7	351,883.10	A1	Yes	1/9/2023	1/12/2028	4.9
Mastercard Incorporated - 57636QAW4	404,524.00	Aa3	Yes	3/9/2023	3/9/2028	4.9
Public Service Electric - 74456QBU9	332,951.50	A1	Yes	6/22/2023	5/1/2028	4.8
Florida Pwr Lt Co - 341081GN1	343,423.50	Aa2	Yes	6/22/2023	5/15/2028	4.9
Merck Co Inc - 58933YBH7	393,048.00	A1	Yes	5/17/2023	5/17/2028	5.0
Prologis L P - 74340XCG4	247,735.00	A3	Yes	6/27/2023	6/15/2028	5.0
Toronto Dominion Bank - 89114QCA4	290,934.00	A1	Yes	4/23/2021	6/12/2024	3.1
Bank of Montreal - 06367WB85	233,540.00	A2	Yes	8/6/2021	5/1/2025	3.7
Royal Bank of Canada - 78015K7H1	230,775.00	A1	Yes	5/20/2021	6/10/2025	4.0
Total U.S. Corporate	8,901,653.60					

U.S. Government						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
U.S. Treasury Note - 912828V80	245,410.00	Aaa	Yes	4/29/2019	1/31/2024	4.7
U.S. Treasury Note - 912828X70	243,057.50	Aaa	Yes	9/5/2019	4/30/2024	4.6
U.S. Treasury Note - 9128282U3	168,136.50	Aaa	Yes	12/30/2019	8/31/2024	4.6
U.S. Treasury Note - 912828YM6	475,740.00	Aaa	Yes	12/9/2020	10/31/2024	3.8
U.S. Treasury Note - 912828YV6	237,362.50	Aaa	Yes	12/11/2019	11/30/2024	4.9
U.S. Treasury Note - 912828Z52	471,545.00	Aaa	Yes	5/9/2021	1/31/2025	3.7
U.S. Treasury Note- 912828ZF0	462,500.00	Aaa	Yes	2/24/2021	3/31/2025	4.0
U.S. Treasury Note - 912828ZL7	460,040.00	Aaa	Yes	1/13/2021	4/30/2025	4.2
U.S. Treasury Note - 912828ZT0	457,560.00	Aaa	Yes	12/16/2020	5/31/2025	4.4
U.S. Treasury Note - 91282CAB7	454,980.00	Aaa	Yes	12/16/2020	7/31/2025	4.6
U.S. Treasury Note - 91282CAJ0	453,635.00	Aaa	Yes	12/1/2020	8/31/2025	4.7
U.S. Treasury Note - 91282CAT8	451,250.00	Aaa	Yes	12/1/2020	10/31/2025	4.8
U.S. Treasury Note - 91282CBC4	450,685.00	Aaa	Yes	1/8/2021	12/31/2025	4.9
U.S. Treasury Note - 91282CBH3	448,905.00	Aaa	Yes	2/16/2021	1/31/2026	4.9
U.S. Treasury Note - 91282CBQ3	449,140.00	Aaa	Yes	3/4/2021	2/28/2026	4.9
U.S. Treasury Note - 91282CCF6	224,560.00	Aaa	Yes	6/28/2021	5/31/2026	4.9
U.S. Treasury Note- 91282CCP4	445,450.00	Aaa	Yes	9/17/2021	7/31/2026	4.8
U.S. Treasury Note - 91282CCW9	445,940.00	Aaa	Yes	11/29/2021	8/31/2026	4.7
U.S. Treasury Note- 91282CCZ2	447,345.00	Aaa	Yes	12/15/2021	9/30/2026	4.7
U S Treasury Note - 91282CDK4	450,490.00	Aaa	Yes	10/20/2022	11/30/2026	4.1
U S Treasury Note - 91282CEF4	468,575.00	Aaa	Yes	11/2/2022	3/31/2027	4.4
U.S. Treasury Note - 91282CEN7	472,325.00	Aaa	Yes	6/6/2022	4/30/2027	4.8
U S Treasury Note - 91282CET4	422,824.50	Aaa	Yes	7/8/2022	5/31/2027	4.8
U S Treasury Note - 91282CEW7	480,860.00	Aaa	Yes	10/20/2022	6/30/2027	4.6
U S Treasury Note - 91282CFH9	234,310.65	Aaa	Yes	10/6/2022	8/31/2027	4.8
U S Treasury Note - 91282CFM8	497,205.00	Aaa	Yes	10/24/2022	9/30/2027	4.9
U S Treasury Note - 91282CFU0	497,385.00	Aaa	Yes	11/18/2022	10/31/2027	4.9
U S Treasury Note - 9128283F5	460,530.00	Aaa	Yes	11/28/2022	11/15/2027	4.9
U S Treasury Note - 91282CGC9	591,588.00	Aaa	Yes	1/26/2023	12/31/2027	4.9
Total U.S. Government	12,069,334.65					

US Bank - Chandler Asset Mgmt
 June 2023 Bond Total per Treasurer's Report 31,007,847.10
 Total Per June 2023 Chandler Statement 31,007,847.10
 Variance -

US Bank - Chandler Liquidity Fund
 June 2023 Bond Total per Treasurer's Report 60,789,714.58
 Total Per June 2023 Chandler Statement 60,789,714.58
 Variance -



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: July 26, 2023
TO: Finance Committee
FROM: John Thiel, General Manager
SUBJECT: MONTHLY REVENUE & EXPENDITURES REPORT - JUNE 2023

BACKGROUND:

The Board of Directors requested the Monthly Financial Status Report to be presented to the Finance Committee for review and discussion before presenting these reports to the Board of Directors. The reports are being produced from the District's Financial System (System of Records) and will be presented on a monthly basis.

DISCUSSION:

The Monthly Financial Status Report (**Exhibit A**) summarizes the District's revenue categories as well as expenditures for all Departments. The original total budget includes the adopted budget. Current total budget includes the adopted budget plus any budget amendments or adjustments made during the year. Period activity column represents activity for the reporting periods. Fiscal activity column represents the year-to-date activity or transactions that have been recorded in the general ledger from the beginning of the fiscal year July 1 through June 30. The encumbrance column represents funds encumbered with a purchase order that's not spent but committed. The percent column represents the percentage of the current budget that has been received (Revenue) or utilized (Expenditure). Every quarter-end, a quarterly report (**Exhibit B**) is presented to compare the current fiscal year quarter vs the previous year's quarter.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Monthly Revenue & Expenditure Report.

STAFF RECOMMENDATION:

Forward a recommendation to the Board of Directors to approve the June 2023 Monthly Revenue & Expenditure Report.
Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Monthly Revenue & Expenditure Report
2. Exhibit B - 2023 June Quarter End Report

EXHIBIT A



West Valley Water District, CA

Budget Report Group Summary

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Departmen...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
Revenue							
4000 - Water consumption sales	19,701,888.00	19,701,888.00	1,456,686.48	17,303,481.47	0.00	-2,398,406.53	87.83 %
4010 - Water service charges	8,168,023.00	8,168,023.00	551,912.32	8,302,407.92	0.00	134,384.92	101.65 %
4020 - Other operating revenue	3,967,920.00	3,967,920.00	215,100.03	3,378,927.11	0.00	-588,992.89	85.16 %
4030 - Property Taxes	3,069,566.00	3,069,566.00	2,057.59	3,746,577.84	0.00	677,011.84	122.06 %
4040 - Interest & Investment Earnings	350,000.00	350,000.00	203,417.52	3,305,326.05	0.00	2,955,326.05	944.38 %
4050 - Rental Revenue	36,303.00	36,303.00	3,276.20	38,457.45	0.00	2,154.45	105.93 %
4060 - Grants and Reimbursements	127,892.00	127,892.00	0.00	267,953.19	0.00	140,061.19	209.52 %
4070 - Gain on Sale of Capital Assets	0.00	0.00	0.00	735,493.68	0.00	735,493.68	0.00 %
4080 - Other Non-Operating Revenue	15,783.00	15,783.00	0.00	10,420,618.71	0.00	10,404,835.71	156,024.32 %
Revenue Total:	35,437,375.00	35,437,375.00	2,432,450.14	47,499,243.42	0.00	12,061,868.42	134.04 %

Budget Report

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Departmen...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
Expense							
5110 - Source Of Supply	2,530,789.00	2,475,485.00	-24,834.85	1,597,128.01	0.00	878,356.99	64.52 %
5210 - Production	4,403,550.00	4,990,550.00	692,783.14	4,363,925.77	60,567.41	566,056.82	88.66 %
5310 - Water Quality	772,375.00	702,375.00	83,227.65	575,691.37	12,455.00	114,228.63	83.74 %
5320 - Water Treatment - Perchlorate	550,000.00	305,000.00	24,823.67	223,298.93	15,251.26	66,449.81	78.21 %
5350 - Water Treatment - FBR/FXB	2,204,600.00	2,091,600.00	177,986.02	1,869,513.60	163,060.41	59,025.99	97.18 %
5390 - Water Treatment - Roemer/Arsenic	1,944,210.00	1,993,210.00	222,683.28	1,755,410.15	138,349.27	99,450.58	95.01 %
5410 - Maintenance - T & D	2,545,250.00	2,695,250.00	330,475.63	2,546,386.53	104,232.15	44,631.32	98.34 %
5510 - Customer Service	1,323,600.00	1,371,600.00	159,971.25	1,208,623.80	0.00	162,976.20	88.12 %
5520 - Meter Reading	1,154,500.00	1,154,500.00	64,114.99	921,682.38	17,546.10	215,271.52	81.35 %
5530 - Billing	537,700.00	551,200.00	64,950.14	529,775.74	0.00	21,424.26	96.11 %
5610 - Administration	2,512,301.00	2,375,291.00	312,220.19	1,651,697.46	92,029.26	631,564.28	73.41 %
5615 - General Operations	3,378,372.00	3,375,372.00	268,649.28	2,843,531.41	67,906.42	463,934.17	86.26 %
5620 - Accounting	974,443.00	960,943.00	130,345.63	906,528.65	3,500.00	50,914.35	94.70 %
5630 - Engineering	1,793,120.00	1,785,120.00	175,098.23	1,614,044.94	12,110.24	158,964.82	91.10 %
5640 - Business Systems	1,369,630.00	1,396,630.00	203,673.92	1,244,418.15	12,160.63	140,051.22	89.97 %
5645 - GIS	285,830.00	259,050.00	41,128.05	227,577.04	6,500.00	24,972.96	90.36 %
5650 - Board Of Directors	304,900.00	304,900.00	45,889.77	274,671.66	299.99	29,928.35	90.18 %
5660 - Human Resources/Risk Management	964,580.00	937,950.00	113,711.61	691,619.08	101,967.00	144,363.92	84.61 %
5680 - Purchasing	667,300.00	667,300.00	81,993.56	572,470.26	0.00	94,829.74	85.79 %
5710 - Public Affairs	1,362,912.00	1,236,636.00	128,011.01	867,064.64	70,445.96	299,125.40	75.81 %
5720 - Grants & Rebates	80,000.00	30,000.00	0.00	32,369.46	0.00	-2,369.46	107.90 %
6200 - Interest Expense	888,300.00	888,300.00	0.00	640,577.04	0.00	247,722.96	72.11 %
6300 - Debt Administration Service	6,615.00	6,615.00	0.00	0.00	0.00	6,615.00	0.00 %
6800 - Other Non-Operating Expense	0.00	0.00	0.00	712,500.00	0.00	-712,500.00	0.00 %
Expense Total:	32,554,877.00	32,554,877.00	3,296,902.17	27,870,506.07	878,381.10	3,805,989.83	88.31 %
Report Surplus (Deficit):	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25	650.49 %

Budget Report

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)
100 - Water Operations Fund	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25
Report Surplus (Deficit):	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25

Exhibit B

FOURTH QUARTER FINANCIAL REPORT
THREE MONTHS ENDED JUNE 30, 2023
(Unaudited Numbers, Not Final For FY23)

	4th Quarter Actuals				Notes
	FY21-22 6/30/2022	FY22-23 6/30/2023	Amount Change	% Change	
Operating revenues:					
Water consumption sales	\$ 4,833,989	\$ 3,968,219	\$ (865,770)	-17.91%	A
Water service charges	1,834,629	2,118,409	\$ 283,779	15.47%	
Other operating income	624,039	848,580	\$ 224,541	35.98%	
Total operating revenues	<u>7,292,657</u>	<u>6,935,208</u>	<u>(357,449)</u>	<u>-4.90%</u>	
Non-operating revenues:					
Property taxes	1,158,490	1,431,838	\$ 273,348	23.60%	
Grants and reimbursements	-	2,380	\$ 2,380	*	
Interest and investment earnings	(55,612)	1,274,752	\$ 1,330,364	*	B
Rental income- cellular antennas	9,560	6,552	\$ (3,007)	-31.46%	C
Gain/(loss) on sale/disposition of capital assets	-	-	\$ -	0.00%	
Other non-operating revenues	8,600	10,324	\$ 1,724	20.05%	
Total non-operating revenues	<u>1,121,037</u>	<u>2,725,846</u>	<u>1,604,809</u>	<u>143.15%</u>	
Operating expenses:					
Public affairs	368,569	313,251	\$ (55,317)	-15.01%	
Grants	5,874	10,553	\$ 4,679	79.66%	D
Source of supply	850,422	403,196	\$ (447,226)	-52.59%	E
Pumping	1,403,709	1,168,326	\$ (235,383)	-16.77%	
Water treatment	1,245,518	1,212,608	\$ (32,910)	-2.64%	
Transmission and distribution	569,322	784,019	\$ 214,697	37.71%	F
Customer accounts	622,256	695,673	\$ 73,417	11.80%	
General and administrative	2,504,639	2,718,349	\$ 213,711	8.53%	
Total operating expenses	<u>7,570,309</u>	<u>7,305,975</u>	<u>(264,333)</u>	<u>-3.49%</u>	
Capital contributions:					
Developer contributions	25,819	-	\$ (25,819)	*	
Capacity charges	17,858,929	902,692	\$ (16,956,237)	-94.95%	G
Total capital contributions	<u>17,884,748</u>	<u>902,692</u>	<u>(16,982,056)</u>	<u>-94.95%</u>	
Total revenues	26,298,443	10,563,746	\$ (15,734,697)	-59.83%	
Total expenditures	7,570,309	7,305,975	\$ (264,333)	-3.49%	
Net Change	<u>18,728,134</u>	<u>3,257,771</u>	<u>(15,470,364)</u>	<u>-82.60%</u>	

Note	Comment
A	The quarter continues to see a decrease in water consumption due to excessive rain during the quarter.
B	Major increase was due to change in investment strategy and increase in interest rates.
C	Decrease was due to timing, some of the payments for April were posted in March 2023.
D	Increase was due to more activity in rebates.
E	Decrease due to less purchased water from I.E.U.A during the quarter.
F	Due to increase in repair and maintenance for domestic mains.
G	The quarter had less capacity charges receipts, due to a downturn in housing starts.



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: July 26, 2023
TO: Finance Committee
FROM: John Thiel, General Manager
SUBJECT: CASH DISBURSEMENTS REPORTS - JUNE 2023

BACKGROUND:

The Board of Directors requested the Monthly Cash Disbursements Report to be presented to the Finance Committee for review and discussion before presenting these reports to the Board of Directors. The reports are being produced from the District's Financial System (System of Records) and will be presented to the Finance Committee on a monthly basis.

DISCUSSION:

Each month, the Accounting Department provides a complete listing of all previous month's disbursements to promote fiscal responsibility and accountability over the expenditure of public funds. This process includes providing the Finance Committee, Board of Directors, and ratepayers the opportunity to review expenses for supplies, materials, services, (**Exhibit A**) and payroll Disbursements (**Exhibit B**). Payroll is processed bi-weekly and accounts payable are processed weekly. Information to justify each payment is available through the Accounting Department. For reference, Customer Refunds are credits due as a result of closing a water account.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Cash Disbursement Reports.

STAFF RECOMMENDATION:

Forward a recommendation to the Board of Directors to approve the June 2023 Cash Disbursement Reports.
Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Cash Disbursements Board Report
2. Exhibit B - 2023 June Cash Disbursements Payroll Board Report

EXHIBIT A

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 929.41	
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 960.66	
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 68.96	
7020	BERTOLINE, GINA E	TYLER CONNECT 2023	\$ 34.12	
7021	CED CREDIT OFFICE	Cable Pulling Grips for Copper	\$ 2,746.21	
7021	CED CREDIT OFFICE	MAINTENANCE SUPPLIES	\$ 56.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 36.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 45.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 45.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 25.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 1,648.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7023	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-BILLING DEPT	\$ 645.78	
7023	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-ACCOUNTING DEPT	\$ 964.04	
7024	ENGINEERING RESOURCES INC	CMIS Santa Ana Transmission Main Phase II		\$ 25,525.00
7025	HAZZARD BACKFLOW INC	ANNUAL BACKFLOW TEST	\$ 110.00	
7025	HAZZARD BACKFLOW INC	HYDRANT TEST	\$ 55.00	
7025	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 2,210.00	
7026	HILLTOP GEOTECHNICAL, INC.	MAINTENANCE SUPPLIES	\$ 577.50	
7027	INLAND ROAD SERVICE & TIRE	Tires for Backhoe	\$ 1,094.32	
7028	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 2,675.00	
7029	MCMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 450.52	
7029	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 359.90	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 451.74	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 464.90	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 42.51	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 129.41	
7030	MOORE, KELVIN	ACWA SPRING CONFERENCE-MONTEREY 5/8/23-5/10/23	\$ 1,003.51	
7031	RED WING BUSINESS ADVANTAGE ACCOUN	SAFETY BOOTS-ALBERT HERRERA	\$ 223.03	
7031	RED WING BUSINESS ADVANTAGE ACCOUN	SAFETY BOOTS-RYAN SMITH	\$ 225.00	
7032	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG 5/09/23	\$ 225.00	
7032	SAFETY COMPLIANCE COMPANY	OFFICE SAFETY MTG 5/09/23	\$ 200.00	
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023		\$ 2,200.00
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 26,794.07	
7033	SB VALLEY MUNICIPAL	ROEMER HYDROELECTRIC		\$ 352,682.22
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 36,666.41	
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 6,979.68	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.61	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.49	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 8.46	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 7.86	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 7.70	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.93	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 5.83	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 5.93	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 5.95	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 6.86	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.71	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7034	UNIFIRST CORPORATION	JANITORIAL SERVICES-ROEMER	\$ 157.42	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.30	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.49	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.02	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.98	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 12.56	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.84	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.59	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.47	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 5.95	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7034	UNIFIRST CORPORATION	JANITORIAL SERVICES-HQ	\$ 246.46	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.09	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,157.59	
7036	HASA INC.	CHEMICALS-BLF	\$ 46.15	
7036	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 145.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-WELLS	\$ 409.27	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 180.57	
7036	HASA INC.	CHEMICALS-WELLS	\$ 216.67	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7036	HASA INC.	CHEMICALS-WELLS	\$ 168.52	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 312.97	
7036	HASA INC.	CHEMICALS-WELLS	\$ 98.04	
7036	HASA INC.	CHEMICALS-WELLS	\$ 190.86	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,203.74	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-WELLS	\$ 216.67	
7036	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 272.05	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 96.30	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 397.24	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,444.49	
7036	HASA INC.	CHEMICALS-WELLS	\$ 156.49	
7036	HASA INC.	CHEMICALS-WELLS	\$ 180.57	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 337.05	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 433.35	
7036	HASA INC.	CHEMICALS-WELLS	\$ 456.92	
7036	HASA INC.	CHEMICALS-PERCHLORATE	\$ 385.20	
7036	HASA INC.	CHEMICALS-ROEMER	\$ 4,320.81	
7038	AIR & HOSE SOURCE INC	MAINTENANCE SUPPLIES	\$ 200.58	
7039	BECERRA, JESSE	SAFETY GLASSES	\$ 76.40	
7040	CALIFORNIA LANDSCAPE & DESIGN INC.	Landscape Maintenance Services-MAY 2023	\$ 5,833.00	
7040	CALIFORNIA LANDSCAPE & DESIGN INC.	Landscape Maintenance Services-MAY 2023	\$ 1,667.00	
7041	CHANDLER ASSET MANAGEMENT	SERVICES MAY 2023	\$ 6,186.95	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 42.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 169.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7043	FASTENAL COMPANY	CREDIT MEMO RETURNS-ROEMER	\$ (15.80)	
7043	FASTENAL COMPANY	CREDIT MEMO RETURNS-ROEMER	\$ (61.68)	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 384.70	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 321.85	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 482.77	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 482.77	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 321.85	
7044	GENERAL PUMP COMPANY INC	Baseline Feeder South Well Rehabilitation		\$ 20,845.00

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7044	GENERAL PUMP COMPANY INC	Baseline Feeder South Well Rehabilitation		\$ 6,670.00
7045	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7045	HASA INC.	CHEMICALS-ROEMER	\$ 5,401.02	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 726.00	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 897.00	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 3,575.70	
7047	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 323.73	
7047	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 352.37	
7047	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 79.12	
7047	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 388.81	
7048	PANTALEON, SOCORRO	CSDA LEGISLATIVE DAYS	\$ 450.88	
7048	PANTALEON, SOCORRO	SOLAR CHALLENGE REFRESHMENTS	\$ 87.51	
7049	RECYCLED AGGREGATE MATERIALS CO INC	MAINTENANCE SUPPLIES	\$ 130.00	
7050	CAROLLO ENGINEERS INC	WIFIA and SRF Loan Application - Roemer Expansion		\$ 2,353.00
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 26.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 218.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 290.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 575.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 34.48	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 36.30	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 505.46	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 288.77	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 475.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 135.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 69.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 34.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 172.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 69.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 34.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 827.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 204.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 209.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 448.50	
7053	GENERAL PUMP COMPANY INC	North Well equipment rentals per invoice # 29829	\$ 7,450.00	
7053	GENERAL PUMP COMPANY INC	Well 54 Booster Pump motor repair at Delta	\$ 6,908.78	
7053	GENERAL PUMP COMPANY INC	Well 54 Booster motor emergency service	\$ 8,486.18	
7054	HARRINGTON INDUSTRIAL PLASTICS	PRODUCTION SUPPLIES	\$ 908.54	
7055	HAWKINS, CHANNING	WATER ED FOR LATINO LEADERS-CHANNING HAWKINS	\$ 108.45	
7056	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 2,890.00	
7056	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 1,105.00	
7057	INFOSEND INC	December Newsletter	\$ 1,697.06	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7057	INFOSEND INC	December Newsletter	\$ 175.00	
7058	MCMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 713.98	
7058	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 227.82	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 290.20	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 99.18	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 55.57	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 476.95	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 136.65	
7059	SB VALLEY MUNICIPAL	BASELINE FEEDER ELECTRIC BILL-03/30/23-04/27/23	\$ 42,554.69	
7060	YOUNG, GREGORY A	ACWA/JPIA SPRING CONF-GREGORY YOUNG	\$ 1,202.45	
7061	AIR & HOSE SOURCE INC	350 ft of 6" flush hose	\$ 1,925.26	
7061	AIR & HOSE SOURCE INC	350 ft of 6" flush hose	\$ 462.38	
7062	CALIFORNIA LANDSCAPE & DESIGN INC.	LANDSCAPE MAINTENANCE RESERVOIR 6	\$ 832.38	
7063	CDW GOVERNMENT INC	Computers CDWG June 2023	\$ 831.36	
7063	CDW GOVERNMENT INC	Computers CDWG June 2023	\$ 2,293.46	
7063	CDW GOVERNMENT INC	Cisco Umbrella Security Subscription 2023	\$ 407.46	
7063	CDW GOVERNMENT INC	Cisco Umbrella Security Subscription 2023	\$ 3,995.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 36.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 31.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 13.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 33.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 33.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 575.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 706.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 13.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 6.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 6.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 15.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 167.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELL# 6	\$ 165.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 65.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 197.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 497.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 11.75	
7065	COMPUTERIZED EMBROIDERY COMPANY IN	HR RECRUITMENT-CLARIVEL	\$ 69.56	
7065	COMPUTERIZED EMBROIDERY COMPANY IN	HR SHIRTS	\$ 86.28	
7066	DIAMOND ENVIRONMENTAL SERVICES LLC	PORTABLE RESTROOM-10272 S CEDAR	\$ 129.95	
7066	DIAMOND ENVIRONMENTAL SERVICES LLC	PORTABLE RESTROOM-18451 VINEYARD	\$ 129.95	
7067	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 312.86	
7067	FASTENAL COMPANY	SHOP SUPPLIES	\$ 248.23	
7067	FASTENAL COMPANY	SHOP SUPPLIES	\$ 359.92	
7068	HARTLEY, MARY JO	CAPIO 2023-LODGING/TRANSPORTATION	\$ 266.68	
7069	HASA INC.	CHEMICALS-BLF	\$ 1,203.74	
7069	HASA INC.	CHEMICALS-WELLS	\$ 276.87	
7069	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7069	HASA INC.	CHEMICALS-WELLS	\$ 541.69	
7069	HASA INC.	CHEMICALS-WELLS	\$ 433.35	
7069	HASA INC.	CHEMICALS-ARSENIC	\$ 216.67	
7069	HASA INC.	CHEMICALS-WELLS	\$ 144.45	

WEST VALLEY WATER DISTRICT

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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7069	HASA INC.	CHEMICALS-WELLS	\$ 58.36	
7069	HASA INC.	CHEMICALS-PERCHLORATE	\$ 264.82	
7069	HASA INC.	CHEMICALS-ROEMER	\$ 5,249.79	
7070	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 1,020.00	
7071	INFOSEND INC	Postage/Printing for Customer Bills-MAY 2023	\$ 4,114.91	
7071	INFOSEND INC	Postage/Printing for Customer Bills-MAY 2023	\$ 14,055.72	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 81.85	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 31.08	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 689.26	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 506.92	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 33.65	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 65.08	
7073	PALENCIA CONSULTING ENGINEERS	2023 Watershed Lytle Creek Sanitary Survey	\$ 6,825.00	
7074	PANTALEON, SOCORRO	CAPIO 2023-LODGING/MEALS	\$ 274.16	
7074	PANTALEON, SOCORRO	CAPIO 2023-LODGING/MEALS	\$ 43.85	
7075	PCL CONSTRUCTION INC	Design and Construction of Roemer Upgrade		\$ 645,000.00
7075	PCL CONSTRUCTION INC	RETENTION PMT 4-0		\$ (32,250.00)
7076	PICAZO'S FLOWER DESIGNS INC	OFFICE PLANTS MAINTENANCE-MARCH 2023	\$ 424.00	
7076	PICAZO'S FLOWER DESIGNS INC	OFFICE PLANTS MAINTENANCE-APRIL 2023	\$ 424.00	
7077	RAMIREZ, YOLANDA	OFFICE SUPPLIES-EMPLOYEE FOLDERS	\$ 103.85	
7078	RECYCLED AGGREGATE MATERIALS CO INC	MAINTENANCE SUPPLIES	\$ 205.06	
7078	RECYCLED AGGREGATE MATERIALS CO INC	DISPOSAL FEES	\$ 85.00	
7079	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG-5/23/23	\$ 225.00	
7079	SAFETY COMPLIANCE COMPANY	FIELD MEWP CERTIFICATION-5/23/23	\$ 455.00	
7080	SAMBA HOLDINGS INC	HR SERVICES MAY 2023	\$ 134.65	
7081	SHARP EXTERMINATOR INC	DISTRICT MAINT-MAY 2023	\$ 185.00	
7082	VULCAN MATERIALS COMPANY	Temporary Asphalt	\$ 1,306.36	
7082	VULCAN MATERIALS COMPANY	Temporary Asphalt	\$ 1,270.70	
7083	ABF PRINTS INC	OFFICE SUPPLIES	\$ 436.39	
7084	ACWA /JPIA	COBRA - Mesa (May)	\$ 673.19	
7084	ACWA /JPIA	EE Adjustments	\$ (4,147.48)	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 725.06	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 8,668.41	
7084	ACWA /JPIA	VISION	\$ 105.90	
7084	ACWA /JPIA	DELTACARE DENTAL HMO	\$ 705.88	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 8,255.44	
7084	ACWA /JPIA	EMPLOYEE ASSISTANCE PROGRAM	\$ 193.44	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 126,375.02	
7084	ACWA /JPIA	VISION	\$ 1,652.04	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 695.68	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 1,128.22	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 17,959.55	
7084	ACWA /JPIA	Krueger April Correction	\$ 1,346.38	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 2,072.84	
7084	ACWA /JPIA	Krueger April Correction	\$ 94.96	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 635.40	
7084	ACWA /JPIA	Krueger April Correction	\$ 21.18	
7085	BERTOLINE, GINA E	DECORATIONS FOR FINANCE / WELLBEING TEAM SUPPLIES	\$ 30.71	
7085	BERTOLINE, GINA E	DECORATIONS FOR FINANCE / WELLBEING TEAM SUPPLIES	\$ 65.56	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	CHEMICALS-BLF	\$ 13.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 37.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 20.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	

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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 20.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 35.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 35.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7087	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-PR DEPT	\$ 213.88	
7088	CP CONSTRUCTION CO INC	Construction Services -Change Order #1		\$ 149,320.50
7088	CP CONSTRUCTION CO INC	RETENTION		\$ (7,466.03)
7089	DAVID N M TURCH	Federal Lobbyist Services-4/9/23-5/8/23	\$ 12,500.00	
7089	DAVID N M TURCH	Federal Lobbyist Services-05/09/23-06/08/23	\$ 12,500.00	
7090	FAST SIGNS	DISTRICT MAINTENANCE	\$ 124.85	
7091	HARTLEY, MARY JO	STUDIO 19 PHOTO BOOTH-ANNUAL WINTER RETREAT	\$ 100.00	
7092	HASA INC.	CHEMICALS-PERCHLORATE	\$ 166.38	
7093	INFOSEND INC	May Newsletter	\$ 1,744.69	
7094	LEASE PLAN USA INC	Mechanic Repairs for Fleet	\$ 9,054.80	
7095	MCMMASTER-CARR SUPPLY COMPANY	PRODUCTION SUPPLIES	\$ 57.93	
7095	MCMMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 84.61	
7095	MCMMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 458.46	
7095	MCMMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 53.49	
7095	MCMMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 358.55	
7095	MCMMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 456.51	
7095	MCMMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 414.60	
7096	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG 6/13/23	\$ 225.00	
7096	SAFETY COMPLIANCE COMPANY	OFFICE SAFETY MTG 6/13/23	\$ 200.00	
7097	SAMBA HOLDINGS INC	HR SERVICES	\$ 129.33	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023		\$ 2,200.00
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 26,794.07	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 46,902.83	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 6,979.68	
7098	SB VALLEY MUNICIPAL	BLF ELECTRIC BILL -04/28/23-05/29/23	\$ 43,373.72	
7099	SHARP EXTERMINATOR INC	DISTRICT MAINTENANCE-APRIL 2023	\$ 185.00	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.86	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 8.46	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.93	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.49	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 5.83	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.70	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.86	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.70	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 8.46	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 5.83	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.49	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.93	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 259.90	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.71	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.03	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.03	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 205.14	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	

WEST VALLEY WATER DISTRICT

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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.09	
84269	ADAN G SOLIS	TURF REBATE	\$ 2,093.00	
84270	AMAZON.COM SALES INC	WATER QUALITY SUPPLIES	\$ 658.74	
84270	AMAZON.COM SALES INC	SUPPLIES FOR ADMIN STAFF	\$ 75.41	
84270	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ 164.41	
84271	AUTOMATED GATE SERVICES INC	DISTRICT MAINTENANCE	\$ 250.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 4,400.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 720.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 17,629.10	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 143.92	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,573.16	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 721.25	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 40.46	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.93	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,539.34	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.04	
84274	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ 49.76	
84275	CRAMER PAINTING INC	Painting of Electrical cabinet and 3 ext doors	\$ 2,440.00	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 297.67	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 595.51	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 11.76	
84277	FERGUSON ENTERPRISES INC # 677	LBIW Spools 02/28/23		\$ 1,314.55
84277	FERGUSON ENTERPRISES INC # 677	LBIW Spools 02/28/23		\$ 339.41
84277	FERGUSON ENTERPRISES INC # 677	FC Clamps 04/05/23		\$ 253.20
84278	GARDA CL WEST INC	ARMORED TRANSPORT-MAY 2023	\$ 330.96	
84278	GARDA CL WEST INC	ARMORED TRANSPORT-APRIL 2023	\$ 2.99	
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 63.58
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 174.38
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 85.29
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 154.04
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 196.45
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 293.69
84279	GRAINGER INC	PRODUCTION SUPPLIES	\$ 142.71	
84279	GRAINGER INC	PRODUCTION SUPPLIES	\$ 352.80	
84279	GRAINGER INC	FBR SUPPLIES	\$ 904.78	
84280	GREG LARSON	Executive Coaching & Strategic Planning Consultant	\$ 9,600.00	
84281	INLAND DESERT SECURITY	ANSWERING SERVICE-APRIL 2023	\$ 654.70	
84282	INLAND EMPIRE UTILITIES AGENCY	SERVICES APRIL 2023	\$ 6,085.51	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 363.71	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 158.47	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 18.09	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 44,800.00	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 5,040.00	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 55,460.30	
84285	O'REILLY AUTO PARTS	VEHICLE MAINTENANCE	\$ 89.72	
84286	PR PRINTING	RECEIPT BOOKS-CUST SVC	\$ 523.34	
84287	ROSLAND D MIDDLETON	TURF REBATE	\$ 1,171.00	
84288	SOUTH COAST AQMD	HOT SPOTS PROGRAM FEE	\$ 153.23	
84289	STATE WATER RESOURCES CONTROL BOARI	SITE CLEAN UP PROGRAM	\$ 294.19	
84289	STATE WATER RESOURCES CONTROL BOARI	SITE CLEAN UP PROGRAM	\$ 294.19	
84290	YO FIRE	MAINTENANCE SUPPLIES	\$ 560.30	
84304	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ 35.80	

WEST VALLEY WATER DISTRICT

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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84305	AT&T INTERNET	INTERNET SVC-05/26/23-06/25/23	\$ 144.45	
84306	AT&T LONG DISTANCE	ROMER TOLL FREE#-MAY 2023	\$ 24.25	
84307	ATKINSON ANDELSON LOYA RUUD & ROMC	LEGAL FEES-APRIL 2023	\$ 2,133.13	
84308	BURRTEC WASTE INDUSTRIES INC	ROEMER DISPOSAL FEES MAY 2023	\$ 235.82	
84308	BURRTEC WASTE INDUSTRIES INC	HQ DISPOSAL FEES MAY 2023	\$ 803.78	
84309	CA-NV AWWA	CROSS CONNECTION CERT-JOANNE CHAN	\$ 100.00	
84310	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET	\$ 690.00	
84310	CHARTER COMMUNICATIONS	CABLE/TELEPHONE-05/25/23-06/24/23	\$ 239.94	
84310	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET	\$ 1,385.12	
84310	CHARTER COMMUNICATIONS	CABLE/TELEPHONE-05/25/23-06/24/23	\$ 160.38	
84311	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84312	CITY OF RIALTO	UTILITY USER TAX	\$ 38,070.63	
84312	CITY OF RIALTO	UTILITY USER TAX	\$ (179.81)	
84313	CITY OF RIALTO-ALARM PROGRAM	ALARM FEES FALSE ALARM	\$ 271.10	
84313	CITY OF RIALTO-ALARM PROGRAM	ALARM FEES	\$ 542.20	
84314	GRAINGER INC	PRODUCTION SUPPLIES	\$ 159.27	
84314	GRAINGER INC	ROEMER SUPPLIES	\$ 499.01	
84315	HAAKER EQUIPMENT COMPANY	MAINTENANCE SUPPLIES	\$ 999.84	
84316	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 47.99	
84316	JOHNSON'S HARDWARE INC	MAINTENANCE SUPPLIES	\$ 56.60	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Water Saver Stickers	\$ 1,348.58	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 523.88	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 211.19	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 523.88	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 792.44	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 1,125.32	
84318	PACK N MAIL	CUSTOMER SERVICES-MAY 2023	\$ 195.00	
84319	RIALTO WATER SERVICES	FBR SERVICE-04/18/23-05/16/23	\$ 1,696.29	
84319	RIALTO WATER SERVICES	HQ WATER SERVICE	\$ 122.27	
84320	SO CALIFORNIA EDISON	ROEMER-04/28/23-05/29/23	\$ 46,673.32	
84321	STATE WATER RESOURCES CONTROL BOARI	T4 CERTIFICATION-VAN JEW	\$ 105.00	
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.13
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.13
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.12
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan	\$ 440.12	
84323	UNDERGROUND SERVICE ALERT	MAINTENANCE SUPPLIES	\$ 169.42	
84323	UNDERGROUND SERVICE ALERT	MAINTENANCE SUPPLIES	\$ 610.25	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 5,815.33	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 65.64	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 1,458.93	
84325	WHITE CAP CONSTRUCTION SUPPLY	MAINTENANCE SUPPLIES	\$ 462.83	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 121.76	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 96.98	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 374.97	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 830.11	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 247.83	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 25.84	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 200.42	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 253.21	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 144.39	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 976.22	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 371.74	
84326	YO FIRE	Emergency Valve Replacement Spool	\$ 1,454.63	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 232.74	
84358	AIRGAS USA LLC	PRODUCTION SUPPLIES	\$ 56.93	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84359	AMAZON.COM SALES INC	PRODUCTION SUPPLIES	\$ 23.74	
84359	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ (75.72)	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 528.07	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 226.24	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 18.31	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 77.56	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 55.99	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 53.82	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 17.23	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 71.60	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 193.94	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 42.01	
84360	AT&T	ROEMER FIRE SVC 05/22/23-06/21/23	\$ 621.03	
84360	AT&T	TELEMETRY LINE	\$ 63.82	
84361	BAVCO	WATER QUALITY SUPPLIES	\$ 243.16	
84362	CANYON INDUSTRIES INC	Capacitor for Roemer	\$ 2,358.00	
84362	CANYON INDUSTRIES INC	Capacitor for Roemer	\$ 1,920.00	
84363	CITY ELECTRIC SUPPLY	PRODUCTION SUPPLIES	\$ 113.28	
84364	COLTON PUBLIC UTILITIES	WELL 18A ELECTRICITY 04/24/23-05/24/23	\$ 510.59	
84365	CRAMER PAINTING INC	Paint Romer irrigation service	\$ 2,500.00	
84366	EL ROD FENCE CO, INC	gate install for well 18a	\$ 1,389.00	
84367	FEDEX	MAILING FEES	\$ 35.80	
84367	FEDEX	MAILING FEES	\$ 90.33	
84367	FEDEX	MAILING FEES	\$ 46.80	
84367	FEDEX	MAILING FEES	\$ 44.92	
84368	GHD INC	Professional Engineering Services Roemer Expansion		\$ 74,229.69
84369	GRAINGER INC	PRODUCTION SUPPLIES	\$ 38.20	
84369	GRAINGER INC	FBR SUPPLIES	\$ 422.28	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 12.53	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 40.52	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 108.18	
84370	JOHNSON'S HARDWARE INC	ROEMER SUPPLIES	\$ 67.29	
84370	JOHNSON'S HARDWARE INC	ROEMER SUPPLIES	\$ 5.38	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 350.00	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 360.00	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 8,600.00	
84372	LOWES	PRODUCTION SUPPLIES	\$ 225.20	
84372	LOWES	ROEMER SUPPLIES	\$ 48.29	
84372	LOWES	ROEMER SUPPLIES	\$ 4.10	
84372	LOWES	MAINTENANCE SUPPLIES	\$ 184.16	
84373	MCCROMETER INC	Well 18 Replacement Meter	\$ 4,089.89	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	WATER QUALITY 2022 POSTCARDS POSTAGE	\$ 3,871.59	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	WATER QUALITY 2022 MAILER	\$ 4,719.51	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	INLAND SOLAR CHALLENGE SHIRTS	\$ 892.78	
84375	NEW RESOURCES GROUP INC	DYE TABS FULL COLOR CARDS	\$ 666.00	
84376	RIALTO WATER SERVICES	WELL#16 WATER SERVICE-04/26/23-05/23/23	\$ 30.42	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 62,718.88	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 7,364.75	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 92,379.87	
84377	SO CALIFORNIA EDISON	WELL#17/19950 CCLUB 05/10/23-06/08/23 ELECTRICITY	\$ 6,036.05	
84377	SO CALIFORNIA EDISON	S END SHOP 05/08/23-06/06/23 ELECTRICITY	\$ 97.83	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 21,593.99	
84377	SO CALIFORNIA EDISON	WELL#17/19950 CCLUB 05/10/23-06/08/23 ELECTRICITY	\$ 447.68	
84377	SO CALIFORNIA EDISON	WELL#6 05/10/23-06/08/23 ELECTRICITY	\$ 23,534.90	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 21,367.23	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 2,286.56	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 485.76	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 280.90	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 3,920.13	
84378	THE GAS COMPANY	ROEMER GAS BILL-05/03/23-06/02/23	\$ 24.32	
84378	THE GAS COMPANY	H.Q GAS SERVICES 05/09/23-06/08/23	\$ 21.16	
84379	TYLER TECHNOLOGIES INC	Meter-Reader Interface Incode-Sensus Analytics		\$ 65.00
84380	USA BLUEBOOK	WATER QUALITY SUPPLIES	\$ 72.85	
84381	VERIZON CONNECT NWF INC	CONTRACTS/LICENSING	\$ 679.98	
84382	WESTBROOK FENCE INC	PRODUCTION SUPPLIES	\$ 520.00	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84384	CITY OF RIALTO	UTILITY USER TAX-MAY 2023	\$ 36,404.31	
84384	CITY OF RIALTO	UTILITY USER TAX-MAY 2023	\$ (179.81)	
84402	AIRGAS USA LLC	SHOP SUPPLIES-PROPANE	\$ 191.94	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES NOV 2022	\$ 2,437.50	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-JAN 2023	\$ 12,836.60	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-FEB 2023	\$ 14,815.00	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-MARCH 2023	\$ 11,120.86	
84404	AMAZON.COM SALES INC	WATER QLTY SUPPLIES	\$ 219.68	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 16.15	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 269.40	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 53.85	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 47.39	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 53.33	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 269.38	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 204.90	
84404	AMAZON.COM SALES INC	COMPUTER SUPPLIES	\$ 402.45	
84404	AMAZON.COM SALES INC	HR SUPPLIES	\$ (54.34)	
84404	AMAZON.COM SALES INC	SAFETY SUPPLIES	\$ 60.33	
84405	AQUA-METRIC SALES CO	1" Meter Order 04/06/23		\$ 7,404.37
84405	AQUA-METRIC SALES CO	1" Meter Order 04/06/23		\$ 17,276.85
84405	AQUA-METRIC SALES CO	Sensus handheld readers	\$ 2,223.96	
84406	CITY OF SAN BERNARDINO	BLF WATER-05/09/23-06/09/23	\$ 46.13	
84407	CORE & MAIN LP	MAINTENANCE SUPPLIES	\$ 132.07	
84407	CORE & MAIN LP	MAINTENANCE SUPPLIES	\$ 200.23	
84408	CPS HR CONSULTING	Classification and Compensation Study 2021-2022	\$ 17,363.00	
84409	DAN'S LAWNMOVER CENTER	FBR SUPPLIES	\$ 72.97	
84410	DCSE INC	ArcGIS Enterprise Portal Installation Configuratio	\$ 9,800.00	
84410	DCSE INC	Fire Flow Test and Water Sampling Applications Con	\$ 8,960.00	
84411	FISH WINDOW CLEANING	JANITORIAL SVCS-WINDOWS	\$ 275.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5321	\$ 8,645.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5624	\$ 532.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5663	\$ 2,660.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5682	\$ 1,995.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5745	\$ 266.00	
84413	GRAINGER INC	FBR SUPPLIES	\$ 237.87	
84413	GRAINGER INC	SHOP SUPPLIES	\$ 10.41	
84414	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 32.31	
84414	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 44.15	
84414	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 69.99	
84414	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 51.68	
84414	JOHNSON'S HARDWARE INC	DISTRICT MAINTENANCE	\$ 84.00	
84415	LOPEZ, BILGA	SAFETY LUNCHEON-DESERTS	\$ 51.96	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84416	MIKE ROQUET CONSTRUCTION, INC.	Street Paving Service	\$ 12,246.30	
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 3,788.75
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 3,788.75
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 17,197.50
84418	MISCOWATER	AUMA Actuator Replacement	\$ 7,634.09	
84419	OCCUPATIONAL HEALTH CENTERS OF CALIF	SAFETY SUPPLIES	\$ 526.00	
84420	O'REILLY AUTO PARTS	VEHICLE MAINTENANCE	\$ 153.46	
84421	RIALTO WATER SERVICES	ROEMER SEWER SVC-04/30/23-05/31/23	\$ 67.17	
84422	SHAW HR CONSULTING, INC.	HR SERVICES	\$ 375.00	
84423	SO CALIFORNIA EDISON	WELL# 11X-05/11/23-06/11/23	\$ 35.22	
84424	SOURCE GRAPHICS	ENGINEERING SUPPLIES	\$ 83.81	
84425	STATE WATER RESOURCES CONTROL BOARI	T2 CERTIFICATION-NICHOLAS J CARLO	\$ 60.00	
84426	TESS ELECTRIC INC	VFD for South Well at East Complex	\$ 36,164.00	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 2,521.35	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 3,104.75	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 1,044.06	
84428	UNIVAR USA INC	FBR Acetic Acid	\$ 11,811.56	
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 6,040.25
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 283.17
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 1,600.43
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 471.33
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 541.62
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 601.89
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 1,131.38
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 12,774.84
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 432.57
84430	YO FIRE	Ball Valves 06/12/23		\$ 3,814.35
84430	YO FIRE	MAINTENANCE SUPPLIES	\$ 167.01	
84430	YO FIRE	MAINTENANCE SUPPLIES	\$ 59.26	
84430	YO FIRE	SHOP SUPPLIES	\$ 155.16	
84431	ALL PRO ENTERPRISES INC.	Janitorial Services for District	\$ 280.00	
84431	ALL PRO ENTERPRISES INC.	Janitorial Services for District	\$ 3,591.92	
84432	AMAZON.COM SALES INC	WATER QUALITY SUPPLIES	\$ 362.77	
84432	AMAZON.COM SALES INC	COMPUTER SUPPLIES	\$ 182.66	
84433	AQUA-METRIC SALES CO	MXU Order 07/19/22		\$ 48,088.45
84433	AQUA-METRIC SALES CO	1" meter order 06/08/23		\$ 24,917.19
84434	BAVCO	WATER QUALITY SUPPLIES	\$ 119.80	
84435	BLUE - WHITE INDUSTRIES LTD	PRODUCTION SUPPLIES	\$ 695.53	
84436	CARPENTER ROTHANS & DUMONT LLP	LEGAL FEES	\$ 330.00	
84436	CARPENTER ROTHANS & DUMONT LLP	LEGAL FEES	\$ 177.50	
84437	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84438	CITY OF SAN BERNARDINO	LYTLE CREEK STREAMFLOW-MAY 2023	\$ 6,998.25	
84439	CLIFTON LARSON ALLEN	Treasurer Services-MAY 2023	\$ 2,625.00	
84440	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ (47.95)	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 57.65	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.95	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,547.28	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.09	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,547.21	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.04	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 5.84	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.97	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,504.43	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 797.76	
84440	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ 24.72	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,543.27	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 705.74	
84441	CORE & MAIN LP	1' Ball Valves 06/08/23		\$ 22,406.07
84442	COUNTY OF SAN BERNARDINO	HEALTH PERMIT SERVICES	\$ 490.00	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 136.79	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 5.62	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 712.97	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 498.72	
84444	FEDEX	MAILING FEES	\$ 43.75	
84445	FONTANA CHAMBER OF COMMERCE	2023 Fontana Chamber	\$ 3,000.00	
84446	GERALD FABIO	New Office for Board Secretary		\$ 2,284.88
84447	GEYSER	Pressure Washer for District	\$ 10,731.38	
84448	GRAINGER INC	ROEMER SUPPLIES	\$ 166.52	
84448	GRAINGER INC	SHOP SUPPLIES	\$ 31.22	
84449	HOME DEPOT	FBR SUPPLIES	\$ 762.39	
84449	HOME DEPOT	EQUIPMENT MAINTENANCE	\$ 969.00	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 66.22	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 44.39	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 83.85	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 8.29	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 77.54	
84450	HONEYCOTT INC	HONEYCOMB REMOVER	\$ 195.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 4,909.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2022	\$ 2,400.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 1,237.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 326.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 100.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 5,912.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-MARCH 2023	\$ 8,854.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 16,683.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-MARCH 2023	\$ 18,134.84	
84452	JCL TRAFFIC SERVICES	MESSAGE BOARD RENTAL-EARTH DAY	\$ 650.00	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 72.15	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 19.37	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 34.43	
84453	JOHNSON'S HARDWARE INC	DISTRICT MAINTENANCE	\$ 24.77	
84454	LEGAL SHIELD	LEGALSHIELD	\$ 214.29	
84454	LEGAL SHIELD	LEGALSHIELD	\$ 214.26	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	2022 WATER QUALITY REPORT	\$ 641.68	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	2022 WATER QUALITY REPORT	\$ 290.89	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	Utility Assistance Mailer Postcard	\$ 3,771.15	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	Graphic Design, Printing & Postage	\$ 4,536.52	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 6.64	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 9.21	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 3.21	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 6.44	
84457	OCCUPATIONAL HEALTH CENTERS OF CALIF	HR SERVICES	\$ 505.00	
84458	OLDCASTLE INFRASTRUCTURE INC	Meter Box Order 06/08/23		\$ 21,985.46
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 359.89	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 534.44	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 600.00	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 75.00	
84460	RIALTO PRINT COMPANY	SHOP SUPPLIES	\$ 387.90	
84461	RIALTO WATER SERVICES	FBR SEWER-05/16/23-06/16/23	\$ 1,798.65	
84462	ROBERT D NIEHAUS INC	Construction Water Fee Adequacy	\$ 695.00	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84463	SB & RIVERSIDE COUNTIES FIRE EQUIP	SAFETY SUPPLIES	\$ 2,389.61	
84463	SB & RIVERSIDE COUNTIES FIRE EQUIP	SAFETY SUPPLIES	\$ 273.52	
84464	SO CALIFORNIA EDISON	ELECTRICITY-BLF 05/19/23-06/19/23	\$ 144.57	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 592.63	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 510.00	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 592.63	
84466	THE STANDARD	AD&D	\$ 31.50	
84466	THE STANDARD	DEPENDENT LIFE	\$ 6.15	
84466	THE STANDARD	LIFE INSURANCE	\$ 232.50	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 22.73	
84466	THE STANDARD	AD&D	\$ 317.35	
84466	THE STANDARD	DEPENDENT LIFE	\$ 95.94	
84466	THE STANDARD	LIFE INSURANCE	\$ 2,340.08	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 2,143.56	
84466	THE STANDARD	AD&D	\$ 0.04	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 7.62	
84466	THE STANDARD	EE Adjustments	\$ (17.68)	
84466	THE STANDARD	EMPLOYEE AFTER-TAX	\$ 571.84	
84466	THE STANDARD	EMPLOYEE AFTER-TAX	\$ 1,293.97	
84467	TRES ES INC	State Lobbyist Services-FEB-MAY 2023	\$ 30,000.00	
84468	USA BLUEBOOK	WATER QUALITY SUPPLIES	\$ 698.07	
84469	YO FIRE	FBR SUPPLIES	\$ 955.74	
DFT0003008	PETTY CASH	MISCELLANEOUS OFFICE SUPPLIES	\$ 54.91	
DFT0003008	PETTY CASH	MEALS-BILLING	\$ 36.36	
DFT0003008	PETTY CASH	MEALS-ADMIN	\$ 43.06	
DFT0003008	PETTY CASH	HR WELLNESS PROGRAM	\$ 96.99	
DFT0003008	PETTY CASH	MISCELLANEOUS OFFICE SUPPLIES	\$ 14.33	
DFT0003008	PETTY CASH	GASOLINE	\$ 40.80	
DFT0003008	PETTY CASH	OFFICE SUPPLIES	\$ 96.88	
DFT0003008	PETTY CASH	POSTAGE	\$ 17.61	
DFT0003008	PETTY CASH	PERMIT & FEES	\$ 10.90	
DFT0003008	PETTY CASH	VEHICLE MAINTENANCE	\$ 26.16	
DFT0003008	PETTY CASH	ENG SUPPLIES	\$ 7.00	
DFT0003008	PETTY CASH	HR TRAINING	\$ 100.00	
SUBTOTALS			\$ 1,538,246.24	\$ 1,442,399.45
GRAND TOTAL			\$ 2,980,645.69	

Exhibit B

**WEST VALLEY WATER DISTRICT
PAYROLL GROSS WAGES
FISCAL YEAR 2022 - 2023**

Report Month	Description	From	To	Gross Wages Paid
July 2022	Monthly Pay Period #7	06/01/22	06/30/22	7,113.22
July 2022	Pay Period #14	06/24/22	07/08/22	322,603.34
July 2022	Pay Period #15	07/08/22	07/22/22	295,540.63
Total for July 2022				625,257.19
August 2022	Monthly Pay Period #8	07/01/22	07/31/22	7,113.22
August 2022	Pay Period #16	07/22/22	08/05/22	302,888.25
August 2022	Pay Period #17	08/05/22	08/19/22	291,827.03
Total for August 2022				601,828.50
September 2022	Monthly Pay Period #9	08/01/22	08/30/22	7,487.60
September 2022	Pay Period #18	08/19/22	09/02/22	295,994.15
September 2022	Pay Period #19	09/02/22	09/16/22	281,560.23
Total for September 2022				585,041.98
October 2022	Monthly Pay Period #10	09/01/22	09/30/22	8,236.36
October 2022	Pay Period #20	09/16/22	09/30/22	290,932.18
October 2022	Pay Period #21	09/30/22	10/14/22	283,102.95
Total for October 2022				582,271.49
November 2022	Monthly Pay Period #11	10/01/22	10/31/22	9,621.58
November 2022	Pay Period #22	10/14/22	10/28/22	274,535.56
November 2022	Manual Checks			
November 2022	Pay Period #23	10/28/22	11/11/22	359,504.87
Total for November 2022				643,662.01
December 2022	Monthly Pay Period #12	11/01/22	11/30/22	9,630.95
December 2022	Pay Period #24	11/11/22	11/25/22	297,401.31
December 2022	Pay Period #25	11/25/22	12/09/22	316,141.81
December 2022	Pay Period #26	12/09/22	12/23/22	292,536.16
Total for December 2022				915,710.23

**WEST VALLEY WATER DISTRICT
PAYROLL GROSS WAGES
FISCAL YEAR 2022 - 2023**

Report Month	Description	From	To	Gross Wages Paid
January 2023	Pay Period #1	12/23/22	01/06/23	324,181.41
January 2023	Monthly Pay Period #1	12/01/22	12/31/22	7,075.80
January 2023	Manual Check (Settlement)			75,000.00
January 2023	Pay Period #2	01/06/23	01/20/23	313,404.24
Total for January 2023				719,661.45
February 2023	Monthly Pay Period #2	01/01/23	01/31/23	7,665.45
February 2023	Pay Period #3	01/20/23	02/03/23	323,462.81
February 2023	Pay Period #4	02/03/23	02/17/23	303,763.96
Total for February 2023				634,892.22
March 2023	Monthly Pay Period #3	02/01/23	02/28/23	9,827.50
March 2023	Pay Period #5	02/17/23	03/03/23	314,055.41
March 2023	Pay Period #6	03/03/23	03/17/23	343,837.94
Total for March 2023				667,720.85
April 2023	Monthly Pay Period #4	03/01/23	03/31/23	9,630.95
April 2023	Pay Period #7	03/17/23	03/31/23	301,225.32
April 2023	Pay Period #8	03/31/23	04/14/23	296,744.45
Total for April 2023				607,600.72
May 2023	Monthly Pay Period #5	04/01/23	04/30/23	8,844.75
May 2023	Pay Period #9	04/14/23	04/28/23	308,719.67
May 2023	Pay Period #10	04/28/23	05/12/23	300,645.31
Total for May 2023				618,209.73
June 2023	Pay Period #11	05/12/23	05/26/23	299,273.17
June 2023	Monthly Pay Period #6	05/01/20	05/31/20	8,255.10
June 2023	Pay Period #12	05/26/23	06/09/23	364,976.20
June 2023	Pay Period #13	06/09/23	06/23/23	324,292.77
Total for June 2023				996,797.24

**WEST VALLEY WATER DISTRICT
EFT AND PAYROLL ITEMS
JUNE 2023**

Date	Item	Check No. or EFT	Amount
06/01/23	Pay Period #11	8906	141.14
06/01/23	Monthly Pay Period #6	none	
06/15/23	Pay Period #12	8907	159.46
06/29/23	Pay Period #13	8908-8910	4,678.84
Total Checks			<u>4,979.44</u>
06/01/23	Pay Period #11 Direct Deposits	EFT	196,886.85
06/01/23	Federal Tax Withheld Social Security & Medicare	EFT	77,467.72
06/01/23	State Tax Withheld and State Disability Insurance	EFT	15,266.70
06/01/23	Lincoln Deferred Compensation Withheld	EFT	14,739.46
06/01/23	Lincoln - Employer Match Benefit	EFT	3,550.00
06/01/23	Nationwide Deferred Compensation Withheld	EFT	4,052.30
06/01/23	Nationwide - Employer Match Benefit	EFT	700.00
06/01/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	27,508.95
06/01/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,860.04
06/01/23	California State Disbursement	EFT	984.46
06/01/23	Sterling Administration	EFT	657.66
06/01/23	Monthly Pay Period #6 Direct Deposits	EFT	6,893.08
06/01/23	Federal Tax Withheld Social Security & Medicare	EFT	1,574.39
06/01/23	State Tax Withheld and State Disability Insurance	EFT	73.73
06/15/23	Pay Period #12 Direct Deposits	EFT	232,879.76
06/15/23	Federal Tax Withheld Social Security & Medicare	EFT	106,601.60
06/15/23	State Tax Withheld and State Disability Insurance	EFT	22,300.75
06/15/23	Lincoln Deferred Compensation Withheld	EFT	13,267.61
06/15/23	Lincoln - Employer Match Benefit	EFT	3,475.00
06/15/23	Nationwide Deferred Compensation Withheld	EFT	4,077.30
06/15/23	Nationwide - Employer Match Benefit	EFT	700.00
06/15/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	27,448.94
06/15/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,950.12
06/15/23	California State Disbursement	EFT	984.46
06/15/23	Sterling Administration	EFT	657.65
06/29/23	Pay Period #13 Direct Deposits	EFT	209,428.17
06/29/23	Federal Tax Withheld Social Security & Medicare	EFT	89,419.52
06/29/23	State Tax Withheld and State Disability Insurance	EFT	18,176.63
06/29/23	Lincoln Deferred Compensation Withheld	EFT	13,472.66
06/29/23	Lincoln - Employer Match Benefit	EFT	3,400.00
06/29/23	Nationwide Deferred Compensation Withheld	EFT	4,077.30
06/29/23	Nationwide - Employer Match Benefit	EFT	700.00
06/29/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	28,014.77
06/29/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,658.35
06/29/23	California State Disbursement	EFT	984.46
Total EFT			<u>1,183,890.39</u>
Grand Total Payroll Cash			<u>1,188,869.83</u>



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: July 26, 2023
TO: Finance Committee
FROM: John Thiel, General Manager
SUBJECT: PURCHASE ORDER REPORT - JUNE 2023

BACKGROUND:

The West Valley Water District (“District”) generated twenty-nine (29) Purchase Orders (“PO”) in the month of June 2023 to various vendors that provide supplies and services to the District. The total amount issued to PO’s for the month of June 2023 was **\$695,799.41**. A table listing all PO’s for June 2023 is shown in **Exhibit A**.

There were no Change Orders (“CO”) approved at the General Manager’s approval level during the month of June 2023.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Purchase Order Report.

STAFF RECOMMENDATION:

Forward a recommendation to the Board of Directors to approve the June 2023 Purchase Order Report.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT;ar

ATTACHMENT(S):

1. Exhibit A - June 2023 Purchase Order Report

Exhibit A



West Valley Water District, CA

Purchase Order Summary Report

Purchase Order Detail

Issued Date Range 06/01/2023 - 06/30/2023

PO Number	Description Vendor	Status Ship To	Issue Date Delivery Date	Trade Discount	Total
23-0426	FortiGate-101F with FortiGuard and FortiEDR 02585 - AIRGAP LABS LLC	Completed West Valley Water District	6/1/2023 6/15/2023	0.00	95,043.04
23-0427	Computers CDWG June 2023 00326 - CDW GOVERNMENT INC	Completed West Valley Water District	6/1/2023 6/15/2023	0.00	2,886.14
23-0428	Baseline Feeder South Well Rehabilitation 01124 - GENERAL PUMP COMPANY INC	Partially Received West Valley Water District	6/1/2023 6/15/2023	0.00	181,721.00
23-0429	Hydrogeological Services 02613 - KYLE GROUNDWATER INC	Outstanding West Valley Water District	6/1/2023 6/15/2023	0.00	157,315.00
23-0430	Emergency Valve Replacement Spool 00748 - YO FIRE	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	1,454.63
23-0431	North Well equipment rentals per invoice # 29829 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	7,450.00
23-0432	Well 54 Booster motor emergency service 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	8,486.18
23-0433	Pull Effluent booster pump # 3 for inspection 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/6/2023 6/20/2023	0.00	5,170.71
23-0434	Dionex IC Pure water filter 02334 - THERMO FISHER SCIENTIFIC (ASHVILLE) LLC	Outstanding West Valley Water District	6/6/2023 6/20/2023	0.00	3,620.33
23-0435	Well 54 Booster Pump motor repair at Delta 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	6,908.78
23-0436	gate install for well 18a 02377 - EL ROD FENCE CO, INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	1,389.00
23-0437	1' Ball Valves 06/08/23 01657 - CORE & MAIN LP	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	20,794.50
23-0438	New Lockers for Bldg C 00411 - ULINE	Outstanding West Valley Water District	6/8/2023 6/22/2023	0.00	5,980.90
23-0439	1" meter order 06/08/23 00255 - AQUA-METRIC SALES CO	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	23,125.00
23-0440	Meter Box Order 06/08/23 00941 - OLDCASTLE INFRASTRUCTURE INC	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	20,653.50
23-0441	Ball Valves 06/12/23 00748 - YO FIRE	Completed West Valley Water District	6/12/2023 6/12/2023	0.00	3,540.00
23-0442	Pressure Washer for District 01547 - GEYSER	Completed West Valley Water District	6/14/2023 6/28/2023	0.00	11,668.20
23-0444	EC Spare Motor Rewinding at Delta 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/15/2023 6/29/2023	0.00	21,109.95

Purchase Order Summary Report

Issued Date Range 06/01/2023 - 06/30/2023

PO Number	Description Vendor	Status Ship To	Issue Date Delivery Date	Trade Discount	Total
23-0445	Acetic Acid 01269 - UNIVAR USA INC	Outstanding West Valley Water District	6/19/2023 7/3/2023	0.00	11,757.25
23-0446	Emergency motor change, North Well at East Complex 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/19/2023 7/3/2023	0.00	10,384.73
23-0447	M5310 TOC ANALYZER 02626 - VEOLIA WTS ANALYTICAL INSTRUMENTS INC	Outstanding West Valley Water District	6/20/2023 7/4/2023	0.00	35,604.90
23-0448	Utility Assistance Mailer Postcard 01311 - MINUTEMAN PRESS OF RANCHO CUCAMONGA	Completed West Valley Water District	6/22/2023 7/6/2023	0.00	3,771.15
23-0449	May Newsletter 01052 - INFOSEND INC	Completed West Valley Water District	6/22/2023 7/6/2023	0.00	1,744.69
23-0451	2023 Fontana Chamber Installation Dinner 01479 - FONTANA CHAMBER OF COMMERCE	Completed West Valley Water District	6/27/2023 7/11/2023	0.00	3,000.00
23-0452	Annual AQMD Test Gasoline Tank 02336 - ORANGE COAST PETROLEUM EQUIPMENT INC	Completed West Valley Water District	6/28/2023 7/12/2023	0.00	1,569.33
23-0453	Cartridge filters for IX Facilities 01034 - HARMSCO INC	Outstanding West Valley Water District	6/29/2023 7/13/2023	0.00	41,550.50
23-0454	20-year external integrity test fuel tanks 02336 - ORANGE COAST PETROLEUM EQUIPMENT INC	Outstanding West Valley Water District	6/29/2023 7/13/2023	0.00	2,600.00
23-0455	Actuarial Report OPEB 02348 - DFA, LLC	Completed West Valley Water District	6/29/2023 7/13/2023	0.00	3,000.00
23-0456	SCWC Annual Membership 02628 - Southern California Water Coalition	Outstanding West Valley Water District	6/30/2023 7/14/2023	0.00	2,500.00

Purchase Order Count: (29)

Total Trade Discount: 0.00

Total: 695,799.41



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: July 26, 2023
TO: Finance Committee
FROM: John Thiel, General Manager
SUBJECT: RESERVE POLICY

BACKGROUND:

The Board of Directors approved and adopted the Budget/Carryover/**Reserve**/Debt Management Policy on December 17, 2020. This policy contains four-in-one financial policies, the **Reserve Policy Section** is on pages 15 through 23 of the full policy. This policy improves the District's fiscal stability and fiscal strategy promoting sound financial management. A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs.

DISCUSSION:

The District's current Reserve Policy strives to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve funds are accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long-term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements. The Policy directives outlined in this Reserve Policy Section are intended to ensure the District has sufficient funds to meet current and future needs. The Board can annually review the level of these funds.

Staff would like to have a discussion on minimum and maximum target levels of Reserve Funds.

The Policy Review & Oversight Committee directed staff to bring a redline version of the District's Reserve Policy Section (**Exhibit A**) to the Finance Committee for consideration. Also, included is a clean version of the Budget/Carryover/Reserve/Debt Management Policy (**Exhibit B**).

FISCAL IMPACT:

There is no fiscal impact for adopting the revised Budget/Carryover/Reserve/Debt Management Policy.

STAFF RECOMMENDATION:

Staff recommends that the Committee forward a recommendation to the Board of Directors to make appropriate updates to the Reserve Policy.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - Budget Carryover Reserve policy_WVWD Redline Version
2. Exhibit B - Budget Carryover Reserve policy_WVWD Updated

Exhibit A

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

BUDGET/CARRYOVER/RESERVE/DEBT MANAGEMENT POLICY

SECTION 1: PURPOSE

Financial policies such as this Budget/Carryover/Reserve/Debt Management policy, improve the District's fiscal stability by helping District officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies such as this one, promotes sound financial management, which can lead to improvement in bond ratings, a lower cost of capital, provide assurance to the tax and rate payers that taxes and fees are being collected and spent per Board direction, and provide a minimum of unexpected impacts upon taxpayers, rate-payers and users of public services.

SECTION 2: GENERAL POLICY

The guiding principles of the District's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The District's Budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends, and resource choices.

The budget process and format shall be performance-based and shall be focused on goals, objectives and performance indicators. The budget will provide adequate funding for maintenance and replacement of capital plant and equipment.

The budget process is intended to weigh all competing requests for District resources within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged. The District will endeavor to avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

The District shall anticipate and address economic and fiscal risks to ensure the District lives within its means and has the resources to invest in its infrastructure, facilities, equipment, training and workforce to preserve and enhance community wellbeing.

SECTION 3: RESPONSIBILITY

At West Valley Water District (WVWD or the District) the following represent sets of responsibilities borne by various levels of District Board members, Staff, and management.

1. The Board of Directors are responsible for:
 - Approving the budget, which dictates spending by District government.
 - Deciding the spending priorities for the next fiscal year by setting aside money for programs, projects, or services
 - Shall avoid committing to new spending for operating or capital improvement purposes until an analysis of all current and future cost implications is completed and presented to it by the CFO.
 - To endeavor to maintain the highest credit rating possible for the District
 - Willingness to adjust rates when necessary
 - To allow for sufficient training and resources for the District's management team's ability to quickly implement measures to respond to challenges
 - This includes active participation in organizations to keep pace with Water sector issues, regulatory mandates, and technological advances
2. The CFO, or designee, shall be responsible for:
 - Developing, implementing, and managing this policy as well as subsidiary polices.
 - Developing the Budget, including discussions and explanations of all assumptions, estimates, and calculations to the Board

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

- Financial forecasting
- Recommending and implementing approved strategies for Reserve maintenance
- Recommending to the GM and the Board, and then implementing an approved plan of action for Budget surpluses and deficits
 - Include performing a calculation of one day's (or applicable multiple thereof) worth of budgeted operating expenses
- Accumulating the data and preparing a list of Carryovers to be approved by the Board
- Posting the approved budget and all budget amendments to the financial system
- Posting approved budget transfers of appropriations to the financial system
- Performing transfers between reserve accounts in the financial system
- To endeavor to maintain the highest credit rating possible for the District
- Proactively identify and monitor long term financial liabilities, including unfunded pension obligations, and commit to taking actions to manage these commitments that prioritizes the District's long-term financial sustainability.
- To perform or facilitate debit issuance, interest payments, principal repayments, and other debt related activity. Also designing, implementing and evaluating the internal controls over debt related activity.
- Coordinating and analyzing debt requirements, including timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and revenue requirements.
- Preparing and presenting to the Board, interim revenue and expenditure trends to allow evaluation of potential discrepancies from budget assumptions.
- Perform and present to the Board, current and future cost implications for

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

operating or capital improvement costs before the Board commits to new spending

- Perform quarterly reports to the Board of:
 - Budget vs Actual Variances
 - Transfers of appropriations
 - Transfers between reserve accounts
 - Reserve target level compliance
 - Development and maintenance of adequate billing and collection measures
 - Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
 - Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence of fraud, misappropriation of District assets, or of conflicts of interest.
 - Additional responsibilities are stated in the remaining sections within this policy.
3. The General Manager (GM), Chief Financial Officer (CFO), and District Department Heads, collectively, are responsible for:
- Administering programs within the specific funding decisions contained in the budget
 - Participate in meeting policy goals, budget goals, and ensuring the long-term financial health of the District
 - Assistance with building the annual budget through participation in evaluation of long-term initiatives, short term initiatives, significant changes, goals and objectives, Capital expenditures, program-based budgeting that link resources with results.
 - Identify and evaluate immediate and long-term economic, social, and

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

environmental impacts of all issues provided for community and Board consideration.

- Strive to identify entrepreneurial solutions to recover costs of operating programs.
- Conduct all business with transparency pursuant to applicable laws and regulations. This shall be done by proactively pursuing ways to make financial information publicly available, accessible, and easy to understand for all community members.
- To fairly and honestly collect and supply sufficient information (when available) as appropriate, and as needed by the Finance Division to fairly and properly support financial assumptions, calculations, and estimates that will be used to prepare the annual budget, forecasts, reports, rate setting calculations, as well as other financial calculations.
- Search for, obtain, and maintain appropriate grant funding to leverage District funds, when available
- Quarterly, performance measurement reporting to the Board
- To endeavor to maintain the highest credit rating possible for the District
- Reviewing and approving the listing of Carryovers taken to the Board for approval for their respective departments, and approval over all departments by the GM.
- The GM shall have authority to appropriate up to \$25,000 in case of emergencies
- Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
- Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence

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of fraud, misappropriation of District assets, or of conflicts of interest.

- Additional responsibilities are stated in the remaining sections within this policy.

SECTION 4: DEFINITIONS

Operating budget—adopted annually, the operating budget is a detailed estimate of how much the District needs to spend in its fiscal year to meet its ongoing financial obligations and provide programs and services. It establishes a spending cap that management may not exceed without special authorization.

Capital budget— The capital budget is money set aside for buying or building fixed assets such as buildings, equipment, vehicles, water facilities, and land. Because capital construction normally takes place over more than one fiscal period, capital budgets are generally adopted on a project-length basis.

Capital improvement projects - infrastructure or equipment purchases or construction which results in a capitalized asset and having a useful (depreciable life) of one year or more.

Indirect Costs – Costs incurred for a common purpose not readily assignable to a cost center or user at the time services or goods are provided or delivered

Pay-as-you-go financing - is defined as all sources of revenue other than District's debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc.

Restricted Funds – Monies where restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

Capital Funds – Monies that are utilized primarily to fund capital and asset costs, for both new and replacement projects.

Liquidity Funds – Monies used to safeguard the financial flexibility and stability of WVWD and to maintain stable customer charges and rates from year to year.

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Liquidity may be funded from accumulated revenues and when appropriate available short-term liquidity arrangements.

Cash Account(s) – Accounts used to track cash and/or cash equivalent assets for accounting or reporting purposes. For purposes of investment, the District may commingle unrestricted accounts and reserve funds, so long as the District’s Investment Policy permits such.

SECTION 5: BUDGET DEVELOPMENT OVERVIEW

Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and program-based cost accounting that require every program to be justified annually as to how it will meet intended objectives. The process will include a diligent review of programs by staff, the CFO, the GM, and the Board. The District will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ expenses, such as postponing expenditures or accruing future year’s revenues. The District’s balanced budget is to be adopted on a modified accrual basis. Non-cash items, such as investment adjustments to market value, depreciation, amortization, and bad debt expense are not budgeted. Multi-year capital projects are often budgeted on a full cost basis and the year-end active project budgets are continued to the next year until the completion of the project.

SECTION 6: PROGRAM BASED BUDGET

Utilization of a program budget format will provide a basis for evaluation of services as well as a way to evaluate impacts of potential increases or decreases in funding. Current operating expenditures will include all allowable overhead operating (indirect) costs. For the most part, these expenses will be charged to individual budget program elements through indirect cost allocation plan charges.

District staff shall strive to identify entrepreneurial solutions to recover costs of operating programs.

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Building the program-based budget will entail the following procedures:

1. Long-Term Initiatives (10-year foresight)

- Evaluate District's vision, mission, and values.
- Evaluate District's goals and objectives of the above.
- Evaluate District's prioritization of the above.
- Evaluate District's expected outcomes of the above.

2. Short-Term Initiatives (1 to 5-year foresight)

- Evaluate short-term goals.
- Evaluate service level assumptions.
- Evaluate budget impact - revenues and expenditures.
- Evaluate staffing level changes.

3. Significant Changes (1 year look back)

- Evaluate specific issues and action causing significant changes.
 - Policy issues
 - Economic factors
 - Regulatory issues
 - Legislative challenges
- Evaluate emerging issues or change in priorities.

4. Goals and Objectives by Department (1-year foresight)

- Evaluate department goals and objectives.
- Evaluate how department goals are linked to overall District goals.

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- Evaluate short-term objectives, measurable results to be achieved.
- Evaluate timeframes of achieving those objectives.

5. Net Position

- Define net position
- Prepare five-year historical trend.
- Prepare ten-year forecast.

6. Capital Expenditures

- Define capital expenditures.
- Summarize capital expenditures.
 - Routine.
 - Non-routine.
- Identify and match funding source.
- Explain how the District’s current and future budget will be impacted.
 - Financial impact.
 - Non-financial impact.

7. Program - Base Budget Will Link Resources with Results

- Identifying community needs for essential services
- Describing the programs required to provide the essential services
- Identifying the purpose of activities performed in delivering services
- Establishing goals and objectives which define the nature and level of services required
- Identifying resources required to perform program activities and accomplish goals and objectives
- Staffing levels

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- Program activity revenue and appropriations

SECTION 7: REVENUE BUDGET DEVELOPMENT

While building the revenue budget, the following parameters will be followed:

- Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting principles (GAAP). All non-restricted revenues will be deposited in the Operating Fund (or other designated fund as approved by the CFO) and appropriated by the Board.
- Current revenues will fund current expenditures and a diversified and stable revenue system will be developed and maintained to protect programs from short-term fluctuations in any single revenue source.
- The District will estimate its annual revenues by an objective, analytical process, wherever practical. The District will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually. In the case of assumptions uncertainty, conservative projections will be used.
- The District will investigate potential new revenue sources, particularly those that will not add to the burden of tax or rate-payers.
- Each year, the District will recalculate the full costs of activities supported by user fees/rates to identify the impact of inflation and other cost increases.
- Grant funding will be considered to leverage District funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, District resources will be substituted only after all program priorities and alternatives are considered.
- One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To

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the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

- For purposes of this policy, one-time revenue windfalls shall include:
 - Lump sum (net present value) savings from debt restructuring
 - CalPERS Rebates
 - Tax Revenue growth in excess of 5% in a single year
 - Sale of District-owned real estate
 - Pure unexpected revenues (i.e. litigation settlement)
 - Receipts from approved Development Fees
 - Contributions and Gifts
 - Any other revenues the Board may elect to designate as extraordinary

SECTION 8: USER FEES/RATES

The process for changing user fees or rates will follow the User Rate policy # [REDACTED]. All user fees and charges will be examined or adjusted every year and undergo a thorough review to determine the 100% direct and indirect cost of service recovery rate at least every four years. This shall include operations and maintenance, capital outlay and debt services costs. The Board will strive to obtain 100% cost recovery rates, but will reserve the right to recover less, as appropriate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Board following public review, each year.

Any unfavorable balances in cost recovery will be brought to the Board's attention by the CFO and affected Department Head, and evaluated from a departmental, program, and goals perspective.

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SECTION 9: EXPENDITURE BUDGET DEVELOPMENT

- Each program will identify activities and the recommended expenditure appropriations to perform those activities
- Identify recurring vs. nonrecurring expenditures
- Identify general vs. restricted expenditures
- Expenditure appropriation increases to the budget shall not be allowed unless offset with ongoing additional revenues or reduction in services.
- Addition of personnel will only be requested to meet program initiatives and policy directives: after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition or transfer.
 - The CFO shall evaluate the fiscal impact of proposed changes in all salaries or retirement benefits to be provided to any employee or employee association and present to the Board.
- Capital equipment replacement will be accomplished through a life cycle funding mechanism and in some instances the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles and other capital equipment (fleet, computers, phones, and copier systems). The District shall endeavor to maintain adequate cash reserves to fund 100% replacement of certain capital equipment. Replacement costs will be based upon equipment life cycle financial analysis developed by each department and approved by the CFO. Non-capital equipment replacement will be accomplished through a life cycle funding mechanism developed by each department and implemented and approved by the CFO.
- Alternative means of service delivery will be evaluated by the CFO to ensure that

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quality services are provided to customers at the most competitive and economical cost. Departments, in cooperation with the GM and CFO, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

- A ten-year Capital Improvement Plan (CIP) shall be developed and updated annually, including anticipated funding sources. The District staff shall maintain all its assets at a level adequate to protect the District’s capital interest and to minimize future maintenance and replacement costs.
 - The total estimated cost calculations of CIPs shall include adequate costs of repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.
 - Proposed capital projects will be considered through the District budget development process and reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) as well as the GM and CFO for overall consistency with the District’s goals and objectives. The CFO will then identify financing sources for the highest-ranking projects.
 - The District shall determine the least costly financing method for all new projects
 - Pay-as-you-go financing is defined as all sources of revenue other than District’s debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc. Pay-as-you-go financing should generally be considered as the preferred option. However, the potential for debt issuance that provides additional economic and/or strategic values could be considered as recommended by the CFO.
 - In the context of funding future capital facilities and maintaining and replacing existing assets, in each instance, the District will analyze

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the benefits and tradeoffs of utilizing pay- as-you-go and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider WVWD's current and projected liquidity, and capital positions, as well as the impact of inflation, the cost of water and other factors on the operations of the District and its capital improvement program. WVWD may from time to time measure its liquidity position by calculating "days cash" or other appropriate calculation of liquidity and its capital positions, as measured by its debt to equity ratio or other appropriate calculation of capital position.

- The District shall endeavor to apply restricted funds (i.e. existing Bond proceeds) to capital projects before using "unrestricted" funds.
- Capital project budget book descriptions will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.
- An inventory of the District's physical assets, their condition, and remaining useful life will be maintained by the Finance Division
- A systematic and rational methodology should be used to calculate the amounts allocated within an indirect cost allocation plan
 - District management needs to be involved in the process and knowledgeable about the methodology used
 - It is important that internal staff be aware of all applicable laws and regulations if the cost allocation is to be used as the basis for requesting reimbursement under a grant, for bond proceeds, for rate-setting, or for any other contractual or governmental regulation or restriction

SECTION 10: ACCRUING LIABILITIES

The CFO shall endeavor to maintain cash reserves sufficient to fully fund the net

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present value of accruing liabilities including self-insurance provisions, obligations to employees for vested payroll and benefits, and similar obligations as they are incurred, and to maintain the highest credit rating possible for the District. At a minimum they must be funded to 90%.

SECTION 11: FORECASTING

The annual budget shall include a ~~Ten-Year~~Five-Year Forecast. The forecast will be comprised of estimated operating costs and revenues as well as future capital improvement financing sources and uses. Balanced revenue and expenditure forecasts will be prepared by the CFO to examine the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be taken into consideration when preparing budget recommendations. The forecast will be updated annually and include a ~~five~~ten-year outlook. The CFO will prepare and present these estimates to the Board at least once a year. The District's capital plan will be informed by the ten-year forecasting process.

The forecast shall factor in future increases in demand, expected rate increases, regulations, and infrastructure renovation and renewal needs.

SECTION 12: RESERVE POLICIES

RESERVE POLICY PURPOSE:

A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. West Valley Water District ("District" or "WVWD") will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve Funds ("Funds") will be accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long

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term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements.

Through a variety of policy documents and plans, including the District's Capital Improvement Program, master plan and strategic plan, the Board has set forth a number of long-term goals for the District. A fundamental purpose of the District's policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so.

The Board of Directors of WVWD ("Board") may designate specific fund accounts and maintain minimum fund balances consistent with statutory obligations that it has determined to be in the best interest of WVWD. The Policy directives outlined in this section are intended to ensure WVWD has sufficient funds to meet current and future needs. The Board will annually review the level of these funds.

RESERVE TRACKING PROCEDURES:

The District may maintain its liquidity and capital funds in separate, designated sub-accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers. The account balances are considered the minimum necessary to maintain the District's creditworthiness and adequately provide for:

- Compliance with applicable statutory requirements
- Financing of future capital facilities and repair and replacement of existing assets
- Cash flow requirements
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
- Contingencies or unforeseen operating or capital needs

WVWD has established and will maintain the following primary cash (and/or equivalent) accounts (and any other related fund tracking mechanism if needed):

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- Restricted Cash Account(s) – comprised of Bond Proceeds, Community Facilities District monies, Developer and or Capacity Fees and Customer Deposits
- Capital Cash Account(s) – includes the Capital Replacement Fund and Emergency Fund.comprised of money set aside for Capital Projects, including those for General and Administrative Capital Projects
- Liquidity Cash Account(s) – includes the Rate Stabilization Fund and Operating Fund.monies set aside for Rate Stabilization, the Operating Reserve Account, the Emergency Account, and the Water Banking Account

RESERVE MAINTENANCE:

The minimum established for each account represents the baseline financial condition that is acceptable to WVWD from risk and long-range financial planning perspectives. Maintaining reserves at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: fees and charges, water usage management, capital financing, investment of funds, and levels of capital expenditures. In the event the Liquidity Fund balance exceeds the established maximum, excess monies will be transferred annually into the Capital Fund. On an as-needed basis, monies from the Capital Fund can be moved to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of excess monies.

To achieve and maintain a strong credit rating, in every fiscal year the District will strive to maintain unrestricted cash and designated fund balances totaling a minimum

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of 180 days of budgeted operating expenses. Should the District determine to target a higher credit rating level, this minimum will be adjusted accordingly. However, should the District decide to pursue a credit rating upgrade, it will need to analyze carefully under what circumstances and in what timeframes it will be optimal to achieve this goal

RESERVE TARGET LEVELS:

~~To establish and preserve its strong credit ratings, in every fiscal year WVWD will strive to maintain a Liquidity fund balance totaling a minimum of 365 days of budgeted operating expenses without regard to any Liquidity Facility.~~

The following represents the Districts target reserve levels by type:

I. RESTRICTED FUNDS

- a. *Bond Proceeds Fund(s)*: Bond proceeds funds are monies derived from the proceeds of a bond issue. Typically, they consist of construction fund monies, and a debt service reserve fund (“DSRF”). The use of these proceeds is restricted by conditions set forth in the respective legal bond documents. Typically, these funds are held by the Trustee in favor of the bond holders.

Target Level – The debt service reserve requirement is established at the time of the bond issue. This amount may be recalculated as the bonds are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the appropriate bonds. The target level must appropriately respond to changes in interest rates for variable rate debt.

Events or Conditions Prompting the Use of the Fund(s) – As stipulated in the respective bond documents. Construction fund monies are expected to be

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spent on applicable projects, while DSRF can only be used to pay debt service or to pay down principal at maturity.

Review Dates for Balances – Reviewed by the Trustee and WVWD staff on a semi- annual basis at least 15 days prior to an interest payment date.

- b. Customer and Development Deposits: Monies held on behalf of WVWD customers as required for their account or as cash bonds for development projects.

Target Level – Customer deposits required are based upon the process outlined in the District’s Water Service Regulations. Deposit requirements for development projects are also outlined in the District’s Water Service Regulations. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.

II. CAPITAL RESERVE FUNDS

WVWD will strive to maintain minimum balances in the Capital Reserve Funds, net of any capacity fees, as of June 30, of any fiscal year equal to the amounts set forth below. The Capital Reserve Funds will consist of the following sub-accounts:

- a. Capital Project Account: The Capital Project Cash Account is used for the funding of new capital assets or the rehabilitation, enhancement or replacement of capital assets when they reach the end of their useful lives.

Target Level – WVWD may set aside capital moneys for replacement funds on a project- by-project basis. The minimum target level WVWD will strive for is 100% of its then- current fiscal year from the Capital Improvement Budgets plus ~~2580~~ 258% of the amount estimated to be needed the following fiscal year, less minimum levels established for the Emergency Account. Failure to meet the minimum target level will not result in a violation of the policy. The

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~~maximum balance in Capital Reserve Funds shall not exceed the projected needs for five years, according to the District's Capital Improvement Plan. The maximum balance may be determined upon the reasonable needs of the District as set forth in the Capital Improvement Program, the District's Master Plan Documents and Strategic Plan.~~

Events or Conditions Prompting the Use of the Fund – Staff will recommend new assets to be constructed or assets to be rehabilitated, enhanced, or replaced during the annual budget preparation. As projects are approved, funds will be appropriated from reserve funds or available revenues.

Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget, ~~and during the mid-year budget review process.~~

- b. ~~Emergency Account~~~~Administrative & General Account~~. ~~The Emergency Fund is used to begin repair of the water and sewer systems after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed. The Administrative & General Account can be used to fund certain general, administration and overhead projects. Fleet Management, Building, Equipment, and Information Technology reserves will be maintained based upon life cycle replacement plans to ensure adequate net asset (fund balance) designation required for systematic replacement of fleet vehicles, building components and systems, computers and related equipment, and operational contingencies. Operating departments will be charged over the useful life of the asset used. The District shall endeavor to stabilize funding by building reserves equal to the anticipated replacement cost of each asset class at end of useful life.~~

Target Level – ~~Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District's water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines. This Account has no specific target level for each component.~~

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~~However, WVWD shall seek to maintain a minimum balance equal to 5% of its annual operating expenses. Special projects can be funded on an as-needed or project-by-project basis.~~

~~Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund. Improvement projects will be identified by staff and recommended to the Board during the preparation of the annual budget. As projects are approved, funds will be appropriated from available revenues.~~

~~Review Dates for Balances – Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget. Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: The Rate Stabilization Reserve Account, the Operating Reserve Account, the Emergency Account, and the water banking account. The balance in the Liquidity Funds will fluctuate depending on the annual operating expenses. ~~The maximum balance in the Liquidity Funds will be equal to 180 days of the annual budgeted operating expenses. Further, the District will also incorporate an aggregate reserve goal since policy requirements and goals might fluctuate year over year. The total reserve goal of maintaining cash and equivalents shall be equal to the annual operating budgeted expenditures for the current fiscal year which is equivalent to 365 “days cash”.~~

- a. Rate Stabilization Account. This fund is established to provide flexibility to the Board when setting rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over a period of time.

Target Level – ~~This fund shall be maintained at a minimum level of 45 days~~

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~~of the annual budgeted operating expenses. The maximum level of this fund shall not exceed 60 days of the annual budgeted operating expenses. This fund shall be maintained at a minimum level equal to the lower of (1) a calculation of the difference between (a) the amount of revenue from the lowest year of historical water usage going back 25 years and (b) the amount of revenue from a typical year using current rates; or (2) 180 days of the budgeted total operating expenses~~

~~Events or Conditions Prompting the Use of the Fund – This fund is intended to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of the fund. This fund is intended to be used to defray any temporary unforeseen decreases in the sale of water. The Board, on a case by case basis, will determine the amount and timing for any use of the fund. If at the end of any fiscal year, moneys on deposit in all accounts or reserve funds are at or exceed their respective maximum amounts or levels, the District may consider rebating surplus amounts to its ratepayers.~~

~~Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget, and during the mid-year budget review process.~~

- b. Operating Reserve Account. The Operating Reserve Account is used for unanticipated operating expenses. This fund is designated by the Board to maintain a reserve for current operations and to meet routine cash flow needs.

~~Target Level – Funding shall be targeted at a minimum amount equal to 90185 days of the District’s budgeted total operating expenses, and the maximum amount shall not exceed 120 days of the budgeted total operating expenses.~~

~~Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and~~

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expenses or decreases in revenues and unexpected increases in expenses.

Review Dates for Balances – Fund balances and target level will be reviewed by Staff and the Board during the preparation and approval of the annual budget, ~~and during the mid-year budget review process.~~

~~c. Emergency Account. The Emergency Account may be used to purchase water at any time or to begin repair of the water system after a catastrophic event, such as a severe earthquake, drought, or fire while interim, or long-term financing is being arranged or insurance claims are being processed. WVWD may use funds herein for either capital or operating purposes.~~

~~Target Level—Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District’s water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines.~~

~~Events or Conditions Prompting the Use of the Fund—The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.~~

~~Review Dates for Balances—Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

~~d. Water Banking Account. The Water Banking Account can be used to fund the purchase of replenishment water for future use. The District will strive to maintain a minimum level equal to the cost of 1,000 acre-feet of water and a maximum amount equal to the cost of 10,000 acre-feet of water. The District will review annually the cost to purchase water.~~

~~Target Level. Funding shall be targeted at a minimum equal to the existing rate times 1,000 acre-feet of water and a maximum equal to the existing rate times 10,000 acre-feet of water.~~

~~Review Dates for Balances—Fund balances and target level will be reviewed~~

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~~by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

~~Self-Insurance Reserves (workers' compensation, other employment related matters) will be maintained at a level, which, together with purchased insurance policies, will adequately cover the District's property, liability, and health benefit risk. A qualified actuarial firm shall be retained and report on a bi-annual basis recommended appropriate funding levels. The District shall endeavor to maintain reserves equal to 90% of the estimated net present value of such liabilities.~~

~~Budget Reserves are presented in the Comprehensive Annual Financial Report (CAFR) in the Financial Statement section designated as Unrestricted Net Assets. The District's CAFR is available on the District's website at [\[redacted\]](#).~~

SECTION 13: BUDGET SURPLUSES AND DEFICITS

SURPLUSES:

It is the intent of the District to use all surpluses generated to accomplish three goals:

- Meet reserve policies
- Avoidance of future debt
- Reduction of outstanding debt

Any surplus realized at year-end shall be used first to meet reserve policies as set forth in this policy. Excess surplus will then be used for the following purposes:

- Capital replacement program
- Retirement or refinancing of existing debt
- Cash payments for capital improvements
- Rebate to rate-payers

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One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

For purposes of this policy, one-time revenue windfalls shall include:

- Lump sum (net present value) savings from debt restructuring
- CalPERS Rebates
- Tax Revenue growth in excess of 5% in a single year
- Sale of District-owned real estate
- Pure unexpected revenues (i.e. litigation settlement)
- Receipts from approved Development Fees
- Contributions and Gifts
- Any other revenues the Board may elect to designate as extraordinary

DEFICITS:

It is the intent of the District to minimize all net asset (fund balance) deficits. The District will diagnose and communicate any fund balance deficits with the following recommendations to the Board:

- Primary Treatments – treatments that are recommended as the first line of defense and should be considered as a first option. In many cases, these treatments not only provide immediate help but also improve the long-term prognosis.
- Treatment to Use with Caution – treatments that may be called for if the primary treatments are not sufficient. However, the side effects of these treatments could potentially worsen financial condition if used improperly.

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SECTION 14: DEBT MANAGEMENT POLICY

These Debt Management Policies are intended to comply with Government Code Section 8855(i), (j), and (k) effective on January 1, 2017, and shall govern all debt undertaken by the District.¹ The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness and maintain and, if possible, improve the current bond rating(s), in order to minimize borrowing costs and preserve access to credit.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

Purposes for Which Debt May Be Issued

Long-term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.

- (a) Long-term debt financings are appropriate when the following conditions exist:
- When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District

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and its taxpayers and ratepayers.

- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
- (b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. However, the District may consider issuance of debt for working capital purposes under specific circumstances if deemed advisable by the Board and CFO.
- (c) The District may use long-term debt financings subject to the following conditions:
- The project to be financed must be approved by the Board.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the infrastructure improvement, with the average (weighted) bond maturities at or below thirty years, unless otherwise authorized by the Board.
 - The District estimates that sufficient revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term Debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

Types of Debt

For purposes of these Debt Management Policies, "debt" shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations. The use of the term "debt" in these Debt Management Policies shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt in contravention of any statutory or

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constitutional debt limitation.

The following types of debt are allowable under these Debt Management Policies:

- General obligation bonds, which are supported by property tax revenue which grows in proportion to the District's assessed valuation and/or property tax rate increases, may be utilized if/when authorized by voters.
- Bond or grant anticipation notes.
- Lease revenue bonds, certificates of participation, and lease-purchase transactions.
- Other revenue bonds and certificates of participation.
- Tax and revenue anticipation notes.
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes.
- Tax increment financing to the extent permitted under state law.
- Purchase card debt
- Line of credit
- Construction loans
- Lease payments

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of these Debt Management Policies.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue

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debt for the purposes stated in these Debt Management Policies and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its reserves.

New debt issues, and refinancing of existing debt, must be analyzed for compatibility within the District's overall financial planning and approved by the CFO. The review shall not be limited to cash flow analysis, potential for unexpected revenue surprises, and the maintenance of the District's bond ratings. Annual debt service shall not produce an inordinate impact upon future operations.

A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the District's ability to pay short-term obligations.

Water rates will be set, at a minimum, to ensure the ratio of revenue to debt service meets the District's bond indenture requirement (generally a minimum of 120% of debt service). In addition, higher revenue to expense ratios may be needed to secure the District's bond rating, as determined by the CFO.

When calculating debt services coverage for internal purposes, the minimum pay-as-you-go capital expense will be considered a part of the operating costs to be covered

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by pre-debt service revenues. The District goal will be to maintain the required debt service coverage with this additional cost factored into the equation. Use of a 10-year budget projection, including capital project requirements, will provide assurance that all needs are considered by the CFO, the GM, Assistant GMs, and District Counsel as revenue requirements are considered.

Policy Goals Related to Planning and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

The CFO shall consult with a qualified Financial Advisor on an issue by issue basis to determine the appropriate method of sale to be used for debt issuance. Further, the CFO or designee shall be responsible for the solicitation and selection of professional services that are required to administer the District's debt program, which will follow the District's procurement policy. The financial advisor, bond and disclosure counsel, and trustee costs associated with bond issuance will be paid with bond proceeds. Eligible District staff costs related to issuance of long-term

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bonds may also be reimbursed from bond proceeds.

- A financial advisor shall be used to assist in the issuance of the District's debt. The financial advisor shall provide the District with objective advice and analysis on debt issuance. This includes, but is not limited to monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.
- All debt issued by the District will include a written opinion by bond counsel affirming that the District is authorized to issue the proposed debt. The opinion shall include confirmation that the District has met all District and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt. Bond counsel is also responsible for preparing all financing documents including Trust Indentures and Bond resolutions and assists in preparation of Official Statements. Disclosure Counsel shall be required to deliver a customary 10(b)-5 opinion on District offering documents. The Disclosure Counsel will work with District staff to draft all disclosure documents for a bond financing.
- An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
- A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. If there are unspent bond proceeds, funds will be held by a third part trustee.
- The District will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the District's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The District will continually strive to maintain its bond rating by improving financial policies, budgets, forecasts and the financial health of the District.

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- Credit enhancements may be used to improve or establish a credit rating on a District debt obligation. Credit enhancements should only be used if cost effective.
- A debt refunding is a refinance of debt typically done to take advantage of lower interest rates.
- A current refunding is one in which the refunding bonds are issued no more than 90 days before the date upon which the refunded bonds will be redeemed.
- An advance refunding is one in which the refunding bonds are issued more than 90 days prior to the date upon which the refunded bonds will be redeemed. Advance refundings are used to refinance outstanding debt before the date the outstanding debt becomes due or callable. Internal Revenue Code §149(d)(3) provides that governmental bonds issued after 1985 may only be advanced refunded once over the life of a bond issuance. Changes to the Federal tax law enacted in 2017 prohibit the issuance of advance refunding bonds after December 31, 2017; however, it is possible this prohibition will be removed in the future.
- Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a minimum present value savings of 3%. This savings requirement for a refunding may be waived by the CFO upon a finding that such a refunding is in the District's overall best financial interest.
- The District will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other documents to avoid arbitrage rebate. Arbitrage is the interest earned on the investment of the bond proceeds at a rate above the interest rate paid on the debt. If arbitrage occurs, the District may be required to pay the amount of the arbitrage to the Federal Government as required by Internal Revenue Service Regulation 1.148-11. The District will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds,

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calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt.

- The District will comply with all covenants stated in the bond contract or equivalent
- The District will comply with all state reporting requirements for issuance of debt, including a report to the CDIAC of any proposed debt issuance no later than 30 days prior to the sale of any debt issue. The report shall include a certification by the issuer that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with these policies. The District shall also submit a report to CDIAC of final sale no later than 21 days after sale of debt, by any method approved by the CDIAC. The report on final sale shall include a copy of the official statement for the issue or, if there is no official statement, the other disclosure documents and indenture.
- The District will meet secondary disclosure requirements in a timely and comprehensive manner, as stipulated by the SEC Rule 15c2-12. The CFO shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system, the central depository designated by the SEC for ongoing disclosures by municipal issuers. The CFO is responsible for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies, including the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The District may also employ the services of firms that improve the availability of or supplement the District's EMMA filings.
- The proceeds of the bond sales will be invested until used for the intended project in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of safety. The District Investment Policy and the bond indentures govern objectives and criteria for investment of bond proceeds. The

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CFO or designee, or the bond trustees under the direction of the CFO or designee, will invest the bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.

- In certain cases, particularly for bond reserve funds, it may be fiscally prudent to invest funds using a forward delivery agreement or some other type of guaranteed investment contract. Such agreements should be obtained under a competitive bid process under consultation with the Financial Advisor.
- State and Local Government Securities (SLGS) are the preferred investment option rather than open market securities for escrows for refunded bonds to allow for better matching of settlement dates and fewer arbitrage regulation compliance issues.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of these Debt Management Policies, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12 and Government Code Section 8855 (i), (j), and (k),
- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The District's investment policies as they relate to the investment of bond proceeds.

It is the policy of the District to ensure that proceeds of debt are spent only on lawful and intended uses. Proceeds of debt will be held either (a) by a third-party

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trustee, which will disburse such proceeds to the District upon the submission of one or more written requisitions, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

- The District shall review its outstanding debt quarterly for the purpose of determining if the financial marketplace will afford the District the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a Present Value savings of three percent over the life of the respective issue, at a minimum, must be realistically attainable.
- The District will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- When the District finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project.
- Whenever possible, the District will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds, so those benefiting from the improvements will bear all or part of the cost of the project financed.
- The District will maintain good communications with bond rating agencies regarding its financial condition. The District will follow a policy of full disclosure on every financial report and borrowing prospectus.

SECTION 15: AFTER ADOPTION OF THE BUDGET

District staff shall strive to avoid returning to the Board for new or expanded appropriations. Exceptions may include emergencies, unforeseen impacts, mid-year adjustments or new opportunities.

The District, through the CFO and the Finance Department, will follow an aggressive, consistent, but sensitive policy of collecting revenues, with proper internal controls, to meet the needs of the District and follow all applicable state and federal laws.

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The Board is to be provided with a quarterly budget report comparing actual versus budgeted revenue and expense activity. Significant deviations between budget and actual results are to be explained. This will create an opportunity to adjust revenue projections and make expenditure appropriation changes, if needed. Further, it also provides an opportunity to make budget transfers if necessary. Reserve account balance shall also be reviewed at this time for compliance with the reserve policy.

All fund designations and reserves will be evaluated at least annually by the CFO for long-term adequacy and use requirements in conjunction with development of the District's balanced ten-year financial plan.

PERFORMANCE MEASUREMENT

- Every year, the District shall create a Strategic Plan that identifies the Strategic Priorities for the following year, with the goals to be achieved.
- Annually, each department shall develop departmental performance measures that support achieving successful results of those goals with the GM. Goals should be related to core services of the department and should reflect customer needs. The measures should be a mix of different types, including effectiveness, efficiency, demand and workload. Measures should have sufficiently aggressive goals to ensure continuous improvement.
 - Department Directors shall establish performance measures for each division or program within their department to monitor and project program performance.
 - Quarterly summaries of progress and departmental performance measures will be published and distributed.

SECTION 16: TRANSFERS

TRANSFERS OF APPROPRIATIONS:

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The CFO or Designee, upon request of the GM or Board, may transfer any unused balance or portion thereof from previously appropriated funds to augment existing appropriations as long as the transfer is within the same Budget Unit and/or CIP project. The CFO or designee shall notify the GM and the Board of any transfer of funds made pursuant to this section which exceeds ten percent (10%) of the original appropriation to which the transfer is made. No such transfer of funds shall be made to an appropriation which was previously reduced by action of either the GM or the Board in their review of the budget for the current or prior fiscal year.

District departments may need to request expenditure budget transfers under certain circumstances. It may be necessary to transfer funds from one activity or project to another to reflect realignment of priorities, duties, or reorganization. Transfers among objects of expenditure within a department also may be needed to adjust budget estimates to meet actual operating realities. The following represent restrictions on budget transfers:

- Cumulative transfer requests to the Finance Department should not exceed ten percent (10%) of the original appropriation. Requests exceeding the threshold must be properly justified and approved by the CFO or designee
 - The 10% threshold applies to the budget unit or CIP project to which that appropriation is being transferred.
 - For annual funds, the 10% calculation is based on the current fiscal year original appropriation and any Board-approved supplemental appropriation within budgetary control level.
 - For continuing funds such as capital projects, the 10% calculation is based on the total multi-year original appropriation and any Board-approved supplemental appropriation amounts (i.e., the total of original and supplemental appropriation for each fiscal year from year 1 through the current fiscal year). For projects funded by

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multiple funding sources, the 10% threshold is based on the total Board-approved appropriation of all funding sources. If multiple transfers were made during the year, the individual transfer as well as the cumulative transfer must not exceed the 10% threshold.

- Transfers must not be made to an appropriation reduced by action of either the GM or Board. If the GM or Board reduction was made to a specific object code, appropriations cannot be transferred to other object codes within the same object code grouping.
 - Exceptions to this guideline must be approved by the authority that reduced the appropriation,
- Appropriations carried forward from prior year(s) cannot be used for budget transfers
 - Carryforward appropriations are not surplus and must be used for the purpose originally budgeted and approved for carryforward.
- The following types of budget transfers require additional approval from the GM and notification to the Board:
 - Transfers involving salaries
 - Transfers from professional services contracts to salaries require additional approval from the GM and the CFO
 - Transfers involving new equipment budget.
 - Equipment can only be purchased using appropriations specifically for equipment. Transfers of non-equipment budget for equipment purchases must be approved by the GM and CFO. Note that such transfers can only be from non-salary appropriations
- Transferring department budgets for services of other District departments to other spending categories requires approval from the

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requesting or performing department.

- If and when the budget transfer request is completely approved, the Finance Division is responsible to enter a budget transfer journal entry in the financial system
 - Before entering the budget transfer into the finance software, Finance Division staff must:
 - Verify completeness of information and reasonableness of justification
 - Verify funding availability and appropriateness (e.g., budget carried forward from the previous fiscal year cannot be the funding source of a budget transfer)
 - Verify department certification on transfer is within the 10% threshold
 - Verify department certifications on transfer is not adding back to appropriation previously reduced by Board or GM
 - Verify the accurate use of the accounting codes, budget unit codes and object codes
 - Return to department if request is being rejected or requires substantial changes
 - Review data entry for accuracy of data based on approved budget transfer request.
 - At fiscal year-end, the CFO shall notify the GM and the Board of any transfer of funds made which exceeds 10% of the original appropriation to which the transfer is made. If multiple transfers were made at different times of the year, the individual transfer as well as the cumulative transfers exceeding the 10% threshold will be reported.

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TRANSFERS OF RESERVES:

In the event the Liquidity cash account balance exceeds the established aggregate maximum (if applicable), excess monies will be transferred annually into the Capital cash account. On an as-needed basis, moneys from the Emergency Account of the Liquidity Fund can be moved to the Operating Reserve Account to pay for operating emergencies to supplement the Liquidity Funds. The Board shall approve any reallocation of reserve funds or any transfers among such funds.

SECTION 17: CARRYOVERS

On an annual basis, after the year-end audit has been completed, the CFO or designee shall produce a schedule of all fund surpluses and deficits, with projections of reserve requirements and plan for the use of an excess surplus for the current year. These will be Carryovers.

Automatic Carryovers include:

- Contractual commitments
- Grant, restricted donation and capital project appropriations which are considered life-cycle appropriations
- June Board items
- All other appropriations shall lapse at year-end unless carried forward by Board action

June Board items, and active/on-going CIP carryovers are automatic. CIP projects that are under construction, in the process of design and specification development or production of bid documents will automatically be carried over for both encumbered funds and unencumbered funds.

Carryovers that are not automatic: Projects that have been on the CIP list for multiple years that are not proceeding to design, bid or construction should provide a more

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detailed explanation of their status and a justification for the continuing need for the project funding. These projects will be closed out unless the department provides sufficient justification to keep them open. The justification should contain the information necessary to determine the status of the project and its continuing justification. Carryovers can only take place once the last invoices for the fiscal year have been paid and charged against the fiscal year that is ending. The Carryover Request forms will be closed on July 1st of every year. Any subsequent carryover requests will need to be taken to the Board by the requesting department.

Exhibit B

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BUDGET/CARRYOVER/RESERVE/DEBT MANAGEMENT POLICY

SECTION 1: PURPOSE

Financial policies such as this Budget/Carryover/Reserve/Debt Management policy, improve the District’s fiscal stability by helping District officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies such as this one, promotes sound financial management, which can lead to improvement in bond ratings, a lower cost of capital, provide assurance to the tax and rate payers that taxes and fees are being collected and spent per Board direction, and provide a minimum of unexpected impacts upon taxpayers, rate-payers and users of public services.

SECTION 2: GENERAL POLICY

The guiding principles of the District’s financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The District’s Budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends, and resource choices.

The budget process and format shall be performance-based and shall be focused on goals, objectives and performance indicators. The budget will provide adequate funding for maintenance and replacement of capital plant and equipment.

The budget process is intended to weigh all competing requests for District resources within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged. The District will endeavor to avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.

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The District shall anticipate and address economic and fiscal risks to ensure the District lives within its means and has the resources to invest in its infrastructure, facilities, equipment, training and workforce to preserve and enhance community wellbeing.

SECTION 3: RESPONSIBILITY

At West Valley Water District (WVWD or the District) the following represent sets of responsibilities borne by various levels of District Board members, Staff, and management.

1. The Board of Directors are responsible for:
 - Approving the budget, which dictates spending by District government.
 - Deciding the spending priorities for the next fiscal year by setting aside money for programs, projects, or services
 - Shall avoid committing to new spending for operating or capital improvement purposes until an analysis of all current and future cost implications is completed and presented to it by the CFO.
 - To endeavor to maintain the highest credit rating possible for the District
 - Willingness to adjust rates when necessary
 - To allow for sufficient training and resources for the District’s management team’s ability to quickly implement measures to respond to challenges
 - This includes active participation in organizations to keep pace with Water sector issues, regulatory mandates, and technological advances

2. The CFO, or designee, shall be responsible for:
 - Developing, implementing, and managing this policy as well as subsidiary polices.
 - Developing the Budget, including discussions and explanations of all assumptions, estimates, and calculations to the Board

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- Financial forecasting
- Recommending and implementing approved strategies for Reserve maintenance
- Recommending to the GM and the Board, and then implementing an approved plan of action for Budget surpluses and deficits
 - Include performing a calculation of one day's (or applicable multiple thereof) worth of budgeted operating expenses
- Accumulating the data and preparing a list of Carryovers to be approved by the Board
- Posting the approved budget and all budget amendments to the financial system
- Posting approved budget transfers of appropriations to the financial system
- Performing transfers between reserve accounts in the financial system
- To endeavor to maintain the highest credit rating possible for the District
- Proactively identify and monitor long term financial liabilities, including unfunded pension obligations, and commit to taking actions to manage these commitments that prioritizes the District's long-term financial sustainability.
- To perform or facilitate debit issuance, interest payments, principal repayments, and other debt related activity. Also designing, implementing and evaluating the internal controls over debt related activity.
- Coordinating and analyzing debt requirements, including timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and revenue requirements.
- Preparing and presenting to the Board, interim revenue and expenditure trends to allow evaluation of potential discrepancies from budget assumptions.
- Perform and present to the Board, current and future cost implications for

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- operating or capital improvement costs before the Board commits to new spending
- Perform quarterly reports to the Board of:
 - Budget vs Actual Variances
 - Transfers of appropriations
 - Transfers between reserve accounts
 - Reserve target level compliance
 - Development and maintenance of adequate billing and collection measures
 - Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
 - Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence of fraud, misappropriation of District assets, or of conflicts of interest.
 - Additional responsibilities are stated in the remaining sections within this policy.
3. The General Manager (GM), Chief Financial Officer (CFO), and District Department Heads, collectively, are responsible for:
- Administering programs within the specific funding decisions contained in the budget
 - Participate in meeting policy goals, budget goals, and ensuring the long-term financial health of the District
 - Assistance with building the annual budget through participation in evaluation of long-term initiatives, short term initiatives, significant changes, goals and objectives, Capital expenditures, program-based budgeting that link resources with results.
 - Identify and evaluate immediate and long-term economic, social, and

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environmental impacts of all issues provided for community and Board consideration.

- Strive to identify entrepreneurial solutions to recover costs of operating programs.
- Conduct all business with transparency pursuant to applicable laws and regulations. This shall be done by proactively pursuing ways to make financial information publicly available, accessible, and easy to understand for all community members.
- To fairly and honestly collect and supply sufficient information (when available) as appropriate, and as needed by the Finance Division to fairly and properly support financial assumptions, calculations, and estimates that will be used to prepare the annual budget, forecasts, reports, rate setting calculations, as well as other financial calculations.
- Search for, obtain, and maintain appropriate grant funding to leverage District funds, when available
- Quarterly, performance measurement reporting to the Board
- To endeavor to maintain the highest credit rating possible for the District
- Reviewing and approving the listing of Carryovers taken to the Board for approval for their respective departments, and approval over all departments by the GM.
- The GM shall have authority to appropriate up to \$25,000 in case of emergencies
- Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
- Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence

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of fraud, misappropriation of District assets, or of conflicts of interest.

- Additional responsibilities are stated in the remaining sections within this policy.

SECTION 4: DEFINITIONS

Operating budget—adopted annually, the operating budget is a detailed estimate of how much the District needs to spend in its fiscal year to meet its ongoing financial obligations and provide programs and services. It establishes a spending cap that management may not exceed without special authorization.

Capital budget— The capital budget is money set aside for buying or building fixed assets such as buildings, equipment, vehicles, water facilities, and land. Because capital construction normally takes place over more than one fiscal period, capital budgets are generally adopted on a project-length basis.

Capital improvement projects - infrastructure or equipment purchases or construction which results in a capitalized asset and having a useful (depreciable life) of one year or more.

Indirect Costs – Costs incurred for a common purpose not readily assignable to a cost center or user at the time services or goods are provided or delivered

Pay-as-you-go financing - is defined as all sources of revenue other than District's debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc.

Restricted Funds – Monies where restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

Capital Funds – Monies that are utilized primarily to fund capital and asset costs, for both new and replacement projects.

Liquidity Funds – Monies used to safeguard the financial flexibility and stability of WVWD and to maintain stable customer charges and rates from year to year.

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Liquidity may be funded from accumulated revenues and when appropriate available short-term liquidity arrangements.

Cash Account(s) – Accounts used to track cash and/or cash equivalent assets for accounting or reporting purposes. For purposes of investment, the District may commingle unrestricted accounts and reserve funds, so long as the District’s Investment Policy permits such.

SECTION 5: BUDGET DEVELOPMENT OVERVIEW

Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and program-based cost accounting that require every program to be justified annually as to how it will meet intended objectives. The process will include a diligent review of programs by staff, the CFO, the GM, and the Board. The District will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ expenses, such as postponing expenditures or accruing future year’s revenues. The District’s balanced budget is to be adopted on a modified accrual basis. Non-cash items, such as investment adjustments to market value, depreciation, amortization, and bad debt expense are not budgeted. Multi-year capital projects are often budgeted on a full cost basis and the year-end active project budgets are continued to the next year until the completion of the project.

SECTION 6: PROGRAM BASED BUDGET

Utilization of a program budget format will provide a basis for evaluation of services as well as a way to evaluate impacts of potential increases or decreases in funding. Current operating expenditures will include all allowable overhead operating (indirect) costs. For the most part, these expenses will be charged to individual budget program elements through indirect cost allocation plan charges.

District staff shall strive to identify entrepreneurial solutions to recover costs of operating programs.

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Building the program-based budget will entail the following procedures:

1. Long-Term Initiatives (10-year foresight)

- Evaluate District's vision, mission, and values.
- Evaluate District's goals and objectives of the above.
- Evaluate District's prioritization of the above.
- Evaluate District's expected outcomes of the above.

2. Short-Term Initiatives (1 to 5-year foresight)

- Evaluate short-term goals.
- Evaluate service level assumptions.
- Evaluate budget impact - revenues and expenditures.
- Evaluate staffing level changes.

3. Significant Changes (1 year look back)

- Evaluate specific issues and action causing significant changes.
 - Policy issues
 - Economic factors
 - Regulatory issues
 - Legislative challenges
- Evaluate emerging issues or change in priorities.

4. Goals and Objectives by Department (1-year foresight)

- Evaluate department goals and objectives.
- Evaluate how department goals are linked to overall District goals.

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- Evaluate short-term objectives, measurable results to be achieved.
- Evaluate timeframes of achieving those objectives.

5. Net Position

- Define net position
- Prepare five-year historical trend.
- Prepare ten-year forecast.

6. Capital Expenditures

- Define capital expenditures.
- Summarize capital expenditures.
 - Routine.
 - Non-routine.
- Identify and match funding source.
- Explain how the District's current and future budget will be impacted.
 - Financial impact.
 - Non-financial impact.

7. Program - Base Budget Will Link Resources with Results

- Identifying community needs for essential services
- Describing the programs required to provide the essential services
- Identifying the purpose of activities performed in delivering services
- Establishing goals and objectives which define the nature and level of services required
- Identifying resources required to perform program activities and accomplish goals and objectives
- Staffing levels

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- Program activity revenue and appropriations

SECTION 7: REVENUE BUDGET DEVELOPMENT

While building the revenue budget, the following parameters will be followed:

- Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting principles (GAAP). All non-restricted revenues will be deposited in the Operating Fund (or other designated fund as approved by the CFO) and appropriated by the Board.
- Current revenues will fund current expenditures and a diversified and stable revenue system will be developed and maintained to protect programs from short-term fluctuations in any single revenue source.
- The District will estimate its annual revenues by an objective, analytical process, wherever practical. The District will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually. In the case of assumptions uncertainty, conservative projections will be used.
- The District will investigate potential new revenue sources, particularly those that will not add to the burden of tax or rate-payers.
- Each year, the District will recalculate the full costs of activities supported by user fees/rates to identify the impact of inflation and other cost increases.
- Grant funding will be considered to leverage District funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, District resources will be substituted only after all program priorities and alternatives are considered.
- One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To

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the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

- For purposes of this policy, one-time revenue windfalls shall include:
 - Lump sum (net present value) savings from debt restructuring
 - CalPERS Rebates
 - Tax Revenue growth in excess of 5% in a single year
 - Sale of District-owned real estate
 - Pure unexpected revenues (i.e. litigation settlement)
 - Receipts from approved Development Fees
 - Contributions and Gifts
 - Any other revenues the Board may elect to designate as extraordinary

SECTION 8: USER FEES/RATES

The process for changing user fees or rates will follow the User Rate policy # [REDACTED]. All user fees and charges will be examined or adjusted every year and undergo a thorough review to determine the 100% direct and indirect cost of service recovery rate at least every four years. This shall include operations and maintenance, capital outlay and debt services costs. The Board will strive to obtain 100% cost recovery rates, but will reserve the right to recover less, as appropriate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Board following public review, each year.

Any unfavorable balances in cost recovery will be brought to the Board's attention by the CFO and affected Department Head, and evaluated from a departmental, program, and goals perspective.

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SECTION 9: EXPENDITURE BUDGET DEVELOPMENT

- Each program will identify activities and the recommended expenditure appropriations to perform those activities
- Identify recurring vs. nonrecurring expenditures
- Identify general vs. restricted expenditures
- Expenditure appropriation increases to the budget shall not be allowed unless offset with ongoing additional revenues or reduction in services.
- Addition of personnel will only be requested to meet program initiatives and policy directives: after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition or transfer.
 - The CFO shall evaluate the fiscal impact of proposed changes in all salaries or retirement benefits to be provided to any employee or employee association and present to the Board.
- Capital equipment replacement will be accomplished through a life cycle funding mechanism and in some instances the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles and other capital equipment (fleet, computers, phones, and copier systems). The District shall endeavor to maintain adequate cash reserves to fund 100% replacement of certain capital equipment. Replacement costs will be based upon equipment life cycle financial analysis developed by each department and approved by the CFO. Non-capital equipment replacement will be accomplished through a life cycle funding mechanism developed by each department and implemented and approved by the CFO.
- Alternative means of service delivery will be evaluated by the CFO to ensure that

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quality services are provided to customers at the most competitive and economical cost. Departments, in cooperation with the GM and CFO, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

- A ten-year Capital Improvement Plan (CIP) shall be developed and updated annually, including anticipated funding sources. The District staff shall maintain all its assets at a level adequate to protect the District’s capital interest and to minimize future maintenance and replacement costs.
 - The total estimated cost calculations of CIPs shall include adequate costs of repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.
 - Proposed capital projects will be considered through the District budget development process and reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) as well as the GM and CFO for overall consistency with the District’s goals and objectives. The CFO will then identify financing sources for the highest-ranking projects.
 - The District shall determine the least costly financing method for all new projects
 - Pay-as-you-go financing is defined as all sources of revenue other than District’s debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc. Pay-as-you-go financing should generally be considered as the preferred option. However, the potential for debt issuance that provides additional economic and/or strategic values could be considered as recommended by the CFO.
 - In the context of funding future capital facilities and maintaining and replacing existing assets, in each instance, the District will analyze

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the benefits and tradeoffs of utilizing pay- as-you-go and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider WVWD's current and projected liquidity, and capital positions, as well as the impact of inflation, the cost of water and other factors on the operations of the District and its capital improvement program. WVWD may from time to time measure its liquidity position by calculating "days cash" or other appropriate calculation of liquidity and its capital positions, as measured by its debt to equity ratio or other appropriate calculation of capital position.

- The District shall endeavor to apply restricted funds (i.e. existing Bond proceeds) to capital projects before using "unrestricted" funds.
- Capital project budget book descriptions will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.
- An inventory of the District's physical assets, their condition, and remaining useful life will be maintained by the Finance Division
- A systematic and rational methodology should be used to calculate the amounts allocated within an indirect cost allocation plan
 - District management needs to be involved in the process and knowledgeable about the methodology used
 - It is important that internal staff be aware of all applicable laws and regulations if the cost allocation is to be used as the basis for requesting reimbursement under a grant, for bond proceeds, for rate-setting, or for any other contractual or governmental regulation or restriction

SECTION 10: ACCRUING LIABILITIES

The CFO shall endeavor to maintain cash reserves sufficient to fully fund the net

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present value of accruing liabilities including self-insurance provisions, obligations to employees for vested payroll and benefits, and similar obligations as they are incurred, and to maintain the highest credit rating possible for the District. At a minimum they must be funded to 90%.

SECTION 11: FORECASTING

The annual budget shall include a Five-Year Forecast. The forecast will be comprised of estimated operating costs and revenues as well as future capital improvement financing sources and uses. Balanced revenue and expenditure forecasts will be prepared by the CFO to examine the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be taken into consideration when preparing budget recommendations. The forecast will be updated annually and include a five-year outlook. The CFO will prepare and present these estimates to the Board at least once a year. The District's capital plan will be informed by the ten-year forecasting process.

The forecast shall factor in future increases in demand, expected rate increases, regulations, and infrastructure renovation and renewal needs.

SECTION 12: RESERVE POLICIES

RESERVE POLICY PURPOSE:

A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. West Valley Water District ("District" or "WVWD") will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve Funds ("Funds") will be accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long

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term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements.

Through a variety of policy documents and plans, including the District’s Capital Improvement Program, master plan and strategic plan, the Board has set forth a number of long-term goals for the District. A fundamental purpose of the District’s policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so.

The Board of Directors of WVWD (“Board”) may designate specific fund accounts and maintain minimum fund balances consistent with statutory obligations that it has determined to be in the best interest of WVWD. The Policy directives outlined in this section are intended to ensure WVWD has sufficient funds to meet current and future needs. The Board will annually review the level of these funds.

RESERVE TRACKING PROCEDURES:

The District may maintain its liquidity and capital funds in separate, designated sub-accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers. The account balances are considered the minimum necessary to maintain the District’s creditworthiness and adequately provide for:

- Compliance with applicable statutory requirements
- Financing of future capital facilities and repair and replacement of existing assets
- Cash flow requirements
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
- Contingencies or unforeseen operating or capital needs

WVWD has established and will maintain the following primary cash (and/or equivalent) accounts (and any other related fund tracking mechanism if needed):

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- Restricted Cash Account(s) – comprised of Bond Proceeds, Community Facilities District monies, Developer and or Capacity Fees and Customer Deposits
- Capital Cash Account(s) – includes the Capital Replacement Fund and Emergency Fund.
- Liquidity Cash Account(s) – includes the Rate Stabilization Fund and Operating Fund.

RESERVE MAINTENANCE:

The minimum established for each account represents the baseline financial condition that is acceptable to WVWD from risk and long-range financial planning perspectives. Maintaining reserves at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: fees and charges, water usage management, capital financing, investment of funds, and levels of capital expenditures. In the event the Liquidity Fund balance exceeds the established maximum, excess monies will be transferred annually into the Capital Fund. On an as-needed basis, monies from the Capital Fund can be moved to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of excess monies.

To achieve and maintain a strong credit rating, in every fiscal year the District will strive to maintain unrestricted cash and designated fund balances totaling a minimum of 180 days of budgeted operating expenses. Should the District determine to target a higher credit rating level, this minimum will be adjusted accordingly. However, should the District decide to pursue a credit rating upgrade, it will need to analyze

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carefully under what circumstances and in what timeframes it will be optimal to achieve this goal

RESERVE TARGET LEVELS:

The following represents the Districts target reserve levels by type:

I. RESTRICTED FUNDS

- a. Bond Proceeds Fund(s): Bond proceeds funds are monies derived from the proceeds of a bond issue. Typically, they consist of construction fund monies, and a debt service reserve fund (“DSRF”). The use of these proceeds is restricted by conditions set forth in the respective legal bond documents. Typically, these funds are held by the Trustee in favor of the bond holders.

Target Level – The debt service reserve requirement is established at the time of the bond issue. This amount may be recalculated as the bonds are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the appropriate bonds. The target level must appropriately respond to changes in interest rates for variable rate debt.

Events or Conditions Prompting the Use of the Fund(s) – As stipulated in the respective bond documents. Construction fund monies are expected to be spent on applicable projects, while DSRF can only be used to pay debt service or to pay down principal at maturity.

Review Dates for Balances – Reviewed by the Trustee and WVWD staff on a semi- annual basis at least 15 days prior to an interest payment date.

- b. Customer and Development Deposits: Monies held on behalf of WVWD customers as required for their account or as cash bonds for development projects.

Target Level – Customer deposits required are based upon the process outlined in the District’s Water Service Regulations. Deposit requirements for development projects are also outlined in the District’s Water Service

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Regulations. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.

II. CAPITAL RESERVE FUNDS

WVWD will strive to maintain minimum balances in the Capital Reserve Funds, net of any capacity fees, as of June 30, of any fiscal year equal to the amounts set forth below. The Capital Reserve Funds will consist of the following sub-accounts:

- a. Capital Project Account: The Capital Project Cash Account is used for the funding of new capital assets or the rehabilitation, enhancement or replacement of capital assets when they reach the end of their useful lives.

Target Level – WVWD may set aside capital moneys for replacement funds on a project- by-project basis. The minimum target level WVWD will strive for is 100% of its then- current fiscal year from the Capital Improvement Budgets plus 25% of the amount estimated to be needed the following fiscal year, less minimum levels established for the Emergency Account. Failure to meet the minimum target level will not result in a violation of the policy. The maximum balance in Capital Reserve Funds shall not exceed the projected needs for five years, according to the District’s Capital Improvement Plan.

Events or Conditions Prompting the Use of the Fund – Staff will recommend new assets to be constructed or assets to be rehabilitated, enhanced, or replaced during the annual budget preparation. As projects are approved, funds will be appropriated from reserve funds or available revenues.

Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

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- b. *Emergency Account*. The Emergency Fund is used to begin repair of the water and sewer systems after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.

Target Level – Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District’s water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines.

Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.

Review Dates for Balances – Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: The Rate Stabilization Reserve Account, the Operating Reserve Account, the Emergency Account, and the water banking account. The balance in the Liquidity Funds will fluctuate depending on the annual operating expenses. The maximum balance in the Liquidity Funds will be equal to 180 days of the annual budgeted operating expenses.

- a. *Rate Stabilization Account*. This fund is established to provide flexibility to the Board when setting rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over a period of time.

Target Level – This fund shall be maintained at a minimum level of 45 days of the annual budgeted operating expenses. The maximum level of this fund shall not exceed 60 days of the annual budgeted operating expenses.

Events or Conditions Prompting the Use of the Fund – This fund is intended

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to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of the fund.

Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- b. Operating Reserve Account. The Operating Reserve Account is used for unanticipated operating expenses. This fund is designated by the Board to maintain a reserve for current operations and to meet routine cash flow needs.

Target Level – Funding shall be targeted at a minimum amount equal to 90 days of the District’s budgeted total operating expenses, and the maximum amount shall not exceed 120 days of the budgeted total operating expenses.

Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses or decreases in revenues and unexpected increases in expenses.

Review Dates for Balances – Fund balances and target level will be reviewed by Staff and the Board during the preparation and approval of the annual budget.

SECTION 13: BUDGET SURPLUSES AND DEFICITS

SURPLUSES:

It is the intent of the District to use all surpluses generated to accomplish three goals:

- Meet reserve policies
- Avoidance of future debt
- Reduction of outstanding debt

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Any surplus realized at year-end shall be used first to meet reserve policies as set forth in this policy. Excess surplus will then be used for the following purposes:

- Capital replacement program
- Retirement or refinancing of existing debt
- Cash payments for capital improvements
- Rebate to rate-payers

One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

For purposes of this policy, one-time revenue windfalls shall include:

- Lump sum (net present value) savings from debt restructuring
- CalPERS Rebates
- Tax Revenue growth in excess of 5% in a single year
- Sale of District-owned real estate
- Pure unexpected revenues (i.e. litigation settlement)
- Receipts from approved Development Fees
- Contributions and Gifts
- Any other revenues the Board may elect to designate as extraordinary

DEFICITS:

It is the intent of the District to minimize all net asset (fund balance) deficits. The District will diagnose and communicate any fund balance deficits with the following recommendations to the Board:

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- Primary Treatments – treatments that are recommended as the first line of defense and should be considered as a first option. In many cases, these treatments not only provide immediate help but also improve the long-term prognosis.
- Treatment to Use with Caution – treatments that may be called for if the primary treatments are not sufficient. However, the side effects of these treatments could potentially worsen financial condition if used improperly.

SECTION 14: DEBT MANAGEMENT POLICY

These Debt Management Policies are intended to comply with Government Code Section 8855(i), (j), and (k) effective on January 1, 2017, and shall govern all debt undertaken by the District.¹ The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness and maintain and, if possible, improve the current bond rating(s), in order to minimize borrowing costs and preserve access to credit.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

Purposes for Which Debt May Be Issued

Long-term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and

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land to be owned and operated by the District.

- (a) Long-term debt financings are appropriate when the following conditions exist:
- When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District and its taxpayers and ratepayers.
 - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
- (b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. However, the District may consider issuance of debt for working capital purposes under specific circumstances if deemed advisable by the Board and CFO.
- (c) The District may use long-term debt financings subject to the following conditions:
- The project to be financed must be approved by the Board.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the infrastructure improvement, with the average (weighted) bond maturities at or below thirty years, unless otherwise authorized by the Board.
 - The District estimates that sufficient revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term Debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example,

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the District may undertake lease-purchase financing for equipment.

Types of Debt

For purposes of these Debt Management Policies, “debt” shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations. The use of the term “debt” in these Debt Management Policies shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt in contravention of any statutory or constitutional debt limitation.

The following types of debt are allowable under these Debt Management Policies:

- General obligation bonds, which are supported by property tax revenue which grows in proportion to the District’s assessed valuation and/or property tax rate increases, may be utilized if/when authorized by voters.
- Bond or grant anticipation notes.
- Lease revenue bonds, certificates of participation, and lease-purchase transactions.
- Other revenue bonds and certificates of participation.
- Tax and revenue anticipation notes.
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes.
- Tax increment financing to the extent permitted under state law.
- Purchase card debt
- Line of credit
- Construction loans
- Lease payments

The District may from time to time find that other forms of debt would be beneficial

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to further its public purposes and may approve such debt without an amendment of these Debt Management Policies.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in these Debt Management Policies and to implement policy decisions incorporated in the District’s capital budget and the capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District’s public purposes.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its reserves.

New debt issues, and refinancing of existing debt, must be analyzed for compatibility within the District’s overall financial planning and approved by the CFO. The review shall not be limited to cash flow analysis, potential for unexpected revenue surprises, and the maintenance of the District’s bond ratings. Annual debt service shall not produce an inordinate impact upon future operations.

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A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the District's ability to pay short-term obligations.

Water rates will be set, at a minimum, to ensure the ratio of revenue to debt service meets the District's bond indenture requirement (generally a minimum of 120% of debt service). In addition, higher revenue to expense ratios may be needed to secure the District's bond rating, as determined by the CFO.

When calculating debt services coverage for internal purposes, the minimum pay-as-you-go capital expense will be considered a part of the operating costs to be covered by pre-debt service revenues. The District goal will be to maintain the required debt service coverage with this additional cost factored into the equation. Use of a 10-year budget projection, including capital project requirements, will provide assurance that all needs are considered by the CFO, the GM, Assistant GMs, and District Counsel as revenue requirements are considered.

Policy Goals Related to Planning and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to

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or greater than 100% of any escrow fund negative arbitrage.

The CFO shall consult with a qualified Financial Advisor on an issue by issue basis to determine the appropriate method of sale to be used for debt issuance. Further, the CFO or designee shall be responsible for the solicitation and selection of professional services that are required to administer the District's debt program, which will follow the District's procurement policy. The financial advisor, bond and disclosure counsel, and trustee costs associated with bond issuance will be paid with bond proceeds. Eligible District staff costs related to issuance of long-term bonds may also be reimbursed from bond proceeds.

- A financial advisor shall be used to assist in the issuance of the District's debt. The financial advisor shall provide the District with objective advice and analysis on debt issuance. This includes, but is not limited to monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.
- All debt issued by the District will include a written opinion by bond counsel affirming that the District is authorized to issue the proposed debt. The opinion shall include confirmation that the District has met all District and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt. Bond counsel is also responsible for preparing all financing documents including Trust Indentures and Bond resolutions and assists in preparation of Official Statements. Disclosure Counsel shall be required to deliver a customary 10(b)-5 opinion on District offering documents. The Disclosure Counsel will work with District staff to draft all disclosure documents for a bond financing.
- An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
- A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. If there are unspent bond proceeds, funds

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will be held by a third part trustee.

- The District will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the District's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The District will continually strive to maintain its bond rating by improving financial policies, budgets, forecasts and the financial health of the District.
- Credit enhancements may be used to improve or establish a credit rating on a District debt obligation. Credit enhancements should only be used if cost effective.
- A debt refunding is a refinance of debt typically done to take advantage of lower interest rates.
- A current refunding is one in which the refunding bonds are issued no more than 90 days before the date upon which the refunded bonds will be redeemed.
- An advance refunding is one in which the refunding bonds are issued more than 90 days prior to the date upon which the refunded bonds will be redeemed. Advance refundings are used to refinance outstanding debt before the date the outstanding debt becomes due or callable. Internal Revenue Code §149(d)(3) provides that governmental bonds issued after 1985 may only be advanced refunded once over the life of a bond issuance. Changes to the Federal tax law enacted in 2017 prohibit the issuance of advance refunding bonds after December 31, 2017; however, it is possible this prohibition will be removed in the future.
- Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a minimum present value savings of 3%. This savings requirement for a refunding may be waived by the CFO upon a finding that such a refunding is in the District's overall best financial interest.
- The District will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other

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documents to avoid arbitrage rebate. Arbitrage is the interest earned on the investment of the bond proceeds at a rate above the interest rate paid on the debt. If arbitrage occurs, the District may be required to pay the amount of the arbitrage to the Federal Government as required by Internal Revenue Service Regulation 1.148-11. The District will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds, calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt.

- The District will comply with all covenants stated in the bond contract or equivalent
- The District will comply with all state reporting requirements for issuance of debt, including a report to the CDIAC of any proposed debt issuance no later than 30 days prior to the sale of any debt issue. The report shall include a certification by the issuer that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with these policies. The District shall also submit a report to CDIAC of final sale no later than 21 days after sale of debt, by any method approved by the CDIAC. The report on final sale shall include a copy of the official statement for the issue or, if there is no official statement, the other disclosure documents and indenture.
- The District will meet secondary disclosure requirements in a timely and comprehensive manner, as stipulated by the SEC Rule 15c2-12. The CFO shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system, the central depository designated by the SEC for ongoing disclosures by municipal issuers. The CFO is responsible for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies, including the Government Accounting Standards Board

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(GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The District may also employ the services of firms that improve the availability of or supplement the District’s EMMA filings.

- The proceeds of the bond sales will be invested until used for the intended project in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of safety. The District Investment Policy and the bond indentures govern objectives and criteria for investment of bond proceeds. The CFO or designee, or the bond trustees under the direction of the CFO or designee, will invest the bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.
- In certain cases, particularly for bond reserve funds, it may be fiscally prudent to invest funds using a forward delivery agreement or some other type of guaranteed investment contract. Such agreements should be obtained under a competitive bid process under consultation with the Financial Advisor.
- State and Local Government Securities (SLGS) are the preferred investment option rather than open market securities for escrows for refunded bonds to allow for better matching of settlement dates and fewer arbitrage regulation compliance issues.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of these Debt Management Policies, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12 and

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Government Code Section 8855 (i), (j), and (k),

- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The District's investment policies as they relate to the investment of bond proceeds.

It is the policy of the District to ensure that proceeds of debt are spent only on lawful and intended uses. Proceeds of debt will be held either (a) by a third-party trustee, which will disburse such proceeds to the District upon the submission of one or more written requisitions, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

- The District shall review its outstanding debt quarterly for the purpose of determining if the financial marketplace will afford the District the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a Present Value savings of three percent over the life of the respective issue, at a minimum, must be realistically attainable.
- The District will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- When the District finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project.
- Whenever possible, the District will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds, so those benefiting from the improvements will bear all or part of the cost of the project financed.
- The District will maintain good communications with bond rating agencies regarding its financial condition. The District will follow a policy of full disclosure on every financial report and borrowing prospectus.

SECTION 15: AFTER ADOPTION OF THE BUDGET

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District staff shall strive to avoid returning to the Board for new or expanded appropriations. Exceptions may include emergencies, unforeseen impacts, mid-year adjustments or new opportunities.

The District, through the CFO and the Finance Department, will follow an aggressive, consistent, but sensitive policy of collecting revenues, with proper internal controls, to meet the needs of the District and follow all applicable state and federal laws.

The Board is to be provided with a quarterly budget report comparing actual versus budgeted revenue and expense activity. Significant deviations between budget and actual results are to be explained. This will create an opportunity to adjust revenue projections and make expenditure appropriation changes, if needed. Further, it also provides an opportunity to make budget transfers if necessary. Reserve account balance shall also be reviewed at this time for compliance with the reserve policy.

All fund designations and reserves will be evaluated at least annually by the CFO for long-term adequacy and use requirements in conjunction with development of the District's balanced ten-year financial plan.

PERFORMANCE MEASUREMENT

- Every year, the District shall create a Strategic Plan that identifies the Strategic Priorities for the following year, with the goals to be achieved.
- Annually, each department shall develop departmental performance measures that support achieving successful results of those goals with the GM. Goals should be related to core services of the department and should reflect customer needs. The measures should be a mix of different types, including effectiveness, efficiency, demand and workload. Measures should have sufficiently aggressive goals to ensure continuous improvement.
 - Department Directors shall establish performance measures for each division or program within their department to monitor and project program performance.

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- Quarterly summaries of progress and departmental performance measures will be published and distributed.

SECTION 16: TRANSFERS

TRANSFERS OF APPROPRIATIONS:

The CFO or Designee, upon request of the GM or Board, may transfer any unused balance or portion thereof from previously appropriated funds to augment existing appropriations as long as the transfer is within the same Budget Unit and/or CIP project. The CFO or designee shall notify the GM and the Board of any transfer of funds made pursuant to this section which exceeds ten percent (10%) of the original appropriation to which the transfer is made. No such transfer of funds shall be made to an appropriation which was previously reduced by action of either the GM or the Board in their review of the budget for the current or prior fiscal year.

District departments may need to request expenditure budget transfers under certain circumstances. It may be necessary to transfer funds from one activity or project to another to reflect realignment of priorities, duties, or reorganization. Transfers among objects of expenditure within a department also may be needed to adjust budget estimates to meet actual operating realities. The following represent restrictions on budget transfers:

- Cumulative transfer requests to the Finance Department should not exceed ten percent (10%) of the original appropriation. Requests exceeding the threshold must be properly justified and approved by the CFO or designee
 - The 10% threshold applies to the budget unit or CIP project to which that appropriation is being transferred.
 - For annual funds, the 10% calculation is based on the current fiscal year original appropriation and any Board-approved supplemental appropriation within budgetary control level.

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- For continuing funds such as capital projects, the 10% calculation is based on the total multi-year original appropriation and any Board-approved supplemental appropriation amounts (i.e., the total of original and supplemental appropriation for each fiscal year from year 1 through the current fiscal year). For projects funded by multiple funding sources, the 10% threshold is based on the total Board-approved appropriation of all funding sources. If multiple transfers were made during the year, the individual transfer as well as the cumulative transfer must not exceed the 10% threshold.
- Transfers must not be made to an appropriation reduced by action of either the GM or Board. If the GM or Board reduction was made to a specific object code, appropriations cannot be transferred to other object codes within the same object code grouping.
 - Exceptions to this guideline must be approved by the authority that reduced the appropriation,
- Appropriations carried forward from prior year(s) cannot be used for budget transfers
 - Carryforward appropriations are not surplus and must be used for the purpose originally budgeted and approved for carryforward.
- The following types of budget transfers require additional approval from the GM and notification to the Board:
 - Transfers involving salaries
 - Transfers from professional services contracts to salaries require additional approval from the GM and the CFO
 - Transfers involving new equipment budget.
 - Equipment can only be purchased using appropriations

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specifically for equipment. Transfers of non-equipment budget for equipment purchases must be approved by the GM and CFO. Note that such transfers can only be from non-salary appropriations

- Transferring department budgets for services of other District departments to other spending categories requires approval from the requesting or performing department.
- If and when the budget transfer request is completely approved, the Finance Division is responsible to enter a budget transfer journal entry in the financial system
 - Before entering the budget transfer into the finance software, Finance Division staff must:
 - Verify completeness of information and reasonableness of justification
 - Verify funding availability and appropriateness (e.g., budget carried forward from the previous fiscal year cannot be the funding source of a budget transfer)
 - Verify department certification on transfer is within the 10% threshold
 - Verify department certifications on transfer is not adding back to appropriation previously reduced by Board or GM
 - Verify the accurate use of the accounting codes, budget unit codes and object codes
 - Return to department if request is being rejected or requires substantial changes
 - Review data entry for accuracy of data based on approved budget transfer request.

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- At fiscal year-end, the CFO shall notify the GM and the Board of any transfer of funds made which exceeds 10% of the original appropriation to which the transfer is made. If multiple transfers were made at different times of the year, the individual transfer as well as the cumulative transfers exceeding the 10% threshold will be reported.

TRANSFERS OF RESERVES:

In the event the Liquidity cash account balance exceeds the established aggregate maximum (if applicable), excess monies will be transferred annually into the Capital cash account. On an as-needed basis, moneys from the Emergency Account of the Liquidity Fund can be moved to the Operating Reserve Account to pay for operating emergencies to supplement the Liquidity Funds. The Board shall approve any reallocation of reserve funds or any transfers among such funds.

SECTION 17: CARRYOVERS

On an annual basis, after the year-end audit has been completed, the CFO or designee shall produce a schedule of all fund surpluses and deficits, with projections of reserve requirements and plan for the use of an excess surplus for the current year. These will be Carryovers.

Automatic Carryovers include:

- Contractual commitments
- Grant, restricted donation and capital project appropriations which are considered life-cycle appropriations
- June Board items
- All other appropriations shall lapse at year-end unless carried forward by Board action

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June Board items, and active/on-going CIP carryovers are automatic. CIP projects that are under construction, in the process of design and specification development or production of bid documents will automatically be carried over for both encumbered funds and unencumbered funds.

Carryovers that are not automatic: Projects that have been on the CIP list for multiple years that are not proceeding to design, bid or construction should provide a more detailed explanation of their status and a justification for the continuing need for the project funding. These projects will be closed out unless the department provides sufficient justification to keep them open. The justification should contain the information necessary to determine the status of the project and its continuing justification. Carryovers can only take place once the last invoices for the fiscal year have been paid and charged against the fiscal year that is ending. The Carryover Request forms will be closed on July 1st of every year. Any subsequent carryover requests will need to be taken to the Board by the requesting department.