



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
AGENDA  
REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS  
560 Magnolia Avenue, Beaumont, CA 92223  
Wednesday, December 13, 2017  
7:00 p.m.**

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**Call to Order, President Slawson**

**Pledge of Allegiance, President Slawson**

**Invocation, Director Covington**

**Roll Call**

**Public Comment**

**PUBLIC COMMENT:**

At this time, any person may address the Board of Directors on matters within its jurisdiction which are not on the agenda. However, state law prohibits the Board from discussing or taking action on any item not listed on the agenda. Any non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the Board meeting. **Please limit your comments to three minutes.** Sharing or passing time to another speaker is not permitted.

**ACTION ITEMS**

*Information on the following items is included in the full Agenda Packet.*

- 1. Adjustments to the Agenda**
- 2. Reorganization of the Board of Directors (page 4)**
  - Nomination and Election of the President
  - Nomination and Election of the Vice President
  - Nomination and Election of the District Treasurer
  - Nomination and Election of the District Secretary
  - Appointment of the Personnel Committee
  - Appointment of the Finance & Audit Committee
  - Appointment of the Recording Secretary
- 3. Consent Calendar:** All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. October 2017 Budget Variance Report (pages 5 - 9)
  - b. October 31, 2017 Cash/Investment Balance Report (page 10)
  - c. October 2017 Cash Flow Report (page 11)
  - d. November 2017 Check Register (pages 12 - 29)
  - e. November 2017 Invoices Pending Approval (pages 30 - 31)
  - f. Minutes of the Regular Meeting of November 8, 2017 (pages 32 - 40)
  - g. Annual Meeting Calendar (page 41)
4. **Compensation Study prepared by Koff and Associates (page 42)**
    - a. **Receive and File the 2017 Compensation Study**
    - b. **Consider Approval of the Recommended Implementation Plan**
  5. **Consider Approval of Employee Association MOU (page 43)**
  6. **Review and Consider Adoption of the BCVWD Fiscal Year 2018 Operating Budget (pages 44 - 93)**
  7. **Consideration of Change of Service Request from CJ Foods, Inc. for the existing building located at 415 Nicholas Road (pages 94 - 103)**
  8. **Consideration of Request for Extension of "Will Serve Letter" for Commercial Development Infill Parcel - Riverside County Assessor's Parcel No. 419-267-075 (pages 104- 111)**
  9. **Resolution 2017-07: Amending the District's Policies & Procedures Manual Pursuant to the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522) (pages 112 - 126)**
  10. **Resolution 2017-08: Amending the District's Operations Policies and Procedures Manual Part III, Section 17: Purchasing (pages 127 - 135)**
  11. **Resolution 2017-09: Establishing the District's Investment Policy and rescinding Resolution 2017-02 (pages 136 - 152)**

## **INFORMATION / DISCUSSION ITEMS**

### **12. Reports For Discussion**

- a. Ad Hoc Committees
- b. General Manager
- c. Directors' Reports
- d. Legal Counsel Report

### **13. Announcements**

- District Offices will be closed Monday, December 25, 2017 in observance of Christmas Day.
- District Offices will be closed Monday, January 1, 2018 in observance of New Year's Day.
- Collaborative Agencies Committee meeting: January 3, 2018 at 5:00 p.m.
- Finance and Audit Committee meeting: January 4, 2018 at 3:00 p.m.
- Regular Board meeting: January 10, 2018 at 7:00 p.m.

- Personnel Committee meeting: January 22, 2018 at 5:30 p.m.
- Engineering Workshop: February 1, 2018 at 7:00 p.m.
- Beaumont Basin Watermaster meeting: February 7, 2018 at 10:00 a.m.

#### 14. Action List for Future Meetings

- Proposition 1 Bond Opportunities
- Workshop – Discussion of California Water Code Section 350

#### 15. Recess to Closed Session

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9

Name of case: San Gorgonio Pass Water Agency v. Beaumont Basin Watermaster, Riverside County Superior Court No. RIC 1716346

#### 16. Adjournment

#### NOTICES

**AVAILABILITY OF AGENDA MATERIALS** - Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Beaumont-Cherry Valley Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available from the District Office in the Board Room of the District's Office.

**REVISIONS TO THE AGENDA** - In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Board Meeting.

**REQUIREMENTS RE: DISABLED ACCESS** - In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office, at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. The District Office may be contacted by telephone at (951) 845-9581, email at [info@bcvwd.org](mailto:info@bcvwd.org) or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

#### CERTIFICATION OF POSTING

I certify that on or before December 7, 2017, a copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Beaumont-Cherry Valley Water District and to its website at least 72 hours in advance of the meeting (Government Code §54954.2(a)).

  
Yolanda Rodriguez, Director of Finance and Administration



**Beaumont Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017  
**TO:** Board of Directors  
**FROM:** Dan Jagers, General Manager  
**SUBJECT:** Reorganization of the Board of Directors

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**Recommendation:**

Staff recommends the Board of Directors:

- Nominate and elect members for the positions of President, Vice President, Secretary and Treasurer;
- Presidential appointment of standing committee members:
  - Finance & Audit Committee
  - Personnel Committee
- Appointment of Recording Secretary

**Background:**

The District's Policies and Procedures Part II Section 5D, Annual Organizational Meeting states:

*"The Board of Directors shall hold an annual organizational meeting at its regular meeting in December. At this meeting the Board will elect a President, Vice President, Secretary and Treasurer from among its members to serve during the coming calendar year and will appoint a staff member recommended by the General Manager as the Board's Recording Secretary."*

Further, Section 3C, Appointment states:

*"The Board President shall appoint and publicly announce the members of the standing committees for the ensuing year no later than the Board's regular meeting in December."*

**Fiscal Impact:**

Finance and Audit Committee: meets once a month bringing a fiscal impact to the District of \$4,800 annually for both members.

Personnel Committee: meets every other month or as-needed at a per diem rate of \$200 per member, per day.

Report prepared by Yolanda Rodriguez  
YR:ljk

General Ledger  
Budget Variance Revenue

User: wclayton  
Printed: 11/27/17 14:37:06  
Period 10 - 10  
Fiscal Year 2017

Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
Beaumont CA 92223  
(951) 845-9581  
www.bcvwd.org



Account Number	Description	Budget	Period Amt	End Bal	Variance	% Avail/ Uncollect
<b>50</b>	<b>GENERAL</b>					
01-50-510-419061	Miscellaneous Income	\$ 250.00	\$ -	\$ 83,094.23	\$ (82,844.23)	-33137.69%
01-50-510-490001	Interest Income - Bonita Vista	\$ 2,400.00	\$ 401.90	\$ 1,763.88	\$ 636.12	26.51%
01-50-510-490021	Interest Income - General	\$ 80,000.00	\$ 75,754.31	\$ 189,975.87	\$ (109,975.87)	-137.47%
	<b>Misc Income</b>	<b>\$ 82,650.00</b>	<b>\$ 76,156.21</b>	<b>\$ 274,833.98</b>	<b>\$ (192,183.98)</b>	<b>-232.53%</b>
01-50-510-481001	Fac Fees-Wells	\$ 387,200.00	\$ 240,064.00	\$ 1,406,188.31	\$ (1,018,988.31)	-263.17%
01-50-510-481006	Fac Fees-Water Rights (SWP)	\$ 245,000.00	\$ 151,900.00	\$ 913,346.40	\$ (668,346.40)	-272.79%
01-50-510-481012	Fac Fees-Water Treatment Plant	\$ 184,200.00	\$ 114,204.00	\$ 668,956.32	\$ (484,756.32)	-263.17%
01-50-510-481018	Fac Fees-Local Water Resources	\$ 97,000.00	\$ 60,140.00	\$ 361,610.62	\$ (264,610.62)	-272.79%
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	\$ 280,400.00	\$ 173,848.00	\$ 1,127,509.20	\$ (847,109.20)	-302.11%
01-50-510-481030	Fac Fees-Transmission (16")	\$ 313,600.00	\$ 194,432.00	\$ 1,138,896.32	\$ (825,296.32)	-263.17%
01-50-510-481036	Fac Fees-Storage	\$ 401,600.00	\$ 248,992.00	\$ 1,458,484.57	\$ (1,056,884.57)	-263.17%
01-50-510-481042	Fac Fees-Booster	\$ 27,800.00	\$ 17,236.00	\$ 100,960.84	\$ (73,160.84)	-263.17%
01-50-510-481048	Fac Fees-Pressure Reducng Stns	\$ 14,200.00	\$ 8,804.00	\$ 51,569.92	\$ (37,369.92)	-263.17%
01-50-510-481054	Fac Fees-Misc Projects	\$ 12,400.00	\$ 7,688.00	\$ 58,528.89	\$ (46,128.89)	-372.01%
01-50-510-481060	Fac Fees-Financing Costs	\$ 61,000.00	\$ 37,820.00	\$ 224,822.77	\$ (163,822.77)	-268.56%
01-50-510-485001	Front Footage Fees	\$ 2,500.00	\$ -	\$ 16,541.05	\$ (14,041.05)	-561.64%
	<b>Non-Operating Revenue</b>	<b>\$ 2,026,900.00</b>	<b>\$ 1,255,128.00</b>	<b>\$ 7,527,415.21</b>	<b>\$ (5,500,515.21)</b>	<b>-271.38%</b>
01-50-510-410100	Sales	\$ 4,200,000.00	\$ 524,977.77	\$ 3,891,861.36	\$ 308,138.64	7.34%
01-50-510-410151	Agricultural Irrigation Sales	\$ 25,500.00	\$ -	\$ 19,767.72	\$ 5,732.28	22.48%
01-50-510-410171	Construction Sales	\$ 150,000.00	\$ 11,378.10	\$ 83,722.30	\$ 66,277.70	44.19%
01-50-510-413001	Backflow Admin Charges	\$ 30,000.00	\$ 4,695.32	\$ 34,459.67	\$ (4,459.67)	-14.87%
01-50-510-413011	Fixed Meter Charges	\$ 2,786,335.00	\$ 266,019.50	\$ 2,444,356.71	\$ 341,978.29	12.27%
01-50-510-413021	Meter Fees	\$ 275,000.00	\$ 39,861.00	\$ 458,397.00	\$ (183,397.00)	-66.69%
01-50-510-415001	SGPWA Importation Charges	\$ 2,000,000.00	\$ 242,578.70	\$ 1,806,718.77	\$ 193,281.23	9.66%
01-50-510-415011	SCE Power Charges	\$ 1,550,000.00	\$ 174,023.85	\$ 1,296,124.33	\$ 253,875.67	16.38%
01-50-510-417001	2nd Notice Penalties	\$ 90,000.00	\$ 7,547.30	\$ 75,222.30	\$ 14,777.70	16.42%
01-50-510-417011	3rd Notice Charges	\$ 32,000.00	\$ 3,445.00	\$ 25,175.00	\$ 6,825.00	21.33%
01-50-510-417021	Account Reinstatement Fees	\$ 65,000.00	\$ 3,100.00	\$ 49,000.00	\$ 16,000.00	24.62%
01-50-510-417030	WaterRestrictn Noncomp10-50%	\$ -	\$ 156.12	\$ 204.18	\$ (204.18)	0.00%
01-50-510-417031	Lien Processing Fees	\$ 5,000.00	\$ 1,200.00	\$ 6,100.00	\$ (1,100.00)	-22.00%
01-50-510-417041	Credit Check Processing Fees	\$ 8,000.00	\$ 1,030.00	\$ 9,395.00	\$ (1,395.00)	-17.44%
01-50-510-417051	Returned Check Fees	\$ 2,000.00	\$ 200.00	\$ 2,275.00	\$ (275.00)	-13.75%
01-50-510-417061	Custmr Damages/Upgrade Charges	\$ 15,000.00	\$ 260.00	\$ 17,507.72	\$ (2,507.72)	-16.72%
01-50-510-417071	After Hours Call Out Charges	\$ 600.00	\$ -	\$ 1,400.00	\$ (800.00)	-133.33%
01-50-510-417081	Bench Test Fees	\$ 180.00	\$ 60.00	\$ 90.00	\$ 90.00	50.00%
01-50-510-417091	Credit Card Processing Fees	\$ 35,000.00	\$ 3,202.50	\$ 34,163.50	\$ 836.50	2.39%
01-50-510-419011	Development Income	\$ 100,000.00	\$ 8,022.00	\$ 102,159.31	\$ (2,159.31)	-2.16%
01-50-510-419021	Recharge Income	\$ 45,000.00	\$ 1,956.48	\$ 82,539.00	\$ (37,539.00)	-83.42%
	<b>Operating Revenue</b>	<b>\$ 11,414,615.00</b>	<b>\$ 1,293,713.64</b>	<b>\$ 10,440,638.87</b>	<b>\$ 973,976.13</b>	<b>8.53%</b>
01-50-510-471001	Rent - 12303 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 2,000.00	\$ 400.00	16.67%
01-50-510-471011	Rent - 13695 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 2,000.00	\$ 400.00	16.67%
01-50-510-471021	Rent - 13697 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 2,000.00	\$ 400.00	16.67%
01-50-510-471031	Rent - 9781 Avenida Miravilla	\$ 2,400.00	\$ 200.00	\$ 2,000.00	\$ 400.00	16.67%
01-50-510-471101	Util - 12303 Oak Glen	\$ 2,320.00	\$ 179.07	\$ 2,165.70	\$ 154.30	6.65%
01-50-510-471111	Util - 13695 Oak Glen	\$ 1,500.00	\$ 47.01	\$ 1,170.95	\$ 329.05	21.94%
01-50-510-471121	Util - 13697 Oak Glen	\$ 2,800.00	\$ 121.95	\$ 2,171.11	\$ 628.89	22.46%
01-50-510-471131	Util - 9781 Avenida Miravilla	\$ 2,300.00	\$ 111.62	\$ 2,601.31	\$ (301.31)	-13.10%
	<b>Rent/Utilities</b>	<b>\$ 18,520.00</b>	<b>\$ 1,259.65</b>	<b>\$ 16,109.07</b>	<b>\$ 2,410.93</b>	<b>13.02%</b>
<b>Revenue Total</b>		<b>\$ 13,542,685.00</b>	<b>\$ 2,626,257.50</b>	<b>\$ 18,258,997.13</b>	<b>\$ (4,716,312.13)</b>	<b>-34.83%</b>

General Ledger

Budget Variance Expense

User: wclayton  
 Printed: 11/27/17 14:37:49  
 Period 10 - 10  
 Fiscal Year 2017

Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
 Beaumont CA 92223  
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Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/ Uncollect
<b>10</b>	<b>BOARD OF DIRECTORS</b>						
01-10-110-500101	Board of Directors Fees	\$ 36,000.00	\$ 1,600.00	\$ 20,200.00	\$ 15,800.00	\$ -	43.89%
01-10-110-500115	Social Security	\$ 2,235.00	\$ 99.20	\$ 1,240.00	\$ 995.00	\$ -	44.52%
01-10-110-500120	Medicare	\$ 525.00	\$ 23.20	\$ 292.90	\$ 232.10	\$ -	44.21%
01-10-110-500145	Workers' Compensation	\$ 485.00	\$ 15.84	\$ 197.91	\$ 287.09	\$ -	59.19%
01-10-110-500175	Seminar & Travel Expenses	\$ 10,000.00	\$ -	\$ 140.00	\$ 9,860.00	\$ -	98.60%
	<b>Board of Directors Personnel</b>	<b>\$ 49,245.00</b>	<b>\$ 1,738.24</b>	<b>\$ 22,070.81</b>	<b>\$ 27,174.19</b>	<b>\$ -</b>	<b>55.18%</b>
01-10-110-550042	Supplies-Other	\$ -	\$ -	\$ 378.04	\$ (378.04)	\$ -	0.00%
	<b>Board of Directors Materials &amp; Supplies</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 378.04</b>	<b>\$ (378.04)</b>	<b>\$ -</b>	<b>0.00%</b>
01-10-110-550012	Election Expenses	\$ -	\$ -	\$ 54,826.60	\$ (54,826.60)	\$ -	0.00%
	<b>Board of Directors Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 54,826.60</b>	<b>\$ (54,826.60)</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Expense Total</b>	<b>BOARD OF DIRECTORS</b>	<b>\$ 49,245.00</b>	<b>\$ 1,738.24</b>	<b>\$ 77,275.45</b>	<b>\$ (28,030.45)</b>	<b>\$ -</b>	<b>0.00%</b>
<b>20</b>	<b>ENGINEERING</b>						
01-20-210-500105	Labor	\$ 300,701.00	\$ 14,191.71	\$ 186,301.15	\$ 114,399.85	\$ -	38.04%
01-20-210-500115	Social Security	\$ 17,876.00	\$ 962.11	\$ 12,654.18	\$ 5,221.82	\$ -	29.21%
01-20-210-500120	Medicare	\$ 4,363.00	\$ 225.01	\$ 2,959.43	\$ 1,403.57	\$ -	32.17%
01-20-210-500125	Health Insurance	\$ 48,576.00	\$ (505.99)	\$ 19,733.71	\$ 28,842.29	\$ -	59.38%
01-20-210-500140	Life Insurance	\$ 956.00	\$ (12.43)	\$ 434.87	\$ 521.13	\$ -	54.51%
01-20-210-500145	Workers' Compensation	\$ 4,491.00	\$ 185.61	\$ 2,418.16	\$ 2,072.84	\$ -	46.16%
01-20-210-500155	Retirement/CalPERS	\$ 50,409.00	\$ 1,196.70	\$ 26,589.24	\$ 23,819.76	\$ -	47.25%
01-20-210-500165	Uniforms & Employee Benefits	\$ 50.00	\$ -	\$ -	\$ 50.00	\$ -	100.00%
01-20-210-500170	Education Expenses	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00	\$ -	100.00%
01-20-210-500175	Seminar & Travel Expenses	\$ 500.00	\$ -	\$ 35.00	\$ 465.00	\$ -	93.00%
01-20-210-500180	Accrued Sick Leave Expenses	\$ -	\$ 607.08	\$ 9,015.61	\$ (9,015.61)	\$ -	0.00%
01-20-210-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 10,297.49	\$ (10,297.49)	\$ -	0.00%
01-20-210-500195	CIP Related Labor	\$ (121,158.00)	\$ (13,480.90)	\$ (93,444.54)	\$ (27,713.46)	\$ -	22.87%
	<b>Engineering Personnel</b>	<b>\$ 309,264.00</b>	<b>\$ 3,368.90</b>	<b>\$ 176,994.30</b>	<b>\$ 132,269.70</b>	<b>\$ -</b>	<b>42.77%</b>
01-20-210-540048	Permits, Fees & Licensing	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	\$ -	100.00%
	<b>Engineering Materials &amp; Supplies</b>	<b>\$ 4,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,000.00</b>	<b>\$ -</b>	<b>100.00%</b>
01-20-210-540012	Dev Reimbursable Engineering	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	\$ -	100.00%
01-20-210-550068	Software Maintenance	\$ 22,500.00	\$ -	\$ 12,500.00	\$ 10,000.00	\$ -	44.44%
01-20-210-580031	Outside Engineering	\$ 50,000.00	\$ -	\$ 5,367.52	\$ 44,632.48	\$ -	89.26%
01-20-210-580032	CIP Related Outside Engineering	\$ (30,000.00)	\$ -	\$ -	\$ (30,000.00)	\$ -	100.00%
	<b>Engineering Services</b>	<b>\$ 57,500.00</b>	<b>\$ -</b>	<b>\$ 17,867.52</b>	<b>\$ 39,632.48</b>	<b>\$ -</b>	<b>68.93%</b>
<b>Expense Total</b>	<b>ENGINEERING</b>	<b>\$ 370,764.00</b>	<b>\$ 3,368.90</b>	<b>\$ 194,861.82</b>	<b>\$ 175,902.18</b>	<b>\$ -</b>	<b>47.44%</b>
<b>30</b>	<b>FINANCE &amp; ADMIN SERVICES</b>						
01-30-310-500105	Labor	\$ 968,732.00	\$ 70,059.25	\$ 824,785.53	\$ 143,946.47	\$ -	14.86%
01-30-310-500110	Overtime	\$ 622.00	\$ -	\$ 36.29	\$ 585.71	\$ -	94.17%
01-30-310-500115	Social Security	\$ 55,000.00	\$ 5,154.45	\$ 45,601.09	\$ 9,398.91	\$ -	17.09%
01-30-310-500120	Medicare	\$ 14,051.00	\$ 1,221.35	\$ 14,237.61	\$ (186.61)	\$ -	-1.33%
01-30-310-500125	Health Insurance	\$ 255,024.00	\$ 17,349.55	\$ 145,030.15	\$ 109,993.85	\$ -	43.13%
01-30-310-500130	CalPERS Health Admin Costs	\$ 2,000.00	\$ 145.01	\$ 1,391.38	\$ 608.62	\$ -	30.43%
01-30-310-500140	Life Insurance	\$ 3,746.00	\$ 311.53	\$ 2,957.90	\$ 788.10	\$ -	21.04%
01-30-310-500145	Workers' Compensation	\$ 14,113.00	\$ 830.06	\$ 7,406.27	\$ 6,706.73	\$ -	47.52%
01-30-310-500150	Unemployment Insurance	\$ 74,709.00	\$ -	\$ 1,343.00	\$ 73,366.00	\$ -	98.20%
01-30-310-500155	Retirement/CalPERS	\$ 157,481.00	\$ 10,512.31	\$ 99,963.13	\$ 57,517.87	\$ -	36.52%
01-30-310-500165	Uniforms & Employee Benefits	\$ 500.00	\$ 29.09	\$ 472.23	\$ 27.77	\$ -	5.55%
01-30-310-500170	Education Expenses	\$ 2,000.00	\$ 149.00	\$ 447.52	\$ 1,552.48	\$ -	77.62%
01-30-310-500175	Seminar & Travel Expenses	\$ 11,000.00	\$ -	\$ 10,783.08	\$ 216.92	\$ -	1.97%
01-30-310-500180	Accrued Sick Leave Expenses	\$ -	\$ 3,735.92	\$ 29,114.98	\$ (29,114.98)	\$ -	0.00%
01-30-310-500185	Accrued Vacation Expenses	\$ -	\$ 7,764.45	\$ 51,210.48	\$ (51,210.48)	\$ -	0.00%
01-30-310-500195	CIP Related Labor	\$ (25,000.00)	\$ -	\$ -	\$ (25,000.00)	\$ -	100.00%
01-30-310-550024	Employment Testing	\$ 200.00	\$ 55.00	\$ 210.00	\$ (10.00)	\$ -	-5.00%
	<b>Finance &amp; Admin Services Personnel</b>	<b>\$ 1,534,178.00</b>	<b>\$ 117,316.97</b>	<b>\$ 1,234,990.64</b>	<b>\$ 299,187.36</b>	<b>\$ -</b>	<b>19.50%</b>

Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/ Uncollect
01-30-310-520001	Maint & Rpr-Office Equipment	\$ 2,800.00	\$ 81.22	\$ 320.23	\$ 2,479.77	\$ -	88.56%
01-30-310-550006	Cashiering Shortages/Overages	\$ 50.00	\$ 0.26	\$ (0.52)	\$ 50.52	\$ -	101.04%
01-30-310-550018	Employee Medical/First Aid	\$ 200.00	\$ -	\$ -	\$ 200.00	\$ -	100.00%
01-30-310-550042	Office Supplies	\$ 15,000.00	\$ 1,564.20	\$ 11,159.66	\$ 3,840.34	\$ -	25.60%
01-30-310-550046	Office Equipment	\$ 65,000.00	\$ 5,800.17	\$ 31,025.21	\$ 33,974.79	\$ (0.17)	52.27%
01-30-310-550048	Postage	\$ 58,800.00	\$ 5,025.33	\$ 41,117.14	\$ 17,682.86	\$ -	30.07%
01-30-310-550066	Subscriptions	\$ 10,000.00	\$ (434.50)	\$ 5,000.84	\$ 4,999.16	\$ -	49.99%
01-30-310-550072	Misc Operating Expenses	\$ 2,000.00	\$ 0.03	\$ 0.03	\$ 1,999.97	\$ -	100.00%
01-30-310-550078	Bad Debt Expenses	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ -	100.00%
01-30-310-550084	Depreciation	\$ 2,504,276.00	\$ 212,794.88	\$ 2,128,576.18	\$ 375,699.82	\$ -	15.00%
	<b>Finance &amp; Admin Services Materials &amp; Supplies</b>	<b>\$ 2,663,126.00</b>	<b>\$ 224,831.59</b>	<b>\$ 2,217,198.77</b>	<b>\$ 445,927.23</b>	<b>\$ (0.17)</b>	<b>16.74%</b>
01-30-310-550001	Bank Charges	\$ 33,000.00	\$ 4,198.17	\$ 34,357.32	\$ (1,357.32)	\$ -	-4.11%
01-30-310-550030	Membership Dues	\$ 35,000.00	\$ 2,578.25	\$ 36,095.02	\$ (1,095.02)	\$ -	-3.13%
01-30-310-550036	Notary & Lien Fees	\$ 2,000.00	\$ 207.00	\$ 1,580.50	\$ 419.50	\$ -	20.98%
01-30-310-550051	Advertising	\$ 3,000.00	\$ (580.00)	\$ 3,758.40	\$ (758.40)	\$ -	-25.28%
01-30-310-550054	Property, Auto& Gen Liab Insur	\$ 85,000.00	\$ 6,083.66	\$ 61,506.43	\$ 23,493.57	\$ -	27.64%
01-30-310-580001	Accounting & Audit	\$ 36,000.00	\$ -	\$ 28,294.00	\$ 7,706.00	\$ -	21.41%
01-30-310-580011	General Legal	\$ 132,000.00	\$ 3,531.34	\$ 54,414.54	\$ 77,585.46	\$ -	58.78%
01-30-310-580021	IT/Software Support	\$ 30,000.00	\$ 2,426.42	\$ 29,989.96	\$ 10.04	\$ -	0.03%
01-30-310-580031	Outside Engineering	\$ 18,000.00	\$ (12,870.00)	\$ -	\$ 18,000.00	\$ 2,080.00	88.44%
01-30-310-580036	Other Professional Services	\$ -	\$ 17,810.00	\$ 17,810.00	\$ (17,810.00)	\$ -	0.00%
	<b>Finance &amp; Admin Services</b>	<b>\$ 374,000.00</b>	<b>\$ 23,384.84</b>	<b>\$ 267,806.17</b>	<b>\$ 106,193.83</b>	<b>\$ 2,080.00</b>	<b>27.84%</b>
<b>Expense Total</b>	<b>FINANCE &amp; ADMIN SERVICES</b>	<b>\$ 4,571,304.00</b>	<b>\$ 365,533.40</b>	<b>\$ 3,719,995.58</b>	<b>\$ 851,308.42</b>	<b>\$ 2,079.83</b>	<b>18.58%</b>
<b>40</b>	<b>OPERATIONS</b>						
<b>410</b>	<b>Source of Supply Personnel</b>						
01-40-410-500105	Labor	\$ 294,844.00	\$ 14,709.50	\$ 150,027.69	\$ 144,816.31	\$ -	49.12%
01-40-410-500110	Overtime	\$ 16,145.00	\$ 223.56	\$ 11,006.39	\$ 5,138.61	\$ -	31.83%
01-40-410-500111	Double time	\$ 427.00	\$ -	\$ 180.32	\$ 246.68	\$ -	57.77%
01-40-410-500115	Social Security	\$ 18,283.00	\$ 1,070.72	\$ 10,951.30	\$ 7,331.70	\$ -	40.10%
01-40-410-500120	Medicare	\$ 4,278.00	\$ 250.44	\$ 2,561.25	\$ 1,716.75	\$ -	40.13%
01-40-410-500125	Health Insurance	\$ 121,440.00	\$ 5,376.15	\$ 52,270.40	\$ 69,169.60	\$ -	56.96%
01-40-410-500140	Life Insurance	\$ 1,265.00	\$ 76.68	\$ 723.24	\$ 541.76	\$ -	42.83%
01-40-410-500145	Workers' Compensation	\$ 20,808.00	\$ 891.68	\$ 8,955.88	\$ 11,852.12	\$ -	56.96%
01-40-410-500150	Unemployment Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
01-40-410-500155	Retirement/CalPERS	\$ 59,910.00	\$ 3,963.03	\$ 37,790.19	\$ 22,119.81	\$ -	36.92%
01-40-410-500165	Uniforms & Employee Benefits	\$ 1,000.00	\$ 183.18	\$ 636.23	\$ 363.77	\$ -	36.38%
01-40-410-500170	Education Expenses	\$ 1,000.00	\$ -	\$ 61.13	\$ 938.87	\$ -	93.89%
01-40-410-500175	Seminar & Travel Expenses	\$ 2,000.00	\$ -	\$ 1,190.00	\$ 810.00	\$ -	40.50%
01-40-410-500180	Accrued Sick Leave Expenses	\$ -	\$ 616.58	\$ 6,319.93	\$ (6,319.93)	\$ -	0.00%
01-40-410-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 833.20	\$ (833.20)	\$ -	0.00%
01-40-410-550024	Employment Testing	\$ 200.00	\$ -	\$ -	\$ 200.00	\$ -	100.00%
<b>440</b>	<b>Transmission &amp; Distribution Personnel</b>						
01-40-440-500105	Labor	\$ 661,864.00	\$ 30,275.30	\$ 336,262.97	\$ 325,601.03	\$ -	49.19%
01-40-440-500110	Overtime	\$ 20,007.00	\$ 2,155.03	\$ 17,859.70	\$ 2,147.30	\$ -	10.73%
01-40-440-500111	Double time	\$ 3,156.00	\$ -	\$ 1,619.36	\$ 1,536.64	\$ -	48.89%
01-40-440-500115	Social Security	\$ 40,273.00	\$ 2,720.04	\$ 25,926.95	\$ 14,346.05	\$ -	35.62%
01-40-440-500120	Medicare	\$ 9,603.00	\$ 636.16	\$ 6,063.76	\$ 3,539.24	\$ -	36.86%
01-40-440-500125	Health Insurance	\$ 279,312.00	\$ 17,824.69	\$ 138,061.98	\$ 141,250.02	\$ -	50.57%
01-40-440-500140	Life Insurance	\$ 2,726.00	\$ 187.28	\$ 1,710.18	\$ 1,015.82	\$ -	37.26%
01-40-440-500145	Workers' Compensation	\$ 36,190.00	\$ 1,537.54	\$ 15,146.28	\$ 21,043.72	\$ -	58.15%
01-40-440-500155	Retirement/CalPERS	\$ 123,317.00	\$ 7,447.52	\$ 72,406.30	\$ 50,910.70	\$ -	41.28%
01-40-440-500165	Uniforms & Employee Benefits	\$ 4,000.00	\$ 684.22	\$ 2,338.56	\$ 1,661.44	\$ -	41.54%
01-40-440-500170	Education Expenses	\$ 1,000.00	\$ -	\$ 282.00	\$ 718.00	\$ -	71.80%
01-40-440-500175	Seminar & Travel Expenses	\$ 500.00	\$ -	\$ 14.16	\$ 485.84	\$ -	97.17%
01-40-440-500180	Accrued Sick Leave Expenses	\$ -	\$ 2,391.13	\$ 23,634.49	\$ (23,634.49)	\$ -	0.00%
01-40-440-500185	Accrued Vacation Expenses	\$ -	\$ 1,131.22	\$ 14,461.94	\$ (14,461.94)	\$ -	0.00%
01-40-440-500195	CIP Related Labor	\$ (40,000.00)	\$ -	\$ -	\$ (40,000.00)	\$ -	100.00%
01-40-440-550024	Employment Testing	\$ 200.00	\$ -	\$ 25.00	\$ 175.00	\$ -	87.50%
<b>450</b>	<b>Inspections Personnel</b>						
01-40-450-500105	Labor	\$ -	\$ 3,160.90	\$ 24,541.33	\$ (24,541.33)	\$ -	0.00%
01-40-450-500115	Social Security	\$ -	\$ 195.96	\$ 1,521.65	\$ (1,521.65)	\$ -	0.00%
01-40-450-500120	Medicare	\$ -	\$ 45.84	\$ 355.92	\$ (355.92)	\$ -	0.00%
01-40-450-500125	Health Insurance	\$ -	\$ 1,701.14	\$ 9,936.86	\$ (9,936.86)	\$ -	0.00%
01-40-450-500140	Life Insurance	\$ -	\$ 17.69	\$ 104.30	\$ (104.30)	\$ -	0.00%
01-40-450-500145	Workers' Compensation	\$ -	\$ 157.25	\$ 1,225.77	\$ (1,225.77)	\$ -	0.00%
01-40-450-500155	Retirement/CalPERS	\$ -	\$ 625.26	\$ 4,946.00	\$ (4,946.00)	\$ -	0.00%
01-40-450-500165	Uniforms & Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>460</b>	<b>Customer Svc &amp; Meter Reading Personnel</b>						
01-40-460-500105	Labor	\$ 144,396.00	\$ 9,699.38	\$ 105,035.22	\$ 39,360.78	\$ -	27.26%

Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/ Uncollect
01-40-460-500110	Overtime	\$ 7,124.00	\$ 839.82	\$ 5,716.31	\$ 1,407.69	\$ -	19.76%
01-40-460-500111	Double time	\$ 1,435.00	\$ -	\$ 512.67	\$ 922.33	\$ -	64.27%
01-40-460-500115	Social Security	\$ 8,954.00	\$ 738.86	\$ 7,728.53	\$ 1,225.47	\$ -	13.69%
01-40-460-500120	Medicare	\$ 2,096.00	\$ 172.81	\$ 1,807.65	\$ 288.35	\$ -	13.76%
01-40-460-500125	Health Insurance	\$ 72,864.00	\$ 3,335.58	\$ 55,134.89	\$ 17,729.11	\$ -	24.33%
01-40-460-500140	Life Insurance	\$ 543.00	\$ 35.23	\$ 518.58	\$ 24.42	\$ -	4.50%
01-40-460-500145	Workers' Compensation	\$ 10,190.00	\$ 607.22	\$ 6,334.87	\$ 3,855.13	\$ -	37.83%
01-40-460-500155	Retirement/CalPERS	\$ 29,268.00	\$ 2,379.97	\$ 24,825.10	\$ 4,442.90	\$ -	15.18%
01-40-460-500165	Uniforms & Employee Benefits	\$ 750.00	\$ 84.04	\$ 84.04	\$ 665.96	\$ -	88.79%
01-40-460-500170	Education Expenses	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	100.00%
01-40-460-500175	Seminar & Travel Expenses	\$ 300.00	\$ -	\$ 14.16	\$ 285.84	\$ -	95.28%
01-40-460-500180	Accrued Sick Leave Expenses	\$ -	\$ 513.70	\$ 5,265.41	\$ (5,265.41)	\$ -	0.00%
01-40-460-500185	Accrued Vacation Expenses	\$ -	\$ 222.90	\$ 694.20	\$ (694.20)	\$ -	0.00%
01-40-460-500195	CIP Related Labor	\$ (10,000.00)	\$ -	\$ -	\$ (10,000.00)	\$ -	100.00%
01-40-460-550024	Employment Testing	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ -	100.00%
<b>470</b>	<b>Maintenance &amp; General Plant Personnel</b>						
01-40-470-500105	Labor	\$ 32,000.00	\$ 500.68	\$ 30,065.72	\$ 1,934.28	\$ -	6.04%
01-40-470-500115	Social Security	\$ 1,700.00	\$ 31.04	\$ 1,864.26	\$ (164.26)	\$ -	-9.66%
01-40-470-500120	Medicare	\$ 400.00	\$ 7.27	\$ 436.03	\$ (36.03)	\$ -	-9.01%
01-40-470-500125	Health Insurance	\$ 11,000.00	\$ 463.40	\$ 13,765.94	\$ (2,765.94)	\$ -	-25.14%
01-40-470-500140	Life Insurance	\$ 200.00	\$ 4.41	\$ 149.93	\$ 50.07	\$ -	25.04%
01-40-470-500145	Workers' Compensation	\$ 2,500.00	\$ 25.63	\$ 1,523.22	\$ 976.78	\$ -	39.07%
01-40-470-500155	Retirement/CalPERS	\$ 9,950.00	\$ 220.40	\$ 5,543.66	\$ 4,406.34	\$ -	44.28%
	<b>Operations Personnel</b>	<b>\$ 2,010,218.00</b>	<b>\$ 120,138.03</b>	<b>\$ 1,248,973.00</b>	<b>\$ 761,245.00</b>	<b>\$ -</b>	<b>37.87%</b>
<b>410</b>	<b>Source of Supply Materials &amp; Supplies</b>						
01-40-410-501101	Electricity - Wells	\$ 1,470,000.00	\$ 167,966.48	\$ 1,322,425.83	\$ 147,574.17	\$ -	10.04%
01-40-410-501201	Gas - Wells	\$ 225.00	\$ 15.29	\$ 148.14	\$ 76.86	\$ -	34.16%
01-40-410-510011	Treatment & Chemicals	\$ 75,000.00	\$ 2,088.00	\$ 58,772.30	\$ 16,227.70	\$ -	21.64%
01-40-410-510021	Lab Testing	\$ 90,000.00	\$ 5,965.00	\$ 35,836.57	\$ 54,163.43	\$ -	60.18%
01-40-410-510031	Small Tools, Parts & Maint	\$ 3,200.00	\$ 117.03	\$ 2,603.91	\$ 596.09	\$ -	18.63%
01-40-410-520021	Maint & Rpr-Telemetry Equip	\$ 15,000.00	\$ -	\$ 3,381.20	\$ 11,618.80	\$ -	77.46%
01-40-410-520031	Maint & Rpr-General Equipment	\$ 1,100.00	\$ -	\$ 526.97	\$ 573.03	\$ -	52.09%
01-40-410-520061	Maint & Rpr-Pumping Equipment	\$ 100,000.00	\$ 5,014.40	\$ 92,417.44	\$ 7,582.56	\$ 549.44	7.03%
01-40-410-550066	Subscriptions	\$ 400.00	\$ -	\$ -	\$ 400.00	\$ -	100.00%
<b>440</b>	<b>Trans &amp; Distribution Materials &amp; Supplies</b>						
01-40-440-510031	Small Tools, Parts & Maint	\$ 6,500.00	\$ 3,264.23	\$ 6,158.64	\$ 341.36	\$ -	5.25%
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	\$ 55,000.00	\$ 2,158.45	\$ 29,602.16	\$ 25,397.84	\$ (6.23)	46.19%
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	\$ 7,500.00	\$ -	\$ 96.96	\$ 7,403.04	\$ -	98.71%
01-40-440-540001	Backflow Devices	\$ 2,500.00	\$ -	\$ 724.07	\$ 1,775.93	\$ -	71.04%
01-40-440-540024	Inventry Adjustments	\$ 3,000.00	\$ 0.57	\$ 1,208.76	\$ 1,791.24	\$ -	59.71%
01-40-440-540026	Inventry Purchase Discounts	\$ (5,000.00)	\$ -	\$ -	\$ (5,000.00)	\$ -	100.00%
01-40-440-540036	Line Locates	\$ 3,500.00	\$ 166.75	\$ 1,881.21	\$ 1,618.79	\$ -	46.25%
01-40-440-540042	Meters Maintenance & Services	\$ 95,500.00	\$ 10,287.05	\$ 82,190.37	\$ 13,309.63	\$ 208.95	13.72%
01-40-440-540078	Reservoirs Maintenance	\$ 30,000.00	\$ -	\$ 16,932.15	\$ 13,067.85	\$ -	43.56%
<b>470</b>	<b>Maint &amp; General Plant Materials &amp; Supplies</b>						
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600.00	\$ 1,533.36	\$ 16,215.47	\$ 7,384.53	\$ -	31.29%
01-40-470-501121	Electricity - 12303 Oak Glen	\$ 2,200.00	\$ 179.07	\$ 2,165.70	\$ 34.30	\$ -	1.56%
01-40-470-501131	Electricity - 13695 Oak Glen	\$ 1,500.00	\$ 47.01	\$ 1,170.95	\$ 329.05	\$ -	21.94%
01-40-470-501141	Electricity - 13697 Oak Glen	\$ 2,200.00	\$ 121.95	\$ 2,171.11	\$ 28.89	\$ -	1.31%
01-40-470-501151	Elec - 9781 Avenida Miravilla	\$ 1,800.00	\$ 111.62	\$ 1,598.40	\$ 201.60	\$ -	11.20%
01-40-470-501161	Electricity - 815 E. 12th	\$ 6,000.00	\$ 316.41	\$ 3,994.72	\$ 2,005.28	\$ -	33.42%
01-40-470-501321	Propane - 12303 Oak Glen	\$ 120.00	\$ -	\$ -	\$ 120.00	\$ -	100.00%
01-40-470-501331	Propane - 13695 Oak Glen	\$ 600.00	\$ -	\$ -	\$ 600.00	\$ -	100.00%
01-40-470-501341	Propane - 13697 Oak Glen	\$ 600.00	\$ -	\$ -	\$ 600.00	\$ -	100.00%
01-40-470-501351	Propane-9781 Avenida Miravilla	\$ 500.00	\$ -	\$ 1,002.91	\$ (502.91)	\$ -	-100.58%
01-40-470-501411	Sanitation - 560 Magnolia	\$ 1,800.00	\$ 99.80	\$ 1,421.96	\$ 378.04	\$ -	21.00%
01-40-470-501461	Sanitation - 815 E. 12th	\$ 3,600.00	\$ 319.02	\$ 2,643.72	\$ 956.28	\$ -	26.56%
01-40-470-501471	Sanitation - 11083 Cherry Ave	\$ 3,200.00	\$ 254.38	\$ 2,513.98	\$ 686.02	\$ -	21.44%
01-40-470-501511	Phones - 560 Magnolia	\$ 20,000.00	\$ 1,519.64	\$ 13,500.21	\$ 6,499.79	\$ -	32.50%
01-40-470-501561	Phones - 815 E. 12th	\$ 1,800.00	\$ 385.18	\$ 3,773.35	\$ (1,973.35)	\$ -	-109.63%
01-40-470-501600	Property Maintenance & Repair	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ -	100.00%
01-40-470-501611	Maint & Repair- 560 Magnolia	\$ 16,000.00	\$ 1,169.94	\$ 12,554.44	\$ 3,445.56	\$ -	21.53%
01-40-470-501621	Maint & Repair- 12303 Oak Glen	\$ 1,200.00	\$ -	\$ 390.00	\$ 810.00	\$ -	67.50%
01-40-470-501631	Maint & Repair- 13695 Oak Glen	\$ 1,000.00	\$ -	\$ 265.00	\$ 735.00	\$ -	73.50%
01-40-470-501641	Maint & Repair- 13697 Oak Glen	\$ 500.00	\$ -	\$ 1,132.36	\$ (632.36)	\$ -	-126.47%
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	\$ 1,500.00	\$ -	\$ 47.40	\$ 1,452.60	\$ -	96.84%
01-40-470-501661	Maint & Repair- 815 E. 12th	\$ 5,000.00	\$ 216.30	\$ 3,456.10	\$ 1,543.90	\$ -	30.88%



Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/ Uncollect
01-40-470-501691	Maint & Rpr- Buidlgs (General)	\$ 5,000.00	\$ 44.50	\$ 2,492.47	\$ 2,507.53	\$ -	50.15%
01-40-470-510001	Auto/Fuel	\$ 75,000.00	\$ 4,945.72	\$ 50,590.01	\$ 24,409.99	\$ -	32.55%
01-40-470-510002	CIP Related Fuel	\$ (15,000.00)	\$ -	\$ -	\$ (15,000.00)	\$ -	100.00%
01-40-470-520011	Maint & Rpr-Safety Equipment	\$ 5,000.00	\$ 111.16	\$ 1,510.45	\$ 3,489.55	\$ 9,204.33	-114.30%
01-40-470-520031	Maint & Rpr-General Equipment	\$ 43,500.00	\$ 4,000.71	\$ 43,532.62	\$ (32.62)	\$ 2,932.31	-6.82%
01-40-470-520041	Maint & Rpr-Fleet	\$ 55,000.00	\$ 4,241.36	\$ 42,009.80	\$ 12,990.20	\$ -	23.62%
01-40-470-520091	Maint & Rpr-Communicatn Equip	\$ 3,000.00	\$ -	\$ 2,676.44	\$ 323.56	\$ -	10.79%
<b>510</b>	<b>General Materials &amp; Supplies</b>						
01-40-510-510031	Small Tools, Parts & Maint	\$ 1,500.00	\$ -	\$ 3,070.60	\$ (1,570.60)	\$ 267.95	-122.57%
	<b>Operations Materials &amp; Supplies</b>	<b>\$ 2,226,145.00</b>	<b>\$ 216,660.38</b>	<b>\$ 1,870,806.85</b>	<b>\$ 355,338.15</b>	<b>\$ 13,156.75</b>	<b>15.37%</b>
<b>410</b>	<b>Source of Supply Services</b>						
01-40-410-500501	State Project Water Purchases	\$ 2,000,000.00	\$ 434,924.00	\$ 3,488,585.00	\$ (1,488,585.00)	\$ -	-74.43%
01-40-410-540084	State Mandates & Tariffs	\$ 70,000.00	\$ 1,011.48	\$ 65,409.95	\$ 4,590.05	\$ -	6.56%
<b>470</b>	<b>Maintenance &amp; General Plant Services</b>						
01-40-470-540030	Landscape Maintenance	\$ 15,000.00	\$ 247.70	\$ 2,864.43	\$ 12,135.57	\$ -	80.90%
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	\$ 128,000.00	\$ 1,645.33	\$ 117,334.38	\$ 10,665.62	\$ -	8.33%
	<b>Operations Services</b>	<b>\$ 2,213,000.00</b>	<b>\$ 437,828.51</b>	<b>\$ 3,674,193.76</b>	<b>\$ (1,461,193.76)</b>	<b>\$ -</b>	<b>-66.03%</b>
<b>Expense Total</b>	<b>OPERATIONS</b>	<b>\$ 6,449,363.00</b>	<b>\$ 774,626.92</b>	<b>\$ 6,793,973.61</b>	<b>\$ (344,610.61)</b>	<b>\$ 13,156.75</b>	<b>-5.55%</b>
<b>50</b>	<b>GENERAL</b>						
01-50-510-540066	Property Damages & Theft	\$ 15,000.00	\$ 1,563.84	\$ 12,405.34	\$ 2,594.66	\$ -	17.30%
01-50-510-550040	General Supplies	\$ 9,000.00	\$ 1,071.32	\$ 9,269.21	\$ (269.21)	\$ -	-2.99%
01-50-510-550060	Public Education	\$ 10,000.00	\$ -	\$ 1,320.00	\$ 8,680.00	\$ -	86.80%
01-50-510-550072	Misc Operating Expenses	\$ 4,500.00	\$ -	\$ -	\$ 4,500.00	\$ -	100.00%
	<b>General Materials &amp; Supplies</b>	<b>\$ 38,500.00</b>	<b>\$ 2,635.16</b>	<b>\$ 22,994.55</b>	<b>\$ 15,505.45</b>	<b>\$ -</b>	<b>40.27%</b>
01-50-510-550096	Beaumont Basin Watermaster	\$ 36,610.00	\$ -	\$ 39,660.50	\$ (3,050.50)	\$ -	-8.33%
	<b>General Services</b>	<b>\$ 36,610.00</b>	<b>\$ -</b>	<b>\$ 39,660.50</b>	<b>\$ (3,050.50)</b>	<b>\$ -</b>	<b>-8.33%</b>
<b>Expense Total</b>	<b>GENERAL</b>	<b>\$ 75,110.00</b>	<b>\$ 2,635.16</b>	<b>\$ 62,655.05</b>	<b>\$ 12,454.95</b>	<b>\$ -</b>	<b>16.58%</b>
<b>Expense Total</b>	<b>ALL EXPENSES</b>	<b>\$ 11,515,786.00</b>	<b>\$ 1,147,902.62</b>	<b>\$ 10,848,761.51</b>	<b>\$ 667,024.49</b>	<b>\$ 15,236.58</b>	<b>5.66%</b>



**Beaumont-Cherry Valley Water District  
Cash Balance & Investment Report  
As of October 31, 2017**

Account Name	Account Ending #	Cash Balance Per Account	
		Balance	Prior Month Balance
Wells Fargo	General 4152	\$12,151,971.17	\$14,897,124.38
<b>Total Cash</b>		<b>\$ 12,151,971.17</b>	<b>\$ 14,897,124.38</b>

Account Name	Market Value	Prior Month Balance	Actual % of			Maturity	Par Amount	Rate	2017 Interest to Date
			Total	Policy % Limit					
Ca. State Treasurer's Office: Local Agency Investment Fund	\$24,134,278.69	\$24,069,134.16	68%	No Limit	Liquid	N/A	1.07	\$207,056.97	
CalTRUST Short Term Fund	\$11,480,276.64	\$7,013,066.86	32%	No Limit	Liquid	N/A	1.23	\$23,676.64	
<b>Total Investments</b>	<b>\$35,614,555.33</b>	<b>\$31,082,201.02</b>						<b>\$230,733.61</b>	
<b>Total Cash &amp; Investments</b>	<b>\$ 47,766,526.50</b>	<b>\$ 45,979,325.40</b>							

The investments above are in accordance with the District's investment policy. \_\_\_\_\_  
 BCVWD will be able to meet its cash flow obligations for the next 6 months. \_\_\_\_\_

**BCVWD**  
**YTD Cash Balances Roll-Forward**  
**2017**

	<u>Balance</u> <u>Sept. 31, 2017</u>	<u>Actual</u> <u>Increase (Decrease)</u> <u>Oct. 2017</u>	<u>Balance</u> <u>Oct. 31, 2017</u>
<b>1) Restricted Cash:</b>			
Capacity Charges (Facility Fees) Collected	\$16,498,518	\$ 1,255,128	\$17,753,646
Facilities Built	(79,965)	(13,481) (2)	(93,445)
<b>Restricted Cash - Capital Commitments</b>	<u>16,418,553</u>	<u>1,241,647</u>	<u>17,660,201</u>
Customer Account Credit Balances	0	0	0
Customer Deposits Payable	410,736	8,177	418,913
Meter Fees	193,604	(829)	192,775
GIS Deposits	1,429,327	34,100	1,463,427
Plan Check, Inspection and Other Development Deposits	1,127,543	37,478	1,165,021
<b>Restricted Cash - Funds Held for Others</b>	<u>3,161,210</u>	<u>78,926</u>	<u>3,240,136</u>
<b>Total Restricted Cash</b>	<u>19,579,763</u>	<u>1,320,573</u>	<u>20,900,337</u>
<b>2) Unrestricted Cash:</b>			
<b>Designated:</b>			
<b>Operating Reserve</b>	2,252,877		2,252,877
<b>Emergency Reserve</b>	1,351,726		1,351,726
<b>Capital Replacement Reserve</b>	20,769,815		20,769,815
Revenue:			
Operating		1,285,692 (1)	
Miscellaneous		76,156	
Rent/Utilities		<u>1,260</u>	
		1,363,108	
Expenses:			
Engineering		(16,243) (2)	
Finance & Administration		(141,238) (3)	
Operations		(769,751) (4)	
Miscellaneous / General		(2,635)	
Board Services		(1,738)	
		<u>(931,605)</u>	
<b>Undesignated:</b>			
<b>Beginning Balance</b>	1,374,500		
Cash Flow from Operations	1,535,131	431,503	
Other Balance Sheet changes	(883,087)	35,125	
<b>Ending balance</b>	<u>2,026,544</u>	<u>466,628</u>	2,493,172
<b>Total Unrestricted Cash</b>	<u>26,400,962</u>		<u>26,867,590</u>
<b>Total Restricted and Unrestricted Cash</b>	<u>45,980,725</u>		<u>47,767,927</u>
<b>Cash on Hand</b>	(1,400)		(1,400)
<b>Total Cash Balance Per F &amp; A Report</b>	<u>\$45,979,325</u>		<u>\$47,766,527</u>

- (1) Excludes Development Income (Account No. 01-50-510-419011): Not a cash inflow-these are deposits that convert to revenue via journal entry as related costs are incurred.
- (2) Excludes Annual Sick Leave and Accrued Vacation Expenses (These are earned and not paid). Also excludes CIP Related Labor (Account No. 01-20-210-500195). This labor has been charged against Capacity Charges above.
- (3) Excludes Annual Sick Leave and Accrued Vacation Expenses (These are earned and not paid). Also excludes Depreciation Expense (Account No. 01-30-310-550084). Depreciation is not a cash outflow.
- (4) Excludes Annual Sick Leave and Accrued Vacation Expenses (These are earned and not paid).

# Accounts Payable

## Checks by Date - Detail by Check Date

User: wclayton  
 Printed: 11/27/2017 4:49 PM

## Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
 Beaumont CA 92223  
 (951) 845-9581  
 www.bcvwd.org



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
6965	UB*02719	Ronald Madison Refund Check	10/26/2017	86.01
Total for Check Number 6965:				86.01
Total for 10/26/2017:				86.01
6966	UB*00688 008598-000	Omar Aguirre Refund 1559 Leland	11/01/2017	191.84
Total for Check Number 6966:				191.84
6967	10639 039923-000	Earl Bonner Refund 1697 Cactus Way	11/01/2017	88.36
Total for Check Number 6967:				88.36
6968	UB*01790 006248-008	Coldwell Banker Pioneer Refund 39895 Grand Ave	11/01/2017	89.75
Total for Check Number 6968:				89.75
6969	UB*02713	Carol Crites Refund Check	11/01/2017	69.84
Total for Check Number 6969:				69.84
6970	10640 085-0142-000 085-0468-000 085-0488-000 085-0494-000 085-0500-000 085-0518-000 085-0522-000	D.R. Horton Refund 35549 Byron Refund 35456 Snead St Refund 35548 Snead St Refund 11042 Runyan Rd Refund 11156 Runyan Rd Refund 11201 Runyan Rd Refund 11143 Runyan Rd	11/01/2017	25.99 18.39 45.73 19.29 34.39 44.58 41.68
Total for Check Number 6970:				230.05
6971	UB*02720	Dione Davis Refund Check Refund Check Refund Check Refund Check	11/01/2017	121.36 64.73 31.01 22.25
Total for Check Number 6971:				239.35
6972	10641 035070-000	Rachel DeGraw Refund 847 Classic Ave	11/01/2017	33.21
Total for Check Number 6972:				33.21

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
6973	UB*02716	Maxine Duro Refund Check	11/01/2017	48.75
Total for Check Number 6973:				48.75
6974	UB*02108 037704-000	Aronwry Fallon Refund 844 Annandale Rd	11/01/2017	177.00
Total for Check Number 6974:				177.00
6975	UB*00309 039246-000	John Gascoigne Refund 1723 Desert Poppy	11/01/2017	29.60
Total for Check Number 6975:				29.60
6976	UB*01499 042590-000	John or Julie Goodwin Refund 13133 Dax	11/01/2017	123.63
Total for Check Number 6976:				123.63
6977	UB*02715	Jennifer Griggs Refund Check Refund Check Refund Check Refund Check	11/01/2017	16.24 24.95 11.96 8.58
Total for Check Number 6977:				61.73
6978	UB*02717	George Hernandez Refund Check Refund Check Refund Check Refund Check	11/01/2017	102.35 56.01 26.83 19.25
Total for Check Number 6978:				204.44
6979	UB*00041 039753-000	Jason Houghton Refund 1690 S Monte Verde	11/01/2017	48.71
Total for Check Number 6979:				48.71
6980	UB*00317 041393-000	James Lai Refund 36768 Torrey Pines Dr	11/01/2017	24.16
Total for Check Number 6980:				24.16
6981	UB*00755 021155-000	Sonya Lan Refund 1508 Meadow Crest	11/01/2017	242.49
Total for Check Number 6981:				242.49
6982	UB*02002 050320-000	Jordan Maniquis Refund 1514 Trinette Dr	11/01/2017	48.42
Total for Check Number 6982:				48.42
6983	10646 046161-002	Marti Chj Inc, Jay J Martin Refund Cougar Way & Mt View Ave Hydrant Meter	11/01/2017	681.37
Total for Check Number 6983:				681.37

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
6984	UB*01882 047461-000	Alexis Medina Refund 1687 Quail Summit	11/01/2017	228.54
Total for Check Number 6984:				228.54
6985	UB*02714	Marlene Nelson Refund Check Refund Check Refund Check Refund Check	11/01/2017	78.48 26.69 12.79 9.18
Total for Check Number 6985:				127.14
6986	UB*00501 045191-000	Donna Paplia Refund 11353 Pepper Lane	11/01/2017	49.21
Total for Check Number 6986:				49.21
6987	UB*02721	Richard Payne Refund Check Refund Check Refund Check Refund Check	11/01/2017	26.58 36.90 17.68 12.68
Total for Check Number 6987:				93.84
6988	10643 006472-000	Cheryl Ralston Refund 1680B Beaver Creek	11/01/2017	30.00
Total for Check Number 6988:				30.00
6989	10645 012745-002	Riverside Housing Development Corp Refund 1360 Palm Ave	11/01/2017	60.27
Total for Check Number 6989:				60.27
6990	10644 034614-001	Silver Tree Capital Corp Refund 35448 Snead	11/01/2017	70.99
Total for Check Number 6990:				70.99
6991	UB*02722	David Terbest Refund Check Refund Check Refund Check Refund Check	11/01/2017	26.70 39.54 18.95 13.59
Total for Check Number 6991:				98.78
6992	UB*02718	Meeihwa Wang Liaou Refund Check	11/01/2017	66.51
Total for Check Number 6992:				66.51
6993	10642 011432-000	Yvonne or Erik Wilkie Refund 1125 Claiborne West Ave	11/01/2017	79.38
Total for Check Number 6993:				79.38

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
6994	10144	AlSCO Inc	11/01/2017	
	LYUM1207076	Cleaning of Mats & Shop Towels Oct 2017		33.15
	LYUM1207078	Cleaning of 3 Office Mats 560 Magnolia Oct 2017		16.34
	LYUM1211040	Cleaning of Mats & Shop Towels Oct 2017		33.15
	LYUM1211042	Cleaning of 3 Office Mats 560 Magnolia Oct 2017		16.34
Total for Check Number 6994:				98.98
6995	10283	BCVWD Custodian of Petty Cash	11/01/2017	
	082217	Postage for (14) RFP Packets - Finance		19.60
	101617	Cleaning Supplies/Gloves/Water for Board Meetings		16.35
	102617	Postage for (4) RFP Packets - Engineering		10.64
Total for Check Number 6995:				46.59
6996	10614	Cherry Valley Automotive	11/01/2017	
	20733	Labor - Oil Change OD 148,991 - Unit 15		20.00
	20733	Oil/Oil Filter Change OD 148,991 - Unit 15		45.98
	20765	Labor - Oil Change OD 175,317 - Unit 22		20.00
	20765	Oil/Oil Filter Change OD 175,317 - Unit 22		19.98
	20765	Labor - Repair Tail Light OD 175,317 - Unit 22		10.00
	20765	Repair Tail Light OD 175,317 - Unit 22		107.96
	20779	Labor - Replace Radiator OD 149,120 - Unit 15		152.00
	20779	Replace Radiator OD 149,120 - Unit 15		305.45
	20789	Labor - Oil Change OD 3,083 - Unit 32		22.00
	20789	Synthetic Oil/Oil Filter Change OD 3,083 - Unit 32		50.10
Total for Check Number 6996:				753.47
6997	10021	Fedex	11/01/2017	
	5-960-80151	Postage Ford Registration Packet		30.61
Total for Check Number 6997:				30.61
6998	10273	Inland Water Works Supply Co.	11/01/2017	
	S1004403.002	(24) 1" x 5" U-Branches - Inventory		1,495.23
	S1004403.002	(13) 1" Couplings - Inventory		151.00
	S1004403.002	(92) 1" 2.58" Meter Couplings - Inventory		1,360.06
	S1004408.002	(30) 2" Meter Gaskets Drop-In - Inventory		63.36
	S1004408.002	(8) 2" Meter Flanges - Inventory		143.61
	S1004408.004	(2) 2" Meter Flanges - Inventory		35.90
	S1004408.004	(3) 450 DS Saddles - Inventory		110.88
	S1004628.001	(4) 235-263 x 7 FC Clamps - Inventory		261.88
	S1004628.001	(20) 1" IPSE Converters x CTS		823.64
	S1004628.001	(20) 1" Flare x Comp 110 Adapters - Inventory		527.97
	S1004628.001	(20) 1" Comp Angle Stops - Inventory		1,119.31
Total for Check Number 6998:				6,092.84
6999	10518	Innovyze	11/01/2017	
	8554AM-2017	Engineering Software Renewal 12/15/17 - 12/14/18		2,500.00
Total for Check Number 6999:				2,500.00
7000	10278	MetLife - Group Benefits	11/01/2017	
	KM05754034 Nov17	MetLife Dental Ins Nov 2017		546.83
	KM05754034 Nov17	MetLife Vision Ins Nov 2017		58.12
Total for Check Number 7000:				604.95

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7001	10196 S1089680.001 S1089688.001	National Meter & Automation, Inc (74) 1" Meters w/Wire - Inventory (26) 1" Meters w/Wire - Inventory	11/01/2017	17,701.17 6,219.33
Total for Check Number 7001:				23,920.50
7002	10282 092817 100317	Rancho Paseo Medical Group Pre-Employment Testing - R Phraner Pre-Employment Testing - L Kerney	11/01/2017	25.00 30.00
Total for Check Number 7002:				55.00
7003	10171 17-316973 Oct 2017	Riverside Assessor - County Recorder Oct 2017 Lien Fees	11/01/2017	207.00
Total for Check Number 7003:				207.00
7004	AR-Rsi 471420	RSI Communities, LLC AR Refund - Duplicate Insp Fee Deposit Tract 27971-5	11/01/2017	15,000.00
Total for Check Number 7004:				15,000.00
7005	10290 17-00153 17-00153 17-00153 17-00153	San Gorgonio Pass Water Agency Class 1 Sites Reservoir 2,276 @ \$15.66-Board Approved 05/18/17 Class 1 Sites Reservoir 578 @ \$48.50-Board Approved 05/18/17 Class 2 Sites Reservoir 1,724 @ \$7.83-Board Approved 05/18/17 Class 2 Sites Reservoir -578 @ \$24.25-Board Approved 05/18/17	11/01/2017	35,640.00 28,020.00 13,500.00 -14,009.00
Total for Check Number 7005:				63,151.00
7006	10042 07132135000Oct	Southern California Gas Company Monthly Gas Charges 09/22-10/23/17	11/01/2017	15.29
Total for Check Number 7006:				15.29
7007	10276 00610763 Nov 17 00610763 Nov 17	Standard Insurance Company Monthly Life & AD&D Insurance Nov 2017 Monthly Life & AD&D Insurance K Johnsen Nov 2017	11/01/2017	634.59 -14.20
Total for Check Number 7007:				620.39
7008	10063 848718	The Record Gazette Public Notice - Unclaimed Funds	11/01/2017	570.00
Total for Check Number 7008:				570.00
7009	10036 A0152081V	USA Mobility Wireless Inc Stand-by Pager for SCADA System 10/15-11/14/2017	11/01/2017	69.80
Total for Check Number 7009:				69.80
Total for 11/1/2017:				117,273.78
ACH	10085 1000955796 1000955796 1000955796 1000955796 1000955796 1000955796	CalPERS Retirement System PR Batch 00004.10.2017 CalPERS 1% ER Paid PR Batch 00004.10.2017 CalPERS 7% EE Deduction PR Batch 00004.10.2017 CalPERS 8% EE Paid PR Batch 00004.10.2017 CalPERS 8% ER Paid PR Batch 00004.10.2017 CalPERS ER Paid Classic PR Batch 00004.10.2017 CalPERS ER PEPRA	11/02/2017 PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C	150.14 2,504.54 2,220.60 907.54 7,421.54 1,488.79
Total for this ACH Check for Vendor 10085:				14,693.15



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	10087 0769503296 0769503296	EDD PR Batch 00004.10.2017 CA SDI PR Batch 00004.10.2017 State Income Tax	11/02/2017 PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C	672.24 2,548.96
Total for this ACH Check for Vendor 10087:				3,221.20
ACH	10094 65732634 65732634 65732634 65732634 65732634	U.S. Treasury PR Batch 00004.10.2017 Federal Income Tax PR Batch 00004.10.2017 FICA Employee Portion PR Batch 00004.10.2017 FICA Employer Portion PR Batch 00004.10.2017 Medicare Employee Portion PR Batch 00004.10.2017 Medicare Employer Portion	11/02/2017 PR Batch 00004.10.2017 I PR Batch 00004.10.2017 I PR Batch 00004.10.2017 I PR Batch 00004.10.2017 I PR Batch 00004.10.2017 I	9,164.24 4,751.18 4,751.18 1,220.86 1,220.86
Total for this ACH Check for Vendor 10094:				21,108.32
ACH	10141 X43KXSU6657 X43KXSU6657	Ca State Disbursement Unit PR Batch 00004.10.2017 Garnishment PR Batch 00004.10.2017 Garnishment	11/02/2017 PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C	266.30 288.46
Total for this ACH Check for Vendor 10141:				554.76
ACH	10203 VB1450 PP22	Voya Financial PR Batch 00004.10.2017 Deferred Comp	11/02/2017 PR Batch 00004.10.2017 I	450.00
Total for this ACH Check for Vendor 10203:				450.00
ACH	10264 1000955802 1000955802	CalPERS Supplemental Income Plans PR Batch 00004.10.2017 CalPERS 457 PR Batch 00004.10.2017 CalPERS 457 %	11/02/2017 PR Batch 00004.10.2017 C PR Batch 00004.10.2017 C	1,492.30 12.68
Total for this ACH Check for Vendor 10264:				1,504.98
ACH	10087 103117 103117 103117	EDD SDI (Jaggers) Correction SDI (Fraser) Correction Final Pay Calculation SDI 3rd Quarter Rounding	11/02/2017	37.44 37.48 0.03
Total for this ACH Check for Vendor 10087:				74.95
Total for 11/2/2017:				41,607.36
7010	10019 0088494	C R & R Incorporated Monthly Charges 3 YD Commercial Bin Nov 2017	11/09/2017	254.38
Total for Check Number 7010:				254.38
7011	10635 435724	Cal-Mesa Steel Supply, Inc (2) 4" Steel Black Pipe 40 x 21' for Posts - NCR	11/09/2017	355.58
Total for Check Number 7011:				355.58
7012	10249 JZW2415 KDC6683 KLT3844 KMB9653 KNH9946 KNH9946 KNX5985	CDW Government LLC Crucial 8 GB Memory - Product Returned Crucial 8 GB Memory - Product Returned (1) Ink Cartridge for Scanner - Utility Billing (1) Warranty for Scanner - Utility Billing IT Security Item I IT Security Item III IT Security Item II	11/09/2017	160.94 -160.94 30.35 367.16 2,847.24 967.98 6,561.88
Total for Check Number 7012:				10,774.61

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7013	10614	Cherry Valley Automotive	11/09/2017	
	20747	Labor - Oil Change OD 95,535 - Unit 18		22.00
	20747	Oil Change/Filter OD 95,535 - Unit 18		17.98
	20747	Labor - Reset Engine Control Module OD 95,535 - Unit 18		25.00
	20828	Labor - Diagnostics & Compression Test OD 149,213 - Unit 15		100.00
Total for Check Number 7013:				164.98
7014	10112	Cla-Val	11/09/2017	
	730305	Coil 480/60 CSM11 - District Cla-Valves		229.29
	730305	Soll 120/60 CSM11 - District Cla-Valves		146.54
Total for Check Number 7014:				375.83
7015	10600	Gaucho Gophers & Landscape Management	11/09/2017	
	11032017	NCR I Rodent Control Oct 2017		1,000.00
Total for Check Number 7015:				1,000.00
7016	10303	Grainger Inc	11/09/2017	
	9538710006	(1) Cross Bed Tool-Box - Unit 32		365.37
	9538710006	(1) Cross Bed Tool-Box - Unit 33		365.37
	9538870057	(2) Side Tool-Boxes - Unit 32		927.23
	9538870057	(2) Side Tool-Boxes - Unit 33		927.23
	9542388971	(1) Return and Exchange Side Tool-Box		463.62
	9543189915	(1) Return and Exchange Side Tool-Box		463.62
	9580102508	(2) Return and Exchange Side Tool-Boxes		-927.23
	9580891605	(1) Cross Bed Tool-Box - Unit 34		365.38
Total for Check Number 7016:				2,950.59
7017	10052	Home Depot Credit Services	11/09/2017	
	1014701	(1) Windex Glass Cleaner - Yard Stock		3.41
	1014701	(4) 13G 140CT Boxes Trash Bags - Yard Stock		58.06
	1014701	(1) 15" Tool Bag - Unit 21		13.98
	1014701	(2) 8CT Pks Paper Towels - Yard Stock		40.88
	1014701	(2) 18CT Pks Toilet Papers - Yard Stock		27.95
	1014701	(4) 50CT 42G Contractor Bags - Main Office Stock		111.93
	2033326	(1) 26PC Metric Ballend Hex Set - Unit 33		21.72
	2033326	(2) HP Evaporative Cooler Motors - Well 29 & Stock		321.90
	7022023	(2) 8 Pack D Batteries - Yard Stock		27.97
	7022023	(3) 3D Cell Flashlights - Units #12 #16 #18		129.20
	7022023	(10) 50CT 42G Contractor Bags - Yard Stock		279.83
	9013491	(6) 50CT 42G Contractor Bags - Yard Stock		161.81
	9013491	(6) 100CT Disposable Gloves - Yard Stock		62.12
	9013491	(6) 200CT White Rags - Yard Stock		71.52
Total for Check Number 7017:				1,332.28
7018	10647	Lynda Kerney	11/09/2017	
	11022017	Reimbursement - (750) Business Cards - D Jagers		64.09
Total for Check Number 7018:				64.09
7019	10608	Koff & Associates	11/09/2017	
	4104	Compensation Study Services - Oct 2017		4,940.00
Total for Check Number 7019:				4,940.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7020	10429	Legend Pump & Well Service Inc	11/09/2017	
	54358	Labor - Replace 2 Relays Cla-Valve for Booster 2 - Well 24 & 25		784.00
	54358	Replace 2 Relays Cla-Valve for Booster 2 - Well 24 & 25		243.00
Total for Check Number 7020:				1,027.00
7021	10281	Luther's Truck and Equipment	11/09/2017	
	40141	Labor - Diagnostics/Repairs - Compressor		468.00
	40141	Compressor Oil/Wires/Tape/Wire Loom - Compressor		137.86
	40247	Labor - Install Tractor Tire - JD Backhoe		35.00
	40247	Valve Stem for Tractor Tire - JD Backhoe		9.70
	40283	Replace 2 Tires OD 47,392 - Unit 17		355.60
	40283	Labor - Mount and Disposal Fees 2 Tires OD 47,392 - Unit 17		110.00
Total for Check Number 7021:				1,116.16
7022	10634	Robert Mitchell	11/09/2017	
	103117	(14) Truck Washes		210.00
Total for Check Number 7022:				210.00
7023	10350	NAPA Auto Parts	11/09/2017	
	027910	(1) Tire Air Gauge - Unit 5		61.95
	027910	(1) WD40 Oil - Unit 5		6.99
	028557	(30) Cans Under Coating - Yard Stock		153.22
Total for Check Number 7023:				222.16
7024	10045	Pacific Alarm Service Inc	11/09/2017	
	R133707	Alarm/Equip Rent/Service/Monitor 560 Magnolia - Nov 2017		270.00
	R133708	Alarm/Equip Rent/Service/Monitor 11083 Cherry Ave - Nov 2017		44.50
Total for Check Number 7024:				314.50
7025	10219	Pumping Solutions Inc	11/09/2017	
	3017976	(1) Replace 3" Pump - District Wide		2,040.36
Total for Check Number 7025:				2,040.36
7026	10629	Redlands Ford	11/09/2017	
	5135095	(3) Key - Units #32 #33 #34		84.56
	5135095	(1) Key - Unit #1		6.40
Total for Check Number 7026:				90.96
7027	10223	Richards, Watson & Gershon	11/09/2017	
	213921	Legal Service Case 12788-0001Board Approved 11/08/2017		3,531.34
Total for Check Number 7027:				3,531.34
7028	10277	Rio Stone Building Materials	11/09/2017	
	13433	Concrete Ready Mix - Replace Sidewalk Panels @ Calumet FH		226.28
	13433	Maintenance Fee		8.00
Total for Check Number 7028:				234.28
7029	10290	San Gorgonio Pass Water Agency	11/09/2017	
	17-00154	1,372 AF @ \$317 for Oct 2017		434,924.00
Total for Check Number 7029:				434,924.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7030	10031	Staples Business Advantage	11/09/2017	
	3355494110	(1) 50CT Expansion Folders - Main Office Stock		66.90
	3355494110	(1) Case Multi-Fold Towels - Main Office Stock		32.86
	3355494110	(1) Case 30CT Paper Towels - Main Office Stock		27.73
	3355494110	(1) Box Medium Rubber Fingers - Main Office Stock		5.37
	3355494111	(1) 10 Cases Copy Paper - Main Office Stock		377.02
	3355494113	(1) Box Safety Masks - Item Returned		11.20
	3356749009	(2) 20CT Rolls Thermal Receipt Paper - Main Office Stock		112.04
	3356749010	(1) 100CT Box Disposable Gloves - Main Office Stock		9.15
	3356749011	(1) Box Safety Masks - Item Returned		-11.20
	3356749012	(1) 150CT Packet Laminating Sheets - Main Office Stock		16.37
	3356749012	(1) 2Pk Label Tape - Main Office Stock		42.01
	3356749012	(2) PG245XL Canon Black Ink - Main Office Stock		56.01
	3356749013	(6) Boxes Assorted Folders/Files/Exp Files - Main Office Stock		135.48
	3356749013	(1) 2Pk Post-It Flags - Main Office Stock		8.07
	3356749013	(3) Pks Sharpies & Highlighters - Main Office Stock		17.21
	3356749013	(1) 2 Part Receipt Book - Main Office Stock		36.82
	3356749013	(1) 12Pk Tape - Main Office Stock		12.38
	3356749013	(1) 12Pk Steno Pads - Main Office Stock		22.62
	3356749013	(1) 2Pk Sortkwik Fingertip Moistener - Main Office Stock		7.85
	3356749014	(1) 20Pk Box Safety Masks - Main Office Stock		19.60
	3357617584	(1) 10' RCA Audio Cable for Projector at 12th/Palm		13.46
	3357617586	(3) Packs Yellow Door Hangers - Utility Billing Stock		199.74
Total for Check Number 7030:				1,218.69
7031	10284	Underground Service Alert of Southern California	11/09/2017	
	1020170045	95 New Ticket Charges Oct 2017		166.75
Total for Check Number 7031:				166.75
7032	10255	Unlimited Services Building Maintenance	11/09/2017	
	0346497-IN	Nov 2017 Janitorial Services -12th/Palm		150.00
	0346498-IN	Nov 2017 Janitorial Services 560 Magnolia Ave		845.00
Total for Check Number 7032:				995.00
7033	10385	Waterline Technologies, Inc. - PSOC	11/09/2017	
		900 Gallons of Bleach - Well 29		1,044.00
Total for Check Number 7033:				1,044.00
7034	10633	West Coast Telcom Products	11/09/2017	
	W3879	(1) Handheld Leak Locator - District Wide		1,612.21
	W3879	Ground Microphone w/Cable & Tripod - Leak Locator District Wide		1,298.82
Total for Check Number 7034:				2,911.03
7035	UB*02733	Christopher Avila	11/09/2017	
		Refund Check		23.29
		Refund Check		39.55
		Refund Check		18.95
		Refund Check		13.60
Total for Check Number 7035:				95.39
7036	UB*02723	Lloyd Blinzler	11/09/2017	
		Refund Check		5.75
		Refund Check		14.71
		Refund Check		7.04
		Refund Check		5.06
Total for Check Number 7036:				32.56

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7037	UB*02728	Stephan Cash Refund Check	11/09/2017	94.41
Total for Check Number 7037:				94.41
7038	UB*02724	Francisco Gonzalez Refund Check Refund Check Refund Check Refund Check	11/09/2017	112.57 51.09 24.48 17.56
Total for Check Number 7038:				205.70
7039	UB*02737	Gabrielle Hernandez Ortega Refund Check Refund Check Refund Check Refund Check	11/09/2017	2.40 207.03 6.97 3.33
Total for Check Number 7039:				219.73
7040	UB*02725	Joe Boyden Kelly Million Refund Check Refund Check Refund Check Refund Check	11/09/2017	13.09 9.38 20.15 27.30
Total for Check Number 7040:				69.92
7041	UB*02729	Laura Khan Refund Check	11/09/2017	27.05
Total for Check Number 7041:				27.05
7042	UB*02735	Lila Merino Refund Check Refund Check Refund Check Refund Check	11/09/2017	6.60 13.95 6.68 4.80
Total for Check Number 7042:				32.03
7043	UB*02727	Snijina Nedeltchev Refund Check	11/09/2017	218.37
Total for Check Number 7043:				218.37
7044	UB*02738	Robert Nieves Refund Check	11/09/2017	14.39
Total for Check Number 7044:				14.39
7045	UB*02734	Ray Griffin Refund Check Refund Check Refund Check Refund Check	11/09/2017	0.14 2.35 1.69 4.92
Total for Check Number 7045:				9.10

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7046	UB*02736	Eileen Rodriguez	11/09/2017	
		Refund Check		81.24
		Refund Check		51.96
		Refund Check		85.91
		Refund Check		24.90
		Refund Check		17.86
Total for Check Number 7046:				261.87
7047	UB*02731	Arlene Skidmore	11/09/2017	
		Refund Check		30.62
		Refund Check		69.02
		Refund Check		33.07
		Refund Check		23.73
Total for Check Number 7047:				156.44
7048	UB*02732	Heather Strebeck	11/09/2017	
		Refund Check		90.98
		Refund Check		42.43
		Refund Check		20.33
		Refund Check		14.58
Total for Check Number 7048:				168.32
7049	UB*02726	Lena Vasquez	11/09/2017	
		Refund Check		6.72
		Refund Check		35.77
		Refund Check		16.92
		Refund Check		12.14
Total for Check Number 7049:				71.55
7050	UB*02730	Dawn Veliquette	11/09/2017	
		Refund Check		64.21
		Refund Check		71.88
		Refund Check		34.44
		Refund Check		24.71
Total for Check Number 7050:				195.24
Total for 11/9/2017:				474,130.64
ACH	10288	CalPERS Health Fiscal Services Division	11/10/2017	
	1800 101617	Active Employees Health Insurance Nov 2017		40,984.55
	1800 101617	Retired Employees Health Insurance Nov 2017		853.20
	1800 101617	Admin Fee for Health Insurance Nov 2017		145.01
	1800 101617	E Fraser (4 of 9) Health Insurance Nov 2017		1,757.55
Total for this ACH Check for Vendor 10288:				43,740.31
7051	10287	Bank of the West	11/10/2017	
	10034	US Postal Service		
		(400) Postage Stamps		196.00
	10037	Waste Management Of Inland Empire		
		Yard Dumpsters 815 E 12th Oct 2017		319.02
		Monthly Sanitation 560 Magnolia Ave		99.80
	10135	Big Time Design		
		(1) Uniform Polo Shirt - T Williams		29.09
		(4) T & D Uniform Safety Vests		112.06
		(3) Production Uniform Safety Vests		84.05
		(3) CS Uniform Safety Vests		84.04
		(8) T & D Uniform Work Shirts		195.03
		(19) T & D Uniform Safety Vests		377.13
		(5) Production Uniform Safety Vests		99.13

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	10147	Online Information Services, Inc 195 Credit Reports for Sep 2017		556.50
	10262	Dick's All Auto Repair Inc Labor - Oil Change and Inspection OD 13,093 - Unit 1 Oil/Filter/Drain Plug OD 13,093 - Unit 1 Labor - Smog Check OD 13,093 - Unit 1 Labor - Clean Battery/Replace Wiper Blades OD 13,093 - Unit 1 Degreaser/Battery Cleaner/Wipers OD 13,093 - Unit 1 Labor - Smog Check OD 140,415 - Unit 13 Labor - Smog Check OD 112,953 - Unit 10 Labor - Smog Check OD 148,842 - Unit 15		55.99 40.39 40.75 26.00 61.07 40.75 40.75 40.75
	10397	Wal-Mart (4) Cases of Water for Board Meetings		9.92
	10420	Amazon.com (7) Hydration Packs - Customer Service		111.16
	10424	Top-Line Industrial Supply, LLC (1) Fuel Transfer Hose - Unit 17		57.89
	10526	Verizon Monthly Phone Service 10/01-10/31/2017		957.06
	10546	Frontier Communications 10/10-11/09/17 Oct FIOS/FAX 12th/Palm Ave 09/25-10/24/17 Oct FIOS/FAX 560 Magnolia Ave		315.38 279.17
	10570	CHECKSFORLESS.COM (200) Deposit Bags Sales/Use Tax (200) Deposit Bags		27.34 -1.39
	10573	O'Reilly Auto Parts Floor Mats - Unit 34		32.30
	10623	WP Engine Web Host for BCVWD Website Oct 2017		29.00
	10630	FMB Truck Outfitters, Inc Lightbar/Traffic Advisor - Unit 34 Labor - Lightbar/Traffic Advisor - Unit 34 (1) Torch Bottle Holder - Unit 4 (1) Torch Bottle Holder - Unit 17		1,017.40 480.00 226.22 226.22
	10636	La Ti Da Studio (1) Headshot for General Manager		60.00
	10649	Discount Computer Center HP Laserjet Transfer Kit - 12th/Palm Sales/Use Tax - HP Laserjet Transfer Kit - 12th/Palm		81.22 -4.57
	10650	Bilco Commercial Parts (2) Springs for Vault Doors - Well 26		146.80
Total for Check Number 7051:				6,549.42
Total for 11/10/2017:				50,289.73
ACH	10030	Southern California Edison	11/13/2017	
	2039374889 Oct17	Electricity 08/23-09/22/2017 - Wells		20,206.73
	2039374889 Oct17	Electricity 09/22-10/23/2017 - Wells		147,759.75
	2039374889 Oct17	Electricity 09/22-10/23/17 - 12303 Oak Glen Rd		179.07
	2039374889 Oct17	Electricity 09/22-10/23/17 - 9781 Avenida Miravilla		111.62
	2039374889 Oct17	Electricity 09/22-10/23/17 - 13697 Oak Glen Rd		121.95
	2039374889 Oct17	Electricity 09/22-10/23/17 - 13695 Oak Glen Rd		47.01
	2039374889 Oct17	Electricity 09/22-10/23/17 - 815 E 12th Ave		316.41
	2039374889 Oct17	Electricity 09/22-10/23/17 - 560 Magnolia Ave		1,533.36
Total for this ACH Check for Vendor 10030:				170,275.90
Total for 11/13/2017:				170,275.90

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	10086 759475	American Family Life Assurance Company of Columbus AFLAC Employee Insurance Oct 2017	11/15/2017	1,248.60
Total for this ACH Check for Vendor 10086:				1,248.60
ACH	10138 HW201 Nov 2017	ARCO Business Solutions ARCO Fuel Charges 10/12-11/11/2017	11/15/2017	5,501.06
Total for this ACH Check for Vendor 10138:				5,501.06
Total for 11/15/2017:				6,749.66
ACH	10085 15088256 15088256 15088256 15088256 15088256 15088256	CalPERS Retirement System PR Batch 00001.11.2017 CalPERS 1% ER Paid PR Batch 00001.11.2017 CalPERS 7% EE Deduction PR Batch 00001.11.2017 CalPERS 8% EE Paid PR Batch 00001.11.2017 CalPERS 8% ER Paid PR Batch 00001.11.2017 CalPERS ER Paid Classic PR Batch 00001.11.2017 CalPERS ER PEPRA	11/16/2017 PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C	152.37 2,520.35 2,375.93 934.45 7,764.52 1,489.00
Total for this ACH Check for Vendor 10085:				15,236.62
ACH	10087 1-662-683-200 1-662-683-200 2-082-572-352 2-082-572-352	EDD PR Batch 00002.11.2017 CA SDI PR Batch 00002.11.2017 State Income Tax PR Batch 00001.11.2017 CA SDI PR Batch 00001.11.2017 State Income Tax	11/16/2017 PR Batch 00002.11.2017 C PR Batch 00002.11.2017 S PR Batch 00001.11.2017 C PR Batch 00001.11.2017 S	0.04 327.11 598.14 2,359.81
Total for this ACH Check for Vendor 10087:				3,285.10
ACH	10094 250349 250349 250349 250349 250349 4584176 4584176 4584176 4584176 4584176	U.S. Treasury PR Batch 00001.11.2017 Federal Income Tax PR Batch 00001.11.2017 FICA Employee Portion PR Batch 00001.11.2017 FICA Employer Portion PR Batch 00001.11.2017 Medicare Employee Portion PR Batch 00001.11.2017 Medicare Employer Portion PR Batch 00002.11.2017 Federal Income Tax PR Batch 00002.11.2017 FICA Employee Portion PR Batch 00002.11.2017 FICA Employer Portion PR Batch 00002.11.2017 Medicare Employee Portion PR Batch 00002.11.2017 Medicare Employer Portion	11/16/2017 PR Batch 00001.11.2017 F PR Batch 00001.11.2017 F PR Batch 00001.11.2017 F PR Batch 00001.11.2017 M PR Batch 00001.11.2017 M PR Batch 00002.11.2017 F PR Batch 00002.11.2017 F PR Batch 00002.11.2017 F PR Batch 00002.11.2017 M PR Batch 00002.11.2017 M	8,708.03 4,861.33 4,861.33 1,246.63 1,246.63 799.38 198.25 198.25 46.36 46.36
Total for this ACH Check for Vendor 10094:				22,212.55
ACH	10141 8CBDV0Q6657 8CBDV0Q6657	Ca State Disbursement Unit PR Batch 00001.11.2017 Garnishment PR Batch 00001.11.2017 Garnishment	11/16/2017 PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C	266.30 288.46
Total for this ACH Check for Vendor 10141:				554.76
ACH	10203 VB1450 PP23	Voya Financial PR Batch 00001.11.2017 Deferred Comp	11/16/2017 PR Batch 00001.11.2017 I	475.00
Total for this ACH Check for Vendor 10203:				475.00
ACH	10264 15125171 15125171	CalPERs Supplemental Income Plans PR Batch 00001.11.2017 CalPERS 457 PR Batch 00001.11.2017 CalPERS 457 %	11/16/2017 PR Batch 00001.11.2017 C PR Batch 00001.11.2017 C	1,492.30 14.53
Total for this ACH Check for Vendor 10264:				1,506.83



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7052	10001	Action True Value Hardware	11/16/2017	
	46232	(1) Can Anti-Rust 40' Storage Bin - 12th/Palm		4.84
	46232	(1) Pulley/Nut/Screw for Swamp Cooler Repairs - Well 29		12.38
	46232	(3) Cans Primer/Spray Paint - Fire Hydrants		12.46
	46232	(1) Wire Wheel for Cleaning 2" Air Vac - Well 16		4.30
	46232	Fittings/Clamps/Connectors for Pipe Saw at NCR		8.80
	46232	Elbows/Reduces/Solenoids - Sprinkler Repairs ODA I		103.12
Total for Check Number 7052:				145.90
7053	10272	Babcock Laboratories Inc	11/16/2017	
	BJ70060-0034	(12) Coliforms B7-B12, H1, H2, I1, I3, M3, N4		480.00
	BJ70261-0034	(1) Coliform Well 5 Raw		45.00
	BJ70264-0034	(4) Coliforms Well 4A, Well 6, Well 12, Well 14		160.00
	BJ70265-0034	(12) Coliforms B1-B6, B10, H1, I1, I2, M1, N1		480.00
	BJ70872-0034	(3) Coliforms Well 5, Well 6, Well 16		120.00
	BJ71142-0034	Title 22 - Well 5		2,015.00
	BJ71428-0034	(12) Coliforms B7-B12, H2, I1, I3, M2, M3, N2		480.00
	BJ71500-0034	(12) Coliforms B1-B6, B10, H1, I1, I2, M1, N3		480.00
	BJ72004-0034	(5) Nitrate Samples Well 16, 21, 25, Cherry & Vineland Reservoir		75.00
	BJ72045-0034	Title 22 - Well 5		1,030.00
	BJ72307-0034	(3) Coliforms Well 14, Well 21, Well 25		120.00
	BJ72308-0034	(12) Coliforms B7-B12, H1, H2, I1, I3, M3, N4		480.00
Total for Check Number 7053:				5,965.00
7054	10614	Cherry Valley Automotive	11/16/2017	
	20699	Labor - Replace Front Brakes OD 47,325 - Unit 17		160.00
	20699	Replace Front Brakes OD 47,325 - Unit 17		130.85
Total for Check Number 7054:				290.85
7055	10516	DMV Renewal	11/16/2017	
	CF 8596SF	HUL 01413H697 - Registration NCR Boat		36.00
Total for Check Number 7055:				36.00
7056	10465	Image Source	11/16/2017	
	AR676150	Xerox 3610 Contract Charges 11/01-11/30/2017		58.91
	AR676150	Xerox 3610 Usage Charges 10/01-10/31/2017		484.44
Total for Check Number 7056:				543.35
7057	10398	Infosend, Inc	11/16/2017	
	127666	Oct 2017 Postage Charges for Utility Billing		4,316.48
	127666	Oct 2017 Billing Charges for Utility Billing		920.95
	127666	Oct 2017 Supply Charges for Utility Billing		787.49
Total for Check Number 7057:				6,024.92
7058	10273	Inland Water Works Supply Co.	11/16/2017	
	S1004203.001	(60) Itron Security Seals - Meter Maint		12.67
	S1004807.001	(20) #1015 Meter Box Flush Covers - Inventory		612.45
	S1004807.001	(40) 8" x 6" Gate Caps - Inventory		971.47
	S1004807.001	(20) 8" x 12" Slip Cans - Inventory		253.43
	S1004807.001	(20) 8" x 18" Slip Cans - Inventory		316.78
	S1004807.001	(2) 450 - 540 x 2" DS Saddles - Inventory		92.93
	S1004807.001	(9) #37 Meter Boxes Complete Concrete Sets - Inventory		275.60
	S1004807.002	(1) #37 Meter Boxes Complete Concrete Sets - Inventory		30.62
	S1004807.002	(10) #38 Meter Boxes Complete Concrete Sets - Inventory		496.30
	S1004807.002	(20) #1320 Meter Box Plastic Flush Covers - Inventory		1,013.71
	S1004807.002	(10) #1730 Meter Box Plastic Read Covers - Inventory		1,763.44
	S1004807.003	(1) 450 - 540 x 2" DS Saddles - Inventory		46.46
	S1004896.001	(1) Lock-Off Lockwing - Inventory		100.05
	S1004896.001	(1) Lock-On Lockwing - Inventory		94.28
	S1004896.001	(1) Lock-On Lockwing - Inventory		110.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	S1005290.001	(3) 8" 90 DI MJ 90 ELL - Inventory		224.92
	S1005290.001	(6) 8" Romac Megalug Kits - Inventory		418.15
	S1005554.001	(150) 1" Meter Couplings - Inventory		2,217.50
	S1005554.001	(150) 1" x 6" Brass Nipples - Inventory		1,900.71
	S1005554.001	(21) 1" x 5" U Branch - Inventory		1,308.32
	S1005554.001	(50) Lock-Off Lockwings - Inventory		4,276.60
	S1005554.001	(50) Lock-On Lockwings - Inventory		4,751.77
	S1005554.001	(84) 1" Brass Couplings - Inventory		975.70
	S1005554.002	(2) 1" Brass Couplings - Inventory		23.23
	S1005554.004	(14) 1" Brass Couplings - Inventory		162.62
	S1005554.004	(29) 1" x 5" U Branch - Inventory		1,806.73
	S1005821.001	(34) 1" Brass Couplings - Inventory		394.93
	S1005821.001	(150) 1" Meter Couplings - Inventory		2,217.49
	S1005821.001	(122) 1" x 6" Nipples - Inventory		1,545.91
	S1005821.001	(50) 1" Lock-Off Lockwings - Inventory		4,276.60
	S1005821.001	(9) 1" Lock-On Lockwings - Inventory		855.32
	S1005821.001	(1) 1" x 5" U Branch - Inventory		62.30
	S1005822.001	(57) 1" Check Valves - Inventory		4,815.13
	S1005822.001	(100) 1" Ball Valves - Inventory		3,484.64
Total for Check Number 7058:				41,909.36
7059	10429 54366	Legend Pump & Well Service Inc Replace Tank Valve - Middle House Tank	11/16/2017	144.34
Total for Check Number 7059:				144.34
7060	10634 111517	Robert Mitchell (17)Truck Washes - Nov 2017	11/16/2017	315.00
Total for Check Number 7060:				315.00
7061	10317 100551 100551 100551 100551 100551 100551 100551	Robertson's Ready Mix Sand for Temporary Repairs/Leaks - Meter Services Sand for Temporary Repairs/Leaks - Pipelines/Hydrants Sand for Temporary Repairs/Leaks - Pipelines/Hydrants Sand for Temporary Repairs/Leaks - Pipelines/Hydrants Base for Temporary Repairs/Leaks - Meter Services Base Energy Surchrg for Temporary Repairs/Leaks - Meter Services Base Env Fee for Temporary Repairs/Leaks - Meter Services	11/16/2017	28.19 28.46 148.50 149.03 150.46 21.00 9.00
Total for Check Number 7061:				534.64
7062	10063 00148987	The Record Gazette Inviting Bids for Well 6 Repairs	11/16/2017	410.00
Total for Check Number 7062:				410.00
7063	10116 9795334194 9795334194 9795334194	Verizon Wireless Services LLC Cell Phone for General Manager Cell Phone Charges Oct 2017 New Cell Phone/ iPad Charges Oct 2017	11/16/2017	448.63 69.31 214.10
Total for Check Number 7063:				732.04
7064	10385	Waterline Technologies, Inc. - PSOC 900 Gallons Bleach - Well 25	11/16/2017	1,044.00
Total for Check Number 7064:				1,044.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7065	10293 66544	Western Dental Services Inc Western Dental Premiums Nov 17	11/16/2017	183.89
Total for Check Number 7065:				183.89
7066	UB*00312 040282-000	Kevin Le Refund Unclaimed Funds	11/16/2017	19.46
Total for Check Number 7066:				19.46
7067	10648 040442-000	Trucdi Nguyen Refund Unclaimed Funds	11/16/2017	60.23
Total for Check Number 7067:				60.23
7068	UB*02739	Timothy Stiff Refund Check	11/16/2017	31.05
Total for Check Number 7068:				31.05
7069	UB*00837 040105001	Nicole Vonallmen Re-Issue Refund Check	11/16/2017	167.73
Total for Check Number 7069:				167.73
Total for 11/16/2017:				101,828.62
7070	UB*02740	Vanessa Allen Refund Check Refund Check Refund Check Refund Check	11/22/2017	54.26 62.27 29.84 21.41
Total for Check Number 7070:				167.78
7071	UB*02743	Brennan Real Estate Refund Check Refund Check Refund Check Refund Check	11/22/2017	22.77 24.27 11.63 8.34
Total for Check Number 7071:				67.01
7072	UB*02742	Lorraine Garcia Refund Check Refund Check Refund Check Refund Check	11/22/2017	977.73 29.25 12.95 9.30
Total for Check Number 7072:				1,029.23
7073	UB*02741	Steve Smith Refund Check Refund Check Refund Check Refund Check	11/22/2017	27.51 40.91 19.61 14.06
Total for Check Number 7073:				102.09

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7074	UB*02744	Susan Suescun Refund Check Refund Check Refund Check Refund Check	11/22/2017	60.05 14.08 6.75 4.84
Total for Check Number 7074:				85.72
7075	10271	Beaumont Ace Home Center (1) Gallon White Enamel Paint - Discharge Line Well 5 (1) Gallon Primer/Brushes/Connector - Discharge Line Well 5 (1) Epoxy Syringe - Repairs (2) Double Sided Truck Keys Paint Kit for Wells 5 & 13 (1) Rock Pick/Shovel/Trowel - Tools for Unit 4 (1) Teflon Rope - Supplies for Unit 17 (2) 2Pk Brushes - Tools for Units 17 & 22 (3) Knockout Seals for Electrical Panel - Well 5 (1) 3/4" Check Valve for 210 W 6th St Meter (1) 12" Adj Wrench - Tools for Unit 17 (1) Premium Pump - Swamp Cooler for Well 25 (2) 8oz Pipe Thread Compound - Mew Meter Assemblies (1) 25' Tape Measure - Tools for Unit 16 (32) Bolts for Wells 2A & 24 Swamp Cooler Motors (2) Reflective Tape/Duct Tape - Concrete Posts at NCR (1) 3/4 HP Motor/Washers/Nuts/Bolts Swamp Cooler - Well 29 (1) Credit 3/4 HP Motor Swamp Cooler - Well 29 (12) Keys/Key Tags/Rings - District Vehicles (1) Key/Key Tags/Ring - District Vehicles (10) 36" Steel Stakes - NCR I Fence Repair (1) 33' x 160' Dura Cool Roll - Swamp Coolers Replacement Pads (1) Premium Pump/Pliers Set/Screw - Swamp Cooler Maint - Well 25 (1) Tool Bag/Measuring Tape - Tools for Unit 11 (6) No Hunting Signs/No Parking Signs/Rings - NCR Postings (1) Drill Bit - Field Staff Tools Thread Tap/Beeswax/Screws for Door Repairs - Main Office (1) Pressure Regulator for Chlorinator - Well 4A (1) PVC Cement - New Meter Assemblies PVC Cement/Primer for NCR Sprinkler Repairs (1) 16" x 7" Kneeler Pad - Tools for Unit 17 Bolts/Washers - Repairs for JD Tractor Rake Steel and Wood Stakes for Sidewalk Repairs - 724 Calumet 5' Matting for Tool Bed Liner - Unit 34 PVC Cement/Primer/Ball Valve/Couplings - CL2 Repair for Well 4A (1) 2oz Threadlock Compound for Door Repairs - Main Office (1) 1/2" Countersink/1" Bit for Door Repairs - Main Office Screws and Washers for Door Repairs - Main Office (2) Premium Pumps for Well 24 and Stock (1) 50' Triple Tap Cord for Swamp Cooler - Well 24 Screws and Nuts for Door Repairs - Main Office (1) Bungee Cord and 20 Gallon Trash Can - Unit 17	11/22/2017	52.79 75.78 5.70 5.37 76.60 80.78 4.08 10.75 6.00 26.92 25.85 29.62 9.68 18.85 5.00 32.28 105.89 -103.43 81.59 21.81 64.54 44.49 55.83 70.02 184.13 4.84 12.64 137.91 8.07 15.92 11.84 3.93 57.42 20.42 40.08 5.16 20.45 2.87 59.24 33.93 1.59 23.04
Total for Check Number 7075:				1,450.27
7076	10296 G1211101 G1211101	Johnson Machinery Co. (1) 416F2 Backhoe Loader w/Warranty - Board Approved 05/18/2017 (1) 416F2 Backhoe Loader Tire Fee	11/22/2017	90,084.07 7.00
Total for Check Number 7076:				90,091.07
7077	10224 0101129 Nov 2017	Legal Shield Monthly Prepaid Legal for Employees Nov 2017	11/22/2017	195.35
Total for Check Number 7077:				195.35

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
7078	10278 KM05754034 Nov 17 KM05754034 Nov 17	MetLife - Group Benefits MetLife Dental Ins Nov 2017 MetLife Vision Ins Nov 2017	11/22/2017	546.83 58.12
Total for Check Number 7078:				604.95
7079	10095 201710000339	Riverside County Dept of Waste Resources Weeds/Trash/Pond Clean Up - NCR I Oct 2017	11/22/2017	144.58
Total for Check Number 7079:				144.58
7080	10031 3355494108	Staples Business Advantage (1) Case Thermal Rolls for Utility Billing	11/22/2017	96.96
Total for Check Number 7080:				96.96
7081	10036 A0152081W	USA Mobility Wireless Inc Stand-by Pager for SCADA System Nov 2017	11/22/2017	69.80
Total for Check Number 7081:				69.80
Total for 11/22/2017:				94,104.81
Report Total (134 checks):				1,056,346.51



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017  
**TO:** Board of Directors  
**FROM:** Dan Jagers, General Manager  
**SUBJECT:** Approval of Pending Invoice

---

**Recommendation**

Staff recommends that the Board of Directors approve the pending invoice totaling \$2,513.84.

**Background**

Staff has reviewed the pending invoice and found the services rendered were acceptable to the District.

**Fiscal Impact**

There is a \$2,513.84 impact to the District which will be paid from the 2017 budget.

Attachments:

- Richards Watson Gershon Invoice # 214344.



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078
Fed. I.D. No. 95-3292015

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DAN JAGGERS, INTERIM GENERAL MANAGER
Beaumont- Cherry Valley Water District
560 Magnolia Avenue
Beaumont, Ca 92223-2258

November 10, 2017
Invoice # 214344

Re: 12788-0001 GENERAL COUNSEL SERVICES

For professional services rendered through October 31, 2017:

Table with 2 columns: Description and Amount. Rows include Current Legal Fees (\$2,447.50), Current Client Costs Advanced (\$66.34), TOTAL CURRENT FEES AND COSTS (\$2,513.84), Balance Due From Previous Statement (\$3,531.34), and TOTAL BALANCE DUE FOR THIS MATTER (\$6,045.18).

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
DRAFT  
MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
560 Magnolia Avenue, Beaumont, CA 92223  
Wednesday, November 8, 2017  
7:00 p.m.**

---

**Call to Order: President Slawson**

President Slawson began the meeting at 7:04 p.m.

**Pledge of Allegiance: Director Hoffman**

Director Hoffman led the pledge.

**Invocation: President Slawson**

President Slawson gave the invocation.

**Roll Call:**

Directors present:	President Slawson Directors Covington, Diaz, Hoffman
Directors absent:	Ramirez
Staff present:	General Manager Dan Jagers, Director of Finance and Administrative Services Yolanda Rodriguez
Legal counsel:	James Markman

**Public Comment:**

Ms. Pam Lindgren advised the Board of the talking points of the National Association of Realtors on the proposed tax reform. She requested those who are in opposition contact their local congressman.

**ACTION ITEMS**

**1. Adjustment to the Agenda**

Mr. Jagers indicated there was supplemental information on item 6.

**2. Consent Calendar:**

The following Consent Calendar items were approved with one motion:

- a. September 2017 Budget Variance Report Review
- b. September 30, 2017 Cash/Investment Balance Report
- c. September 2017 Cash Flow Report
- d. October 2017 Check Register Review
- e. October 2017 Invoices Pending Approval
- f. Minutes of the Regular Meeting October 11, 2017



MOVED: Diaz	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**3. Consideration of Audit Firm for Professional Auditing Services in an amount not to exceed \$68,100**

Director of Finance and Administration Yolanda Rodriguez explained that the five-year contract with Vavrinek, Trine, Day & Co., LLP (VTD) ended in 2016. Since best practices suggest auditing firms should be rotated for accountability and transparency, staff sent out a Request for Proposal and received 12 responses. The proposals were scored using a template from the American Institute of Certified Public Accountants. Although Rogers, Anderson, Malody and Scott, LLP (RAMS) was not the lowest price, staff recommends RAMS due to their reputation and experience.

Director Diaz asked about RAMS' experience with the water industry. Ms. Rodriguez indicated their proposal lists several water districts as clients, and they seem well-rounded. Their cost for the next three years is \$22,700 annually. The District has the option to extend for an additional two years at \$23,265, and \$23,845 respectively.

Director Hoffman asked about other respondents' bids. General Manager Jagers noted the two lowest were RAMS and one other from Orange County. RAMS is local to the inland empire. The other firm is new and seems to be growing robustly. RAMS seems more stable and has 40 years of experience in this area. For the slightly higher price, staff recommends RAMS. Director Hoffman pointed out the price difference between the high and low bids was \$5,000. He concurred that the experience and background of RAMS seem worth the investment.

Director Diaz asked about the extent of the audit. Ms. Rodriguez indicated that since this firm will be new and unfamiliar with the District, she expects an in-depth look at internal controls, processes and more to be sure all is in check.

Director Hoffman moved approval of the proposal from Rogers, Anderson, Malody and Scott, LLP for auditing services for FY 2018 - 2020.

MOVED: Hoffman	SECONDED: Diaz	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**4. Selection of Consultant for the Engineering Services for the 2017 Water Pipeline Replacement Projects**

General Manager Dan Jagers reminded the Board of the presentation of the six proposals at last month's meeting. Staff recommends moving forward with a contract with Michael Baker International.

Director Diaz asked about negotiations. Mr. Jaggars explained the base bid is \$172,815. The project scope is well defined; there are nuances, but contingency has been added. Details of the Scope of Work (SOW) are included in the Board packet.

Director Covington asked if the price covered design and all items in the SOW for all three pipeline projects; General Manager Jaggars said they were. This may seem high, he said, but two of the projects are fairly complex because of location and existing obstacles. Staff believes it is a reasonable price.

Director Covington requested detail. Mr. Jaggars noted that included is environmental, siting, project management, assuring district needs are satisfied, design, and all aspects of the work. Inspections and some staff work will be handled in-house. Director Covington asked about preliminary and final design. Mr. Jaggars noted that final design (construction drawings) will be part of the contract documents.

Director Diaz asked about the project timeline; Director Covington noted it is six months. He moved approval of the contract with Michael Baker International.

MOVED: Covington	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**5. Selection of Consultant for the Engineering Services for the Noble Water Storage Tank No. 2 and Transmission Pipeline Project**

General Manager Dan Jaggars explained two highest rated / lowest cost bids scored closely and were priced similarly. Michael Baker scored slightly higher, but was more expensive. Both were presented last month to the Board, and staff leaves this decision to the pleasure of the Board.

Mr. Jaggars clarified this bid is for design phase services, not for construction. Staff would like to get the project moving forward, then address construction-phase services. Director Diaz asked about the timeline for Michael Baker. Mr. Jaggars noted both bidders have the ability to do both projects and both are local; Temecula and San Jacinto.

Director Covington asked if these two months in the timeline will affect the District. Mr. Jaggars indicated that the master plan projected the tank would be needed by 2020. Either timeline works for the District; the project is on schedule.

Director Hoffman moved approval of the lower bid of Cozad and Fox at \$193,000.

MOVED: Hoffman	SECONDED: Diaz	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**6. Consideration of Request for Authorization for Repair Work for the Well 6 Pumping Unit and Authorization for the General Manager to execute a contract to complete the project**

General Manager Jagers explained this is a well facility rehabbed in the spring of 2015. Three weeks ago, field staff reported the motor was spinning free. The problem must now be investigated and Mr. Jagers recommends a holistic approach to cover all potential costs. The actual cost may be less.

Six bidders responded to the District's advertising. The two lowest bidders are familiar with the well, this knowledge likely reflected by their lower bids. In response to Director Diaz, Mr. Jagers noted that Southwest Pump & Drill had most recently worked on the well.

Director Diaz moved approval of the bid from Legend Pump & Well Service.

MOVED: Diaz	SECONDED: Covington	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**7. Consideration of Request for an Extension of Annexation and "Will Serve Letter" for the Hidden Canyon II Development (located South of State Route 60/West of Potrero Road)**

General Manager Jagers explained this came before the Board a couple of years ago as an annexation and will serve letter for a parking lot south of the 60 freeway and west of the southerly projection of Potrero Road. Director Covington asked if the area had been annexed into the City of Beaumont. Mr. Jagers said it had not. A representative of the developer is present to answer any questions.

Director Covington noted the area seems isolated and moved approval of the extension of the Annexation and Will Serve Letter for APN 421-020-003.

MOVED: Covington	SECONDED: Slawson	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**8. Consideration of an Update of "Will Serve Letter" for the proposed Country Club Village Development**

President Slawson recused himself and left the room at 7:26 p.m.

Director Covington introduced the item. General Manager Jagers noted there is a representative present for any questions. This property was annexed in the mid-2000s and came to the Board in 2014 to request a Will Serve Letter. The project is now moving forward with its first phase and an update is needed.

Director Hoffman requested and received clarification that this is a request for an extension and the District is already legally obligated. He then moved

approval of the update of the Will Serve Letter for the proposed Country Club Village development.

MOVED: Hoffman	SECONDED: Diaz	APPROVED 3-0
AYES:	Covington, Diaz, Hoffman	
NOES:	None.	
ABSTAIN:	Slawson	
ABSENT:	Ramirez	

President Slawson rejoined the meeting at 7:29 p.m.

**9. 8<sup>th</sup> Street Water Service Lateral Replacement Project Reimbursement Agreement with the City of Beaumont and Approval of Not-to-Exceed Construction Cost**

General Manager Jagers reminded the Board this subject was broached in his general manager’s report at the last Board meeting. In August, the City advised of street improvements going to bid. The District identified lines within the construction area and believes they will be adversely affected by the street reconstruction. The District met with the City, developed a construction package and cost estimate for the work and created a reimbursement agreement. Legal counsel has approved a contract which will piggyback the City’s.

The City wants to bid the contract in the next few weeks. If there is a significant difference in cost it will be brought back to the Board, and actual costs will be reported back to the Board. Funds to participate in this project are requested from the Capital Improvement Budget.

Director Diaz moved approval of the Agreement with the City of Beaumont. Director Covington noted item 209 in the bid schedule and asked about replacement of the meter box. General Manager Jagers explained the cost of labor and of providing the box. A field walk was performed and it was determined that 18 meter boxes need replacement. The cost should be \$900 for the labor, the District will provide the box.

MOVED: Diaz	SECONDED: Covington	APPROVED 4-0
AYES:	Covington, Diaz, Hoffman, Slawson	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**10. Discussion of Regional Water Supply Portfolio and Funding Strategies for SGPWA Regional Needs and BCVWD Specific Needs**

General Manager Jagers explained the District has been discussing supply and demand opportunities, projections and the needs of the region, looking at the Urban Water Management Plan and the District’s own needs as a large consumer of the water supply.

The San Gorgonio Pass Water Agency had a discussion on funding strategies and capacity fees at its regular Board meeting on Monday this week. It was a long meeting and much of the crowd left. Staff continues to discuss this important information. We are continuing to discuss it.

Mr. Jagers said the District is struggling with the SGPWA’s update of the capacity fee and the many moving parts of the local water supply. Along with

the State Water Project, the California Water Fix, a large storage reservoir north of the Delta in which BCVWD and the SGPWA have invested, the nickel water lease from Antelope Valley, and the negotiation of an agreement with San Bernardino MWD to get surplus water at cost, the SGPWA is considering a host of other opportunities.

BCVWD struggles with how the capacity fee update might affect this District and whether it is reasonable. Mr. Jagers explained several components which need analysis. He created an outlook spreadsheet showing current anticipated water portfolio planning and how costs might be allocated across various funding mechanisms. A strategy is needed to accurately fund water supply in a way that is reasonable and effective to get the highest quality, lowest cost water.

Staff acquired and analyzed data on the State Water Project, the Sites Reservoir, and the twin tunnels project. Agencies are looking hard and trying to understand costs. There is a lot of variability.

Mr. Jagers shared a PowerPoint presentation regarding challenges and what must be understood to move forward. He noted the complexity of the issues and the projected cost of \$2,222 per acre-foot to bring water to the area. He said the SGPWA has identified some funding methods and drawn some conclusions. When the District is asked to participate in water deals, analysis is done to come up with the best, lowest cost solution. Currently, the stage is being set to start working collectively as a region. He said the District needs to leverage all the information to come to a real understanding.

District Counsel Markman noted that if the California Water Fix goes in, there will be additional costs. Mr. Markman predicted three to five years of environmental litigation once it passes, before anything is built.

Mr. Jagers presented some numbers based on staff's analysis of available information. There may be more supply coming available through the California Water Fix due to some agencies dropping out of the program. These are the current assumptions from larger agencies and are the best available data. He continued to explain funding sources and formulas for determining costs. The SGPWA listed some options such as increasing tax base, reserves, general fund, taxes, new standby charges, and creation of new improvement districts.

Mr. Jagers would like to see the region work together and become collectively educated with a sensible strategy, multiple funding sources identified and a holistic outlook and plan for future needs. The Pass Agency is BCVWD's wholesaler and they have many variable costs. They need to be working on this with all retail agencies and stakeholders. He indicated that BCVWD wants to be part of the solution and suggested a facilitator.

Director Hoffman referenced the Monday meeting at San Geronio Pass Water Agency. He thanked Dr. Ball and members of the SGPWA Board for attending tonight's meeting. At the Monday SGPWA meeting, a joint meeting or committee with directors of different districts was suggested to meet and review the various components to get an understanding. There seemed to be a consensus that they will entertain that, Director Hoffman reported. He said they also felt that if a water opportunity come along but another board thought it too expensive, SGPWA therefore did not have the authority to go ahead and purchase the water. Director Hoffman noted the meeting was challenging with

a seven-member board, all with good input. Progress was made at that meeting and tonight with this presentation but this is the tip of the iceberg, he said. There is much more to learn.

Director Covington pointed out that to some degree this is the same thing that was being talked about in 2011. Now, seven years down the road, there is still no draft solution. A consultant previously hired by SGWPA brought back some information which was mostly well received. BCVWD has been most vocal about methodology for the cost of water to be sure existing homeowners are not burdened. Absent participation from the City of Beaumont and SGPWA, Director Covington stated, BCVWD may hire its own consultant rather than waiting five years for a solution. He suggested reinstating the managers' meetings. Director Covington remarked that every year goes by and fees are not being collected yet houses are still being built.

General Manager Jagers added that when approached for water deals, there must be an understanding that makes sense and has value. To just pay the fee with a basis that does not accurately review and consider all funding sources is difficult to get behind. A baseline is needed.

Mr. Markman concurred with Director Covington and suggested that he and Mr. Pinkney, the city attorney and counsel for SGPWA, define a valid legal exaction fee that will stand up as reasonably proportionate to the impact of that particular house. That's the reason this must be understood. Staff must also define the breakpoint where more water supplies will be needed, because that is what can be charged as a water supply fee to developers. It is important to have a fee that will stand up when challenged.

President Slawson thanked the group for its work.

Mr. Jeff Chambers of Pardee Homes thanked General Manager Jagers for the information. He noted the Pass Agency is paying \$23 million for 17,000 acre feet of water and asked if it was a one time or recurring cost. Staff explained it is an annual cost which includes capital costs and transportation of water. Mr. Chambers stated that is a big number which exists whether there is new development or not. Existing water users would be paying for the increasing amount no matter what. Mr. Jagers explained it is paid through assessed land value across the entire sphere of influence of the SGPWA, sharing the burden. Mr. Chambers indicated desire to understand the numbers, and Mr. Jagers invited him to come to the office and view the spreadsheets. Mr. Chambers reported that Pardee has planned several thousand more homes in the area and as a major stakeholder in Beaumont and the City of Banning would welcome participation in meetings to discuss how this comes together.

## **11. Reports For Discussion**

- a. Ad Hoc Committees: No report.
- b. General Manager:

Mr. Jagers reported that the Pass Agency bid the Beaumont Avenue recharge facility project, rejected all bids and will re-bid the project. Mr. Jagers noted that BCVWD ponds are operating at 45 to 50 percent capacity and may have additional capacity of 26,000 to 30,000 AF per year. He suggested to the Pass Agency that BCVWD is very interested in moving forward with a hydraulic connection upgrade at the Noble

Creek connection. A letter was sent to SGPWA in August 2016 asking for the connection, and Mr. Jeff Davis, general manager at SGPWA recently said they are ready to move forward. Mr. Jagers will keep on it. The SGPWA project is now delayed six to nine months.

He updated the Board on the status of the recharge ponds.

President Slawson asked about the timeline for expansion of the connection. General Manager Jagers explained the process and said he hoped the rebid project does not truncate this project.

c. Directors' Reports:

Director Covington:

Director Covington reported that he and Director Hoffman attended a Beaumont General Plan Update Task Force meeting on October 8. The group reviewed some of the 700 community surveys and the consultant's conceptual plan and made suggestions. The group also talked about key policy issues.

The Personnel Committee met to continue work on the Association's MOU. Comments will be submitted to staff for compilation, then the General Manager and Director of Finance and Administrative Services will meet with the Association and present the redline. The full board will review it at the December 13 regular meeting. He anticipates a 10 p.m. meeting adjournment as there are many items to cover.

Director Covington reported on the Collaborative Agencies Committee meeting on November 1. Ms. Rodriguez provides administrative support. Discussed were paving work throughout the City and the agreement; the appointment of Mr. Jagers as general manager, school planning, and update on Bogart Park.

On November 6, the Personnel Committee met again and discussed the compensation survey. The consultant will be back to make a presentation. All agreed it is a great thing for the District and it should be done again prior to the expiration date of the next MOU.

Director Covington continued. Tonight's Personnel Committee meeting met first in closed session on the MOU then gave an update to the Association and staff present. At the December meeting the staff will be provided a copy of the compensation study for their perusal.

On November 21, the State Water Resources Control Board will have a public hearing to discuss the emergency drought regulations. The governor ended the drought in April, but some of the regulations continued. This meeting will discuss what regulations stay on the books and which expire on December 25.

Director Hoffman:

Director Hoffman noted that the phase 1 recharge facility looks nice and complimented staff. He thanked staff for extra work that has been done.

Director Diaz:

Director Diaz said she appreciated the meeting with the SGPWA as there was great information shared. She thanked the General Manager

for pursuing this issue, as it is important for this area and he does it with a positive attitude.

d. Legal Counsel Report: None.

## 12. Announcements

President Slawson read the following announcements:

- District Offices will be closed Thursday, November 23, 2017 in observance of Thanksgiving Day.
- Beaumont Basin Watermaster meeting: December 6, 2017 at 10:00 a.m.
- Finance and Audit Committee meeting: December 7, 2017 at 3:00 p.m.
- Engineering Workshop: December 7, 2017 at 7:00 p.m.
- Regular Board Meeting: December 13, 2017 at 7:00 p.m.
- Collaborative Agencies Committee meeting: January 3, 2018 at 5:00 p.m.

Director Diaz confirmed there is also a Personnel Committee meeting on December 13 at 5:30 p.m.

## 13. Action List for Future Meetings

- Proposition 1 Bond Opportunities
- Workshop – Discussion of California Water Code Section 350

## 14. Recessed to Closed Session: 8:55 p.m.

- a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9

Name of case: San Gorgonio Pass Water Agency v.  
Beaumont Basin Watermaster  
Riverside County Superior Court No. RIC 1716346

## Reconvene in Open Session: 8:58 p.m.

### Report on Action Taken During Closed Session:

There was no reportable action taken.

## 15. Adjournment

*President Slawson adjourned the meeting at 8:59 p.m.*

Attest:

---

Director Daniel Slawson, President  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District

---

Director Claudeen C. Diaz, Secretary  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District





# BEAUMONT-CHERRY VALLEY WATER DISTRICT

## BOARD OF DIRECTORS 2018 REGULAR MEETING SCHEDULE

*Board Approved 00/00/2017*

<b>Regular Meetings</b> <b>Second Wednesday of the month</b> Meeting time is 7:00 p.m. unless otherwise noted on posted agendas.
January 10
February 14
March 14
April 11
May 9
June 13
July 11
August 8
September 12
October 10
November 14
December 12

<b>Finance and Audit Committee</b> <b>First Thursday of the month</b> Meeting time is 3:00 p.m. unless otherwise noted on posted agendas.
January 4
February 1
March 1
April 5
May 3
June 7
July 5
August 2
September 6
October 4
November 1
December 6

<b>Personnel Committee</b> <b>Fourth Monday, odd months</b> Meeting time is 5:30 p.m. unless otherwise noted on posted agendas.
January 22
March 26
May 28
July 23
September 24
November 26

Agendas are posted at least 72 hours in advance of a regular meeting and 24 hours in advance of a special meeting, and are also available on the District's website at [www.bcvwd.org](http://www.bcvwd.org). At regular meetings, members of the public may address the Board of Directors on any item within the jurisdiction of the Board; however no action may be taken on any item not appearing on the agenda, unless the action is otherwise authorized by Government Code Subdivision 54954.2(b).

Unless otherwise noted, meetings are held at the BCVWD office at 560 Magnolia Avenue, Beaumont, CA 92223.

For additional information, please contact the Director of Finance and Administrative Services at (951) 845-9581.



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017  
**TO:** Board of Directors  
**FROM:** Daniel Jagers, General Manager  
**SUBJECT:** Compensation Study prepared by Koff and Associates

---

**Recommendation**

Board action on two separate items:

Motion 1: Receive and file the 2017 Compensation Study

Motion 2: Approve the recommended Implementation Plan

**Background**

At its meeting of May 18, 2017, the Board of Directors approved a proposal from Koff and Associates for a compensation study, as required by the Memorandum of Understanding between the BCVWD and the Employee Association prior to its expiration on December 31, 2017.

The study was completed and resulted in the recommendation of an Implementation Plan to adjust District salaries to keep current with industry norms.

The Board is requested to approve the Implementation Plan, which will be reflected in the District's annual operating budget for the years 2017-2019.

**Fiscal Impact**

The fiscal impact of the Koff and Associates recommended salary implementation to the 2018 Operating Budget is \$173,284. This is the difference between the fully burdened Koff & Associates compensation study's first year increase recommendation of \$4,275,337 and the 1.9% Cost of Living Adjustment (COLA) budget of \$4,102,053. Both budget scenarios include all full-time staff members presented on the 2018 Organization Chart.

This fiscal impact calculation differs from the total 2018 budget amounts due to budget items that are not specifically related to the compensation study, including, but not limited to: temporary staff, calculations for overtime, compensated absences, and the Unfunded Accrued Liability (CalPERS Retirement contribution).



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017  
**TO:** Board of Directors  
**FROM:** Daniel Jagers, General Manager  
**SUBJECT:** Consideration of Approval of the 2018 - 2021 BCVWD Employee Association Memorandum of Understanding

---

**Placeholder**

Staff Report and information will be available at the December 13, 2017 meeting.



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017  
**TO:** Board of Directors  
**FROM:** Daniel Jagers, General Manager  
**SUBJECT:** Review and consider adoption of the BCVWD Fiscal Year 2018 Operating Budget

---

**Recommendation**

Adopt the proposed Fiscal Year 2018 Operating Budget.

**Background**

Attached for the Board's consideration is the proposed Fiscal Year 2018 Operating Budget.

This proposed FY 2018 Operating Budget does not include capital improvement projects. The Capital Improvement Budget is based on a multi-year plan that identifies and prioritizes funding for future capital outlays based on an assessment of District-wide needs, and will be presented to the Board separately at a later date.

The proposed FY 2018 Operating Budget considers the 2017 budget projections and applied a 2-3% inflationary factor to most projected expense categories where appropriate. This inflationary factor appears reasonable for 2018 based on the most current CPI rate and other available data. The resulting individual expenses are evaluated and adjusted total expenses within the District's revenue constraints.

**Fiscal Impact**

The total anticipated revenues for FY 2018 are \$18,161,441, which include \$5,016,541 in developers' fees. This results in a total net operating revenue of \$13,144,900 for total proposed expenditures of \$11,187,888, leaving \$1,957,012 to be allocated to the Capital Replacement Fund (depreciation). In order to fund necessary increases in personnel costs, staff proposes this partial funding of the Capital Replacement Fund, rather than the full amount (\$2,554,144).

Taking into consideration the recently Board-approved Capital Improvement Projects, this partial funding still leaves the District with a healthy reserve balance for anticipated upcoming needs.

# Beaumont-Cherry Valley Water District 2018 Operating Budget



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# Introduction Section



## Executive Summary

### Honorable Board of Directors:

Staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2018 Operating Budget to the Board of Directors. For the past five years, the Beaumont-Cherry Valley Water District (District) has been on a journey of stabilization which included the development of integral plans: an Urban Water Management Plan, a Potable Water System Master Plan, a Non-Potable Water System Master Plan and a 10-Year Capital improvement Plan. The journey of stabilization also included strategic focuses on balance sheet integrity including providing for adequate reserves, timely reporting, cash management and a staff with qualified skill sets. These represent a few of the strategic developments and focuses over the last five years.

Although we have been successful in the journey of stabilization, the District is now beginning a journey of advancement, improvement and facility construction including building relationships with Developers, local community partners, the District's Board and the District's staff.

In that regard, staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2018 Operating Budget to the Board of Directors. Major goals for the District during this period are:

- Assure adequate water supplies for existing customers as well as anticipated growth.
- Comply with State mandates for water conservation.
- Create opportunities for the use of recycled water.
- Complete the District's Non-Potable Water System Master Plan.
- Complete and implement a revised Capacity Fee (Facility Fee) Study.
- Initiate an update to the District's Water Rate Study (last study expired in 2015).
- Continue updates to the District's GIS system.
- Implement salary adjustments based on the Koff & Associates Compensation Study.
- Reorganize staff titles and duties to support enhanced capital improved project coordination and developer project coordination and the development of systemic project costing and tracking.
- Maintain balance sheet integrity by enhancing the District's Reserve Policy, a continuing focus on cash and investment management, staying ahead of changes to the calculation of and reporting of Pension and OPEB liabilities.
- Continue with the development of enhanced District reporting schemes.

The Capital Improvement Budget will be presented, as a separate budget, at the January or February, 2018 Board Meeting. The focus of the Capital Improvement Budget will be on master-planned facilities, implementation of a non-potable water system, improved information technology/telemetry systems, the replacement of aging infrastructure including well pumping facilities and pipelines and replacing vehicles and equipment whose productive lives have expired.

The budget was prepared after considering major policy issues that impact District revenues such as reasonable water conservation efforts and changes in the local rate of development.

The fundamental theme of the document is to present a balanced Budget with conservative estimates for revenues and realistic expense projections.



## Revenues

The revenue numbers presented assume a conservative estimate of approximately 10,620 acre feet of both potable and non-potable water delivered to our 17,795 connections. This projection is based on the continuation of reasonable conservation efforts. Should declines in consumption occur, a rate adjustment may be necessary to keep revenues in line with expenses. Capacity (facilities) fees are used as the funding basis for capital improvement projects that are necessary to provide for demand from growth.

## Expenses

The labor and benefit costs presented include the first year of a proposed three-year implementation of defined wage increases and corresponding benefit increases resulting from recommendations of the Koff & Associates 2017 Compensation Study and the District's Personnel Committee. Labor costs and corresponding benefits for positions not affected by the Compensation Study were increased by 1.9% as a cost of living (COLA) adjustment based on the comparison of the Consumer Price Index (CPI) from August 2016 to August 2017. State Project Water Purchases in 2018 are being increased by approximately \$800,000 in anticipation of additional water availability to make up for recent limitations of availability primarily due to California's drought conditions.

## Summary

In summary, staff is proposing a balanced budget that has estimated total revenues of \$18,161,441, which includes \$12,874,965 of operating revenues, \$5,016,541 of facilities charges, and \$269,935 of other non-operating revenues. The estimated total operating expenses of \$13,718,669 are balanced with operating revenues and other non-operating revenues, which provide for a contribution of \$1,981,012 to capital replacement reserves. The budgeted expenses include changes in wages and benefits, power costs, and purchases of State Water Project water, among other things. The fiscal year 2018 budget utilizes the same assumptions as the 2017 budget including projected actuals from the prior period as a basis.

The District continues to be debt free.

### Cash Position Report As of October 31, 2017

#### Cash Balance Per Account

Account Name	Account Ending #	October 31, 2017	December 31, 2016
<b>Wells Fargo</b>			
Accounts Payable	9810	0	0
Payroll	4160	0	0
General Fund	4152	12,151,971.17	14,904,376.67
<b>Total Cash</b>		<b>\$ 12,151,971.17</b>	<b>\$ 14,904,376.67</b>

#### Investment Summary

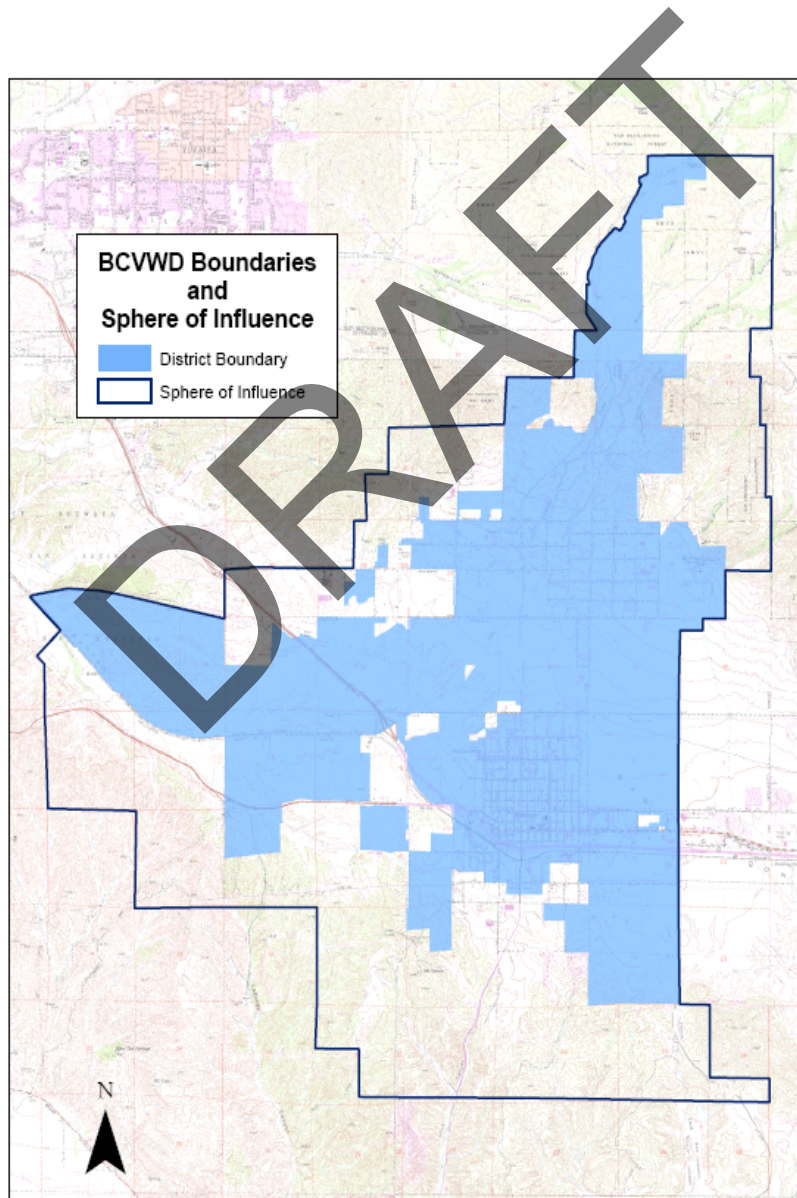
Account Name	October 31, 2017	December 31, 2016	Balance
Ca. State Treasurer's Office: Local Agency Investment Fund	24,134,278.69	23,927,221.72	
CalTRUST Short Term Fund	11,480,276.64	-	
<b>Total Investments</b>	<b>\$ 35,614,555.33</b>	<b>\$ 23,927,221.72</b>	
<b>Total Cash and Investments</b>	<b>\$ 47,766,526.50</b>	<b>\$ 38,831,598.39</b>	<b>\$ 8,934,928.11</b>

## Background

The Beaumont Irrigation District was formed in March of 1919 under the Wright Act of 1897.

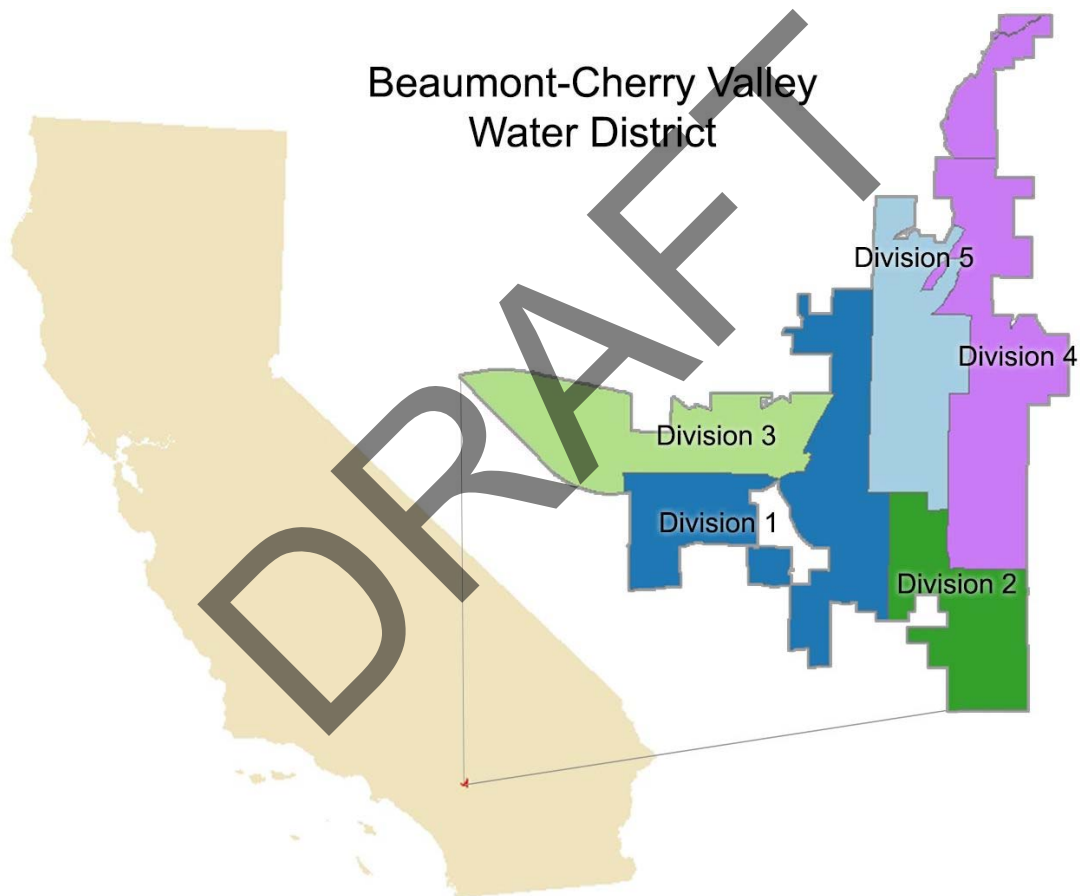
Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company to the system today that serves over 48,000 residents in both the City of Beaumont and the Community of Cherry Valley.

The District's service area is approximately 28 square miles with a majority of the area within the communities of Beaumont and Cherry Valley. The system is served exclusively by ground water using 23 wells. Recharge of the basin is accomplished using imported State Project Water at the District's recharge facilities. A total of 22.85 million gallons of potable and 2 million gallons of non-potable water storage provide peak demand and fire protection reserves. The water distribution system is comprised of over 100 miles of potable water lines and about 40 miles of non-potable water lines (including transmission and distribution lines) from 2 to 36 inches in diameter.



## Organization

Constituents of the District are represented by a five member Board of Directors from five separate divisions. Members of the community vote for all District Directors regardless of where they live in the District. The Board of Directors meets monthly on the second Wednesday. Each year the Board of Directors adopts an operating budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operation and accountability for District funds.



## Basis of Budgeting and Accounting

The District reports its activities as an Enterprise Fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intention of the District to recover the full-costs of providing goods and/or services through the collection of user charges. Thus, user charges are commensurate with the cost to provide service.

Actual revenues and expenses, reported in this document, are recognized on the accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP). Consequently, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the accounting period incurred.

## Budget Control and Amendment

The General Manager is responsible for keeping the expenses within budget allocations and may adopt budget policies necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or reallocated by the General Manager as described in this budget.

The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$50,000 shall require approval by the Board. All budget transfers are documented and tracked in the District's computerized financial system and reported to the Finance and Audit committee at their regular meetings on the first Thursday of each month.

The General Manager may authorize the hiring of full-time staff as necessary, as long as the position or classification has been authorized by the Board. In addition, the General Manager may authorize the hiring of temporary or part-time staff as needed.

In the event that the General Manager determines that an emergency exists requiring immediate action, the General Manager shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District to ensure continuity of District operations per the Operations Policies and Procedures Manual, Section 1(F), Emergency Preparedness Authorization during District Emergencies.

# Financial Section

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## Budget Summary and Detail by Department

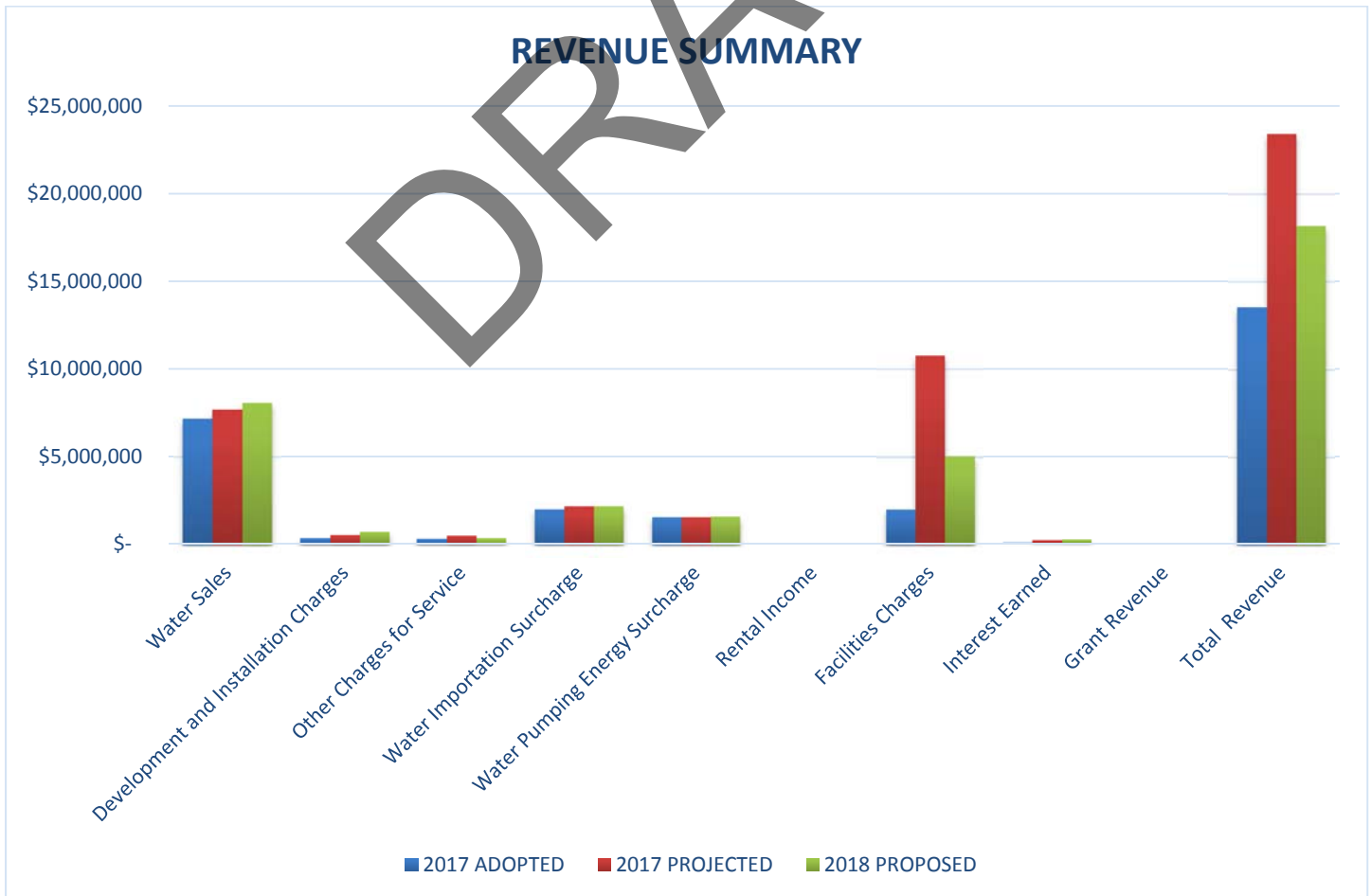


## Financial Summary

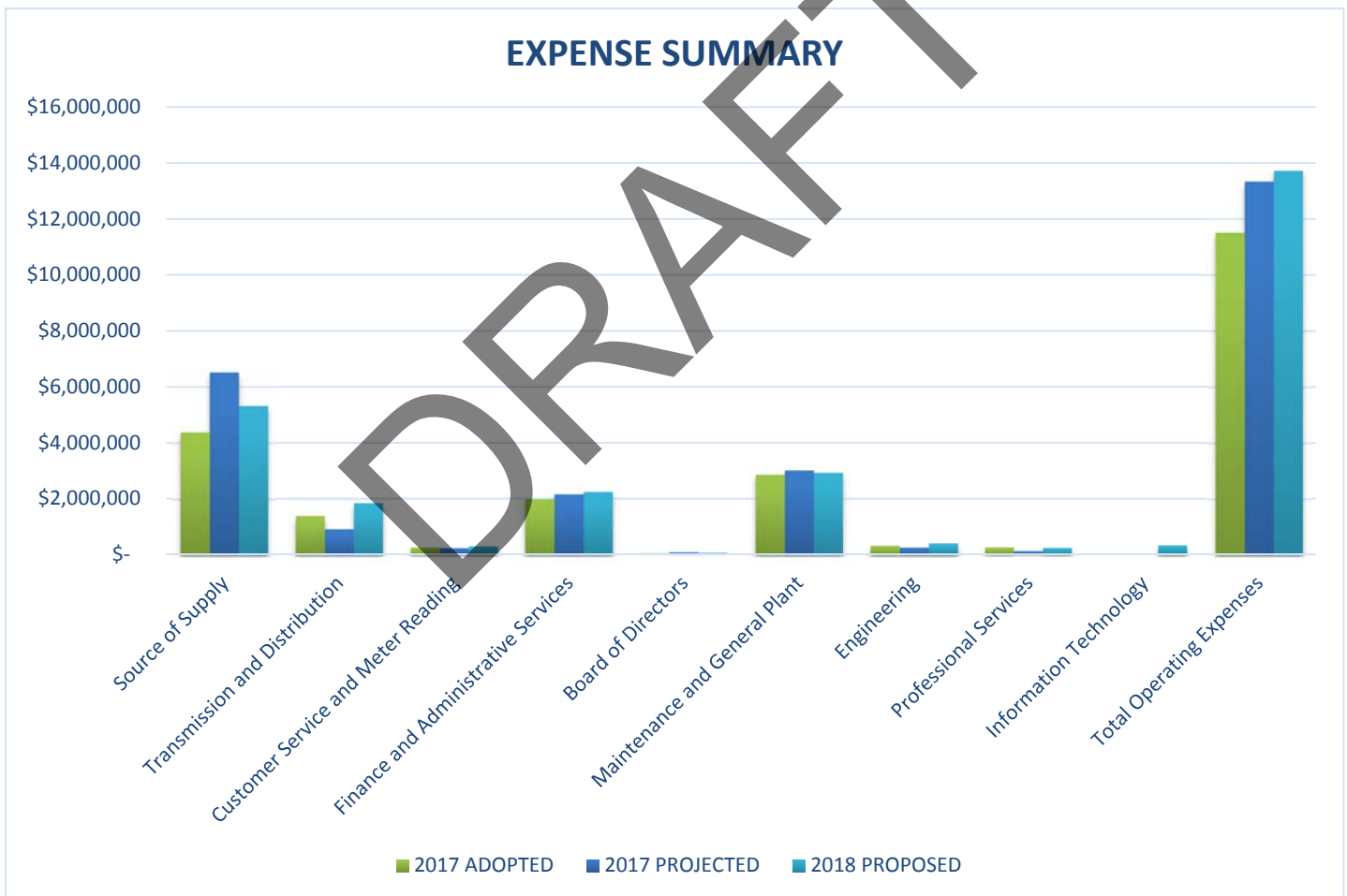
### Overview

The District utilizes the accrual basis of accounting, recognizing revenues and expenses in the period in which they are earned and incurred, respectively.

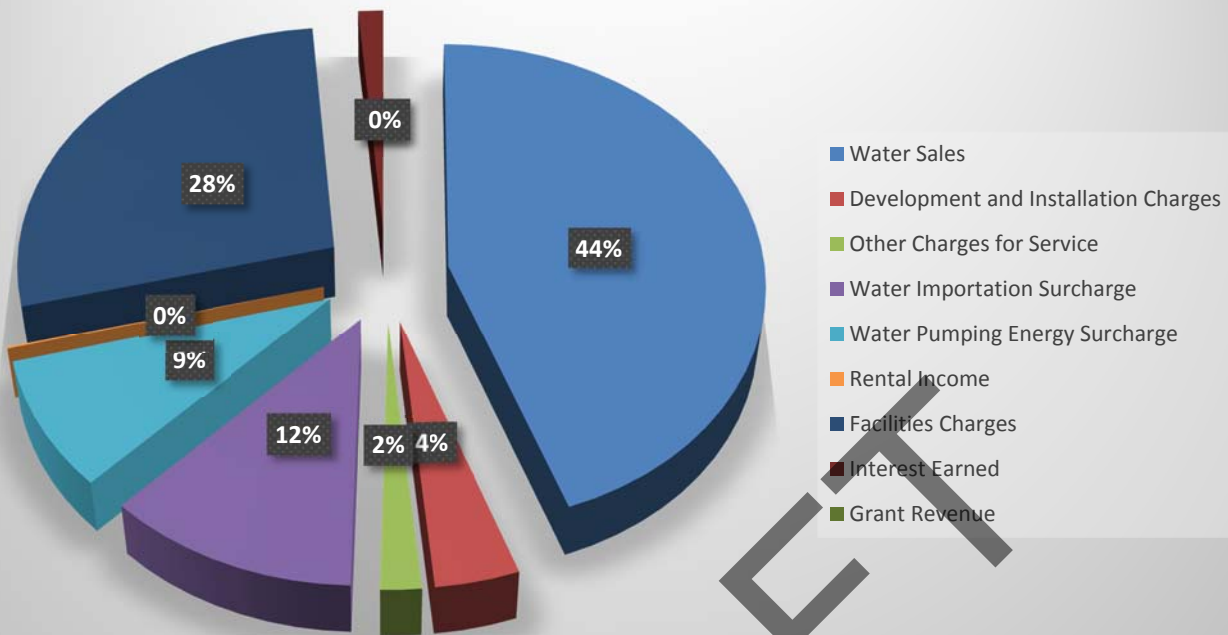
	2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	Increase/ (Decrease)
<b>Operating Revenue</b>				
Water Sales	\$ 7,161,835	\$ 7,690,644	\$ 8,079,388	\$ 917,553
Development and Installation Charges	375,000	524,906	720,600	345,600
Other Charges for Service	328,030	513,987	348,534	20,504
Water Importation Surcharge	2,000,000	2,159,391	2,160,000	160,000
Water Pumping Energy Surcharge	1,550,000	1,549,128	1,566,443	16,443
<b>Total Operating Revenue</b>	<b>\$ 11,414,865</b>	<b>\$ 12,438,056</b>	<b>\$ 12,874,965</b>	<b>\$ 1,460,100</b>
<b>Non-Operating Revenue</b>				
Rental Income	\$ 18,520	\$ 19,264	\$ 20,577	\$ 2,057
Facilities Charges	2,026,900	10,777,952	5,016,541	2,989,641
Interest Earned	82,400	214,724	249,358	166,958
Grant Revenue	0	0	0	0
<b>Total Non-Operating Revenue</b>	<b>\$ 2,127,820</b>	<b>\$ 11,011,939</b>	<b>\$ 5,286,476</b>	<b>\$ 3,158,656</b>
<b>Total Revenue</b>	<b>\$ 13,542,685</b>	<b>\$ 23,449,995</b>	<b>\$ 18,161,441</b>	<b>\$ 4,618,756</b>



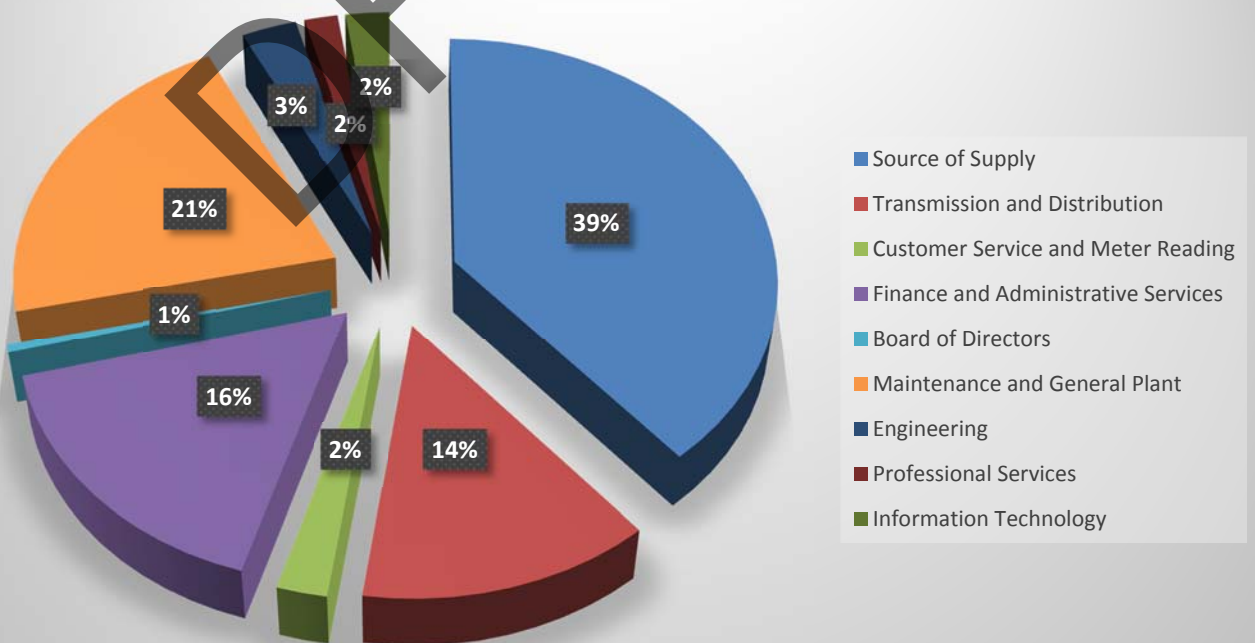
	<b>2017 ADOPTED</b>	<b>2017 PROJECTED</b>	<b>2018 PROPOSED</b>	<b>Increase/ (Decrease)</b>
<b>Operating Expenses</b>				
Source of Supply	\$ 4,374,025	\$ 6,509,837	\$ 5,330,765	\$ 956,740
Transmission and Distribution	1,395,148	919,743	1,843,114	447,966
Customer Service and Meter Reading	268,720	252,101	317,373	48,653
Finance and Administrative Services	1,976,028	2,160,526	2,239,320	263,292
Board of Directors	49,245	84,225	69,680	20,435
Maintenance and General Plant	2,859,246	3,012,382	2,929,108	69,862
Engineering	331,764	267,217	411,357	79,593
Professional Services	261,610	135,192	249,000	(12,610)
Information Technology	0	0	328,952	328,952
<b>Total Operating Expenses</b>	<b>\$ 11,515,786</b>	<b>\$ 13,341,224</b>	<b>\$ 13,718,669</b>	<b>\$ 2,202,883</b>
Total Revenue	\$ 13,542,685	\$ 23,449,995	\$ 18,161,441	\$ 4,618,756
Total Expenses	\$ 11,515,786	\$ 13,341,224	\$ 13,718,669	\$ 2,202,883
<b>Net Increase/(loss)</b>	<b>\$ 2,026,899</b>	<b>\$ 10,108,771</b>	<b>\$ 4,442,772</b>	<b>\$ 2,415,873</b>



## 2018 PROPOSED REVENUE

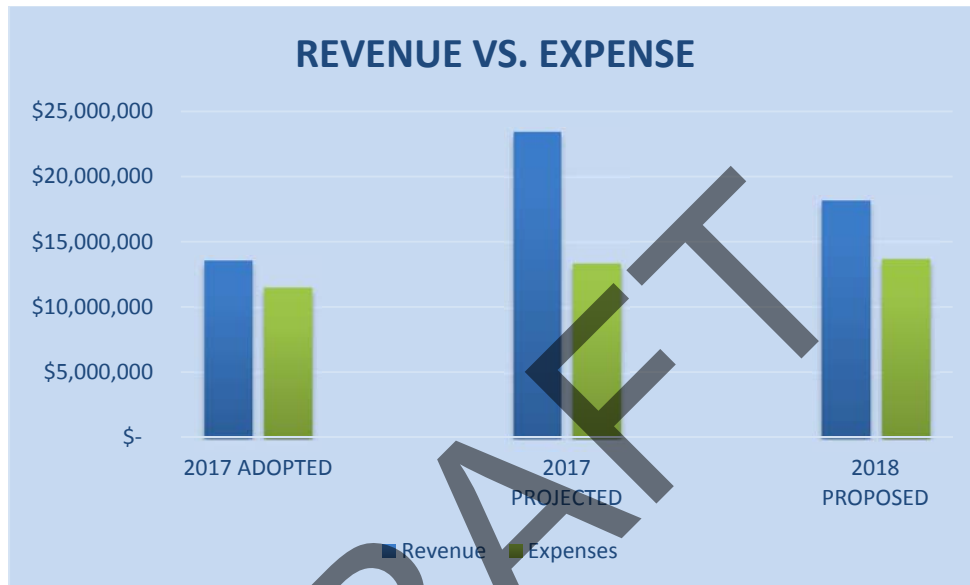


## 2018 PROPOSED EXPENSES





	<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>
Revenue	\$ 13,542,685	\$ 23,449,995	\$ 18,161,441
Expenses	\$ 11,515,786	\$ 13,341,224	\$ 13,718,669



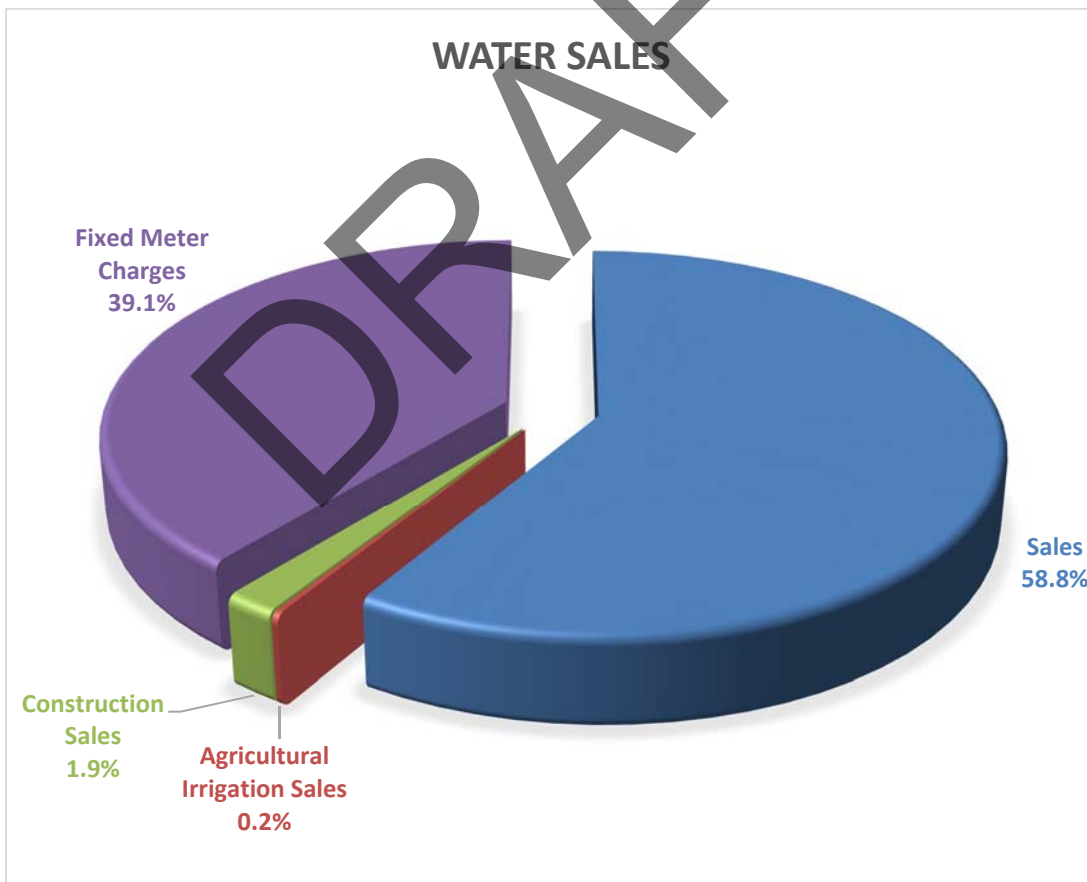
## Revenue Detail

### OPERATING REVENUE

#### Water Sales

The District produces potable water for sale to seven customer classes; single family residential, multifamily residential, commercial, industrial, irrigation, agricultural irrigation, and other. Most customers are billed on a bi-monthly cycle based on the amount of water usage, which is metered and measured in hundred cubic feet (HCF) where 1 HCF is equal to 748 gallons. Proposed water sales for 2018 are \$8,079,388, a 5.1 percent increase above projected sales for 2017 with potable water usage estimated at 10,620AF for 2018.

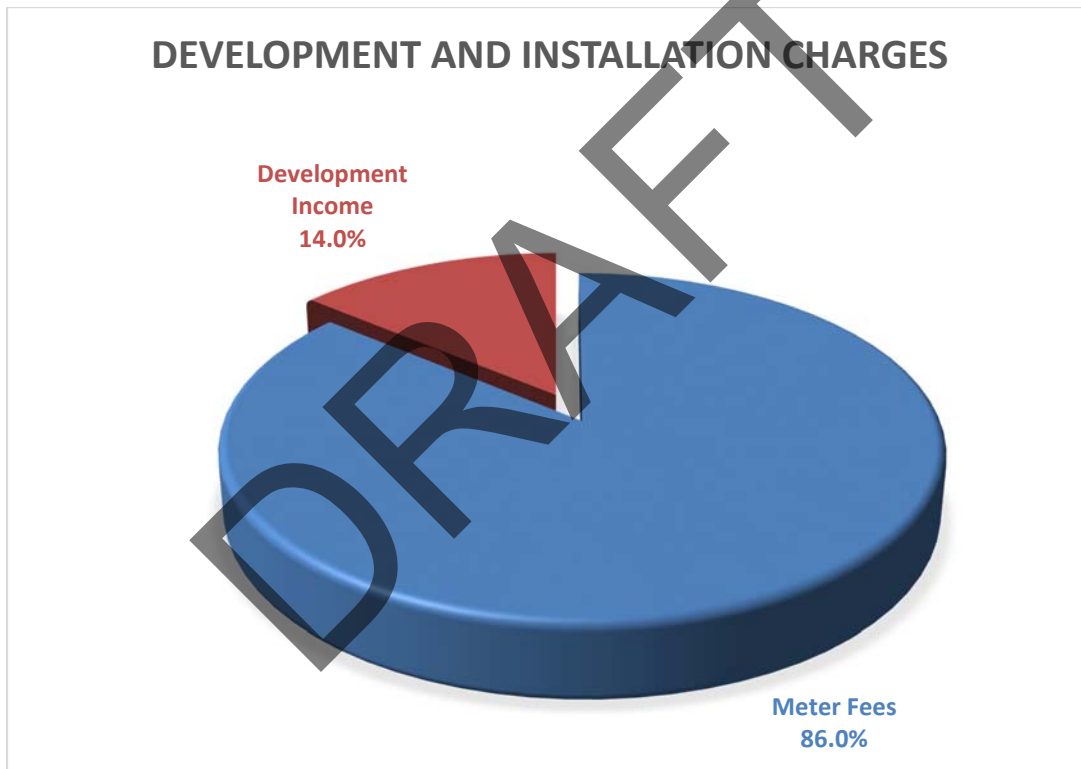
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Water Sales</b>					
01-50-510-410100	Sales	\$ 4,200,000	\$ 4,649,637	\$ 4,750,617	\$ 550,617
01-50-510-410151	Agricultural Irrigation Sales	\$ 25,500	\$ 24,573	\$ 20,000	\$ (5,500)
01-50-510-410171	Construction Sales	\$ 150,000	\$ 103,099	\$ 150,000	\$ -
01-50-510-413011	Fixed Meter Charges	\$ 2,786,335	\$ 2,913,334	\$ 3,158,771	\$ 372,436
		<u>\$ 7,161,835</u>	<u>\$ 7,690,644</u>	<u>\$ 8,079,388</u>	<u>\$ 917,553</u>



## Development and Installation Charges

The District incurs engineering, legal and administrative costs associated with new development, which are charged against deposits collected and recorded as revenue. The District also collects deposits for new service installations, which are recorded as revenue against the deposits when the services are installed. Proposed development and installation charges for 2018 are \$720,600, a 37.3 percent increase above projected charges for 2017, and are based on conservative estimates of new development growth in addition to an anticipated increase in the fee charged per new service installation.

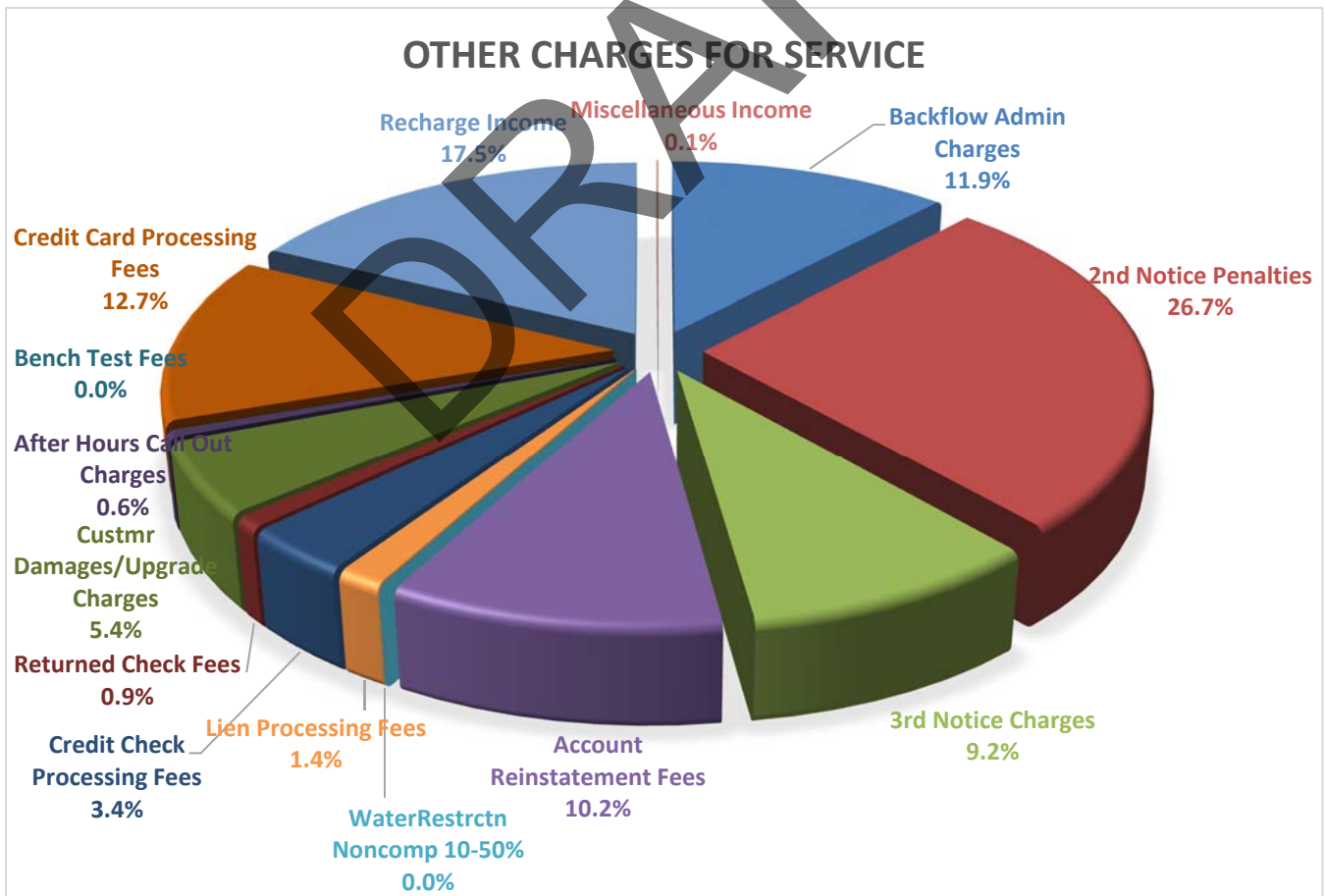
		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Development and Installation Charges</b>					
01-50-510-413021	Meter Fees	\$ 275,000	\$ 414,666	\$ 619,974	\$ 344,974
01-50-510-419011	Development Income	\$ 100,000	\$ 110,240	\$ 100,626	\$ 626
		<u>\$ 375,000</u>	<u>\$ 524,906</u>	<u>\$ 720,600</u>	<u>\$ 345,600</u>



## Other Charges for Service

Other Charges for Service include many of the user fees customers pay to utilize specific services such as account reinstatement fees, past due notices and other service fees. The proposed charges for 2018 are \$348,534, a 32.2 percent decrease from projected charges for 2017, due to anticipated decreases in recharge income and miscellaneous income.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Other Charges for Service</b>					
01-50-510-413001	Backflow Admin Charges	\$ 30,000	\$ 40,806	\$ 41,501	\$ 11,501
01-50-510-417001	2nd Notice Penalties	\$ 90,000	\$ 92,230	\$ 93,072	\$ 3,072
01-50-510-417011	3rd Notice Charges	\$ 32,000	\$ 34,355	\$ 32,000	\$ -
01-50-510-417021	Account Reinstatement Fees	\$ 65,000	\$ 66,650	\$ 35,490	\$ (29,510)
01-50-510-417030	WaterRestrctn Noncomp 10-50%	\$ -	\$ 204	\$ -	\$ -
01-50-510-417031	Lien Processing Fees	\$ 5,000	\$ 5,900	\$ 5,000	\$ -
01-50-510-417041	Credit Check Processing Fees	\$ 8,000	\$ 11,055	\$ 12,000	\$ 4,000
01-50-510-417051	Returned Check Fees	\$ 2,000	\$ 2,900	\$ 3,000	\$ 1,000
01-50-510-417061	Custmr Damages/Upgrade Charges	\$ 15,000	\$ 19,007	\$ 18,819	\$ 3,819
01-50-510-417071	After Hours Call Out Charges	\$ 600	\$ 1,700	\$ 1,931	\$ 1,331
01-50-510-417081	Bench Test Fees	\$ 180	\$ 72	\$ -	\$ (180)
01-50-510-417091	Credit Card Processing Fees	\$ 35,000	\$ 41,493	\$ 44,381	\$ 9,381
01-50-510-419021	Recharge Income	\$ 45,000	\$ 114,332	\$ 61,140	\$ 16,140
01-50-510-419061	Miscellaneous Income	\$ 250	\$ 83,283	\$ 200	\$ (50)
		\$ 328,030	\$ 513,987	\$ 348,534	\$ 20,504



## Water Importation Surcharge

The Water Importation Surcharge is the cost to the end user (Rate Payer) for imported water supplies to offset existing groundwater overdraft not to exceed the actual State Water Project Water costs incurred by the District. The proposed water importation surcharge for 2018 is derived from estimated potable water usage of 10,620AF for 2018 and is \$2,160,000, a negligible increase above the projected amount for 2017.

		<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>	<u>CHANGE</u>
<b>Water Importation Surcharge</b>					
01-50-510-415001	SGPWA Importation Charges	\$ 2,000,000	\$ 2,159,391	\$ 2,160,000	\$ 160,000

## Water Pumping Energy Surcharge

The Water Pumping Energy Surcharge is the cost to the end user (Rate Payer) for electricity to pump and deliver water. It includes all Southern California Edison (SCE) charges for operation of pumps and wells in the water system. Beaumont-Cherry Valley Water District uses SCE Time of Use (off peak) rates to limit the cost to the water user. The proposed water pumping energy surcharge for 2018 is derived from estimated potable water usage of 10,620AF for 2018 and is \$1,566,443, a 1.1 percent increase above the projected amount for 2017.

		<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>	<u>CHANGE</u>
<b>Water Pumping Energy Surcharge</b>					
01-50-510-415011	SCE Power Charges	\$ 1,560,000	\$ 1,549,128	\$ 1,566,443	\$ 16,443

## NON-OPERATING REVENUE

### Rental Income

The District owns four residential properties and charges rental income and utilities for use of the properties. Proposed rental income for 2018 is \$20,577, a 6.8 percent increase above projected income for 2017.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Rental Income</b>					
01-50-510-471001	Rent - 12303 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471011	Rent - 13695 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471021	Rent - 13697 Oak Glen	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471031	Rent - 9781 Avenida Miravilla	\$ 2,400	\$ 2,400	\$ 2,400	\$ -
01-50-510-471101	Util - 12303 Oak Glen	\$ 2,320	\$ 2,577	\$ 2,273	\$ (47)
01-50-510-471111	Util - 13695 Oak Glen	\$ 1,500	\$ 1,431	\$ 2,531	\$ 1,031
01-50-510-471121	Util - 13697 Oak Glen	\$ 2,800	\$ 2,950	\$ 3,436	\$ 636
01-50-510-471131	Util - 9781 Avenida Miravilla	\$ 2,300	\$ 2,706	\$ 2,737	\$ 437
		\$ 18,520	\$ 19,264	\$ 20,577	\$ 2,057

### Facilities Charges

Facilities fees or development impact fees are paid by industrial, commercial and residential developers to fund the cost of the impacts of their developments on the District's water system. The District has collected facilities fees since the early 1980's. Facilities fees pay for oversizing of pipelines, new wells, tanks, transmission mains etc. needed to serve new developments. Proposed facilities charges for 2018 are \$5,016,541, a 53.5 percent decrease from projected facilities charges for 2017, based on a conservative estimate of new development.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Facilities Charges</b>					
01-50-510-481001	Fac Fees-Wells	\$ 387,200	\$ 2,067,145	\$ 956,333	\$ 569,133
01-50-510-481006	Fac Fees-Water Rights (SWP)	\$ 245,000	\$ 1,156,864	\$ 605,118	\$ 360,118
01-50-510-481012	Fac Fees-Water Treatment Plant	\$ 184,200	\$ 983,389	\$ 454,950	\$ 270,750
01-50-510-481018	Fac Fees-Local Water Resources	\$ 97,000	\$ 458,024	\$ 239,577	\$ 142,577
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	\$ 280,400	\$ 1,643,746	\$ 692,551	\$ 412,151
01-50-510-481030	Fac Fees-Transmission (16")	\$ 313,600	\$ 1,674,216	\$ 774,550	\$ 460,950
01-50-510-481036	Fac Fees-Storage	\$ 401,600	\$ 2,144,022	\$ 991,899	\$ 590,299
01-50-510-481042	Fac Fees-Booster	\$ 27,800	\$ 148,416	\$ 68,662	\$ 40,862
01-50-510-481048	Fac Fees-Pressure Reducng Stns	\$ 14,200	\$ 75,810	\$ 35,072	\$ 20,872
01-50-510-481054	Fac Fees-Misc Projects	\$ 12,400	\$ 79,696	\$ 30,626	\$ 18,226
01-50-510-481060	Fac Fees-Financing Costs	\$ 61,000	\$ 330,083	\$ 150,662	\$ 89,662
01-50-510-485001	Front Footage Fees	\$ 2,500	\$ 16,541	\$ 16,541	\$ 14,041
01-50-510-488001	Contributed Capital	\$ -	\$ -	\$ -	\$ -
		\$ 2,026,900	\$ 10,777,952	\$ 5,016,541	\$ 2,989,641

## Interest Earned

The District currently holds a diverse portfolio of investments to meet both short term liquidity, mid-term cash funded Capital Improvement Plans, and long-term earnings. The goals for the District's investments are:

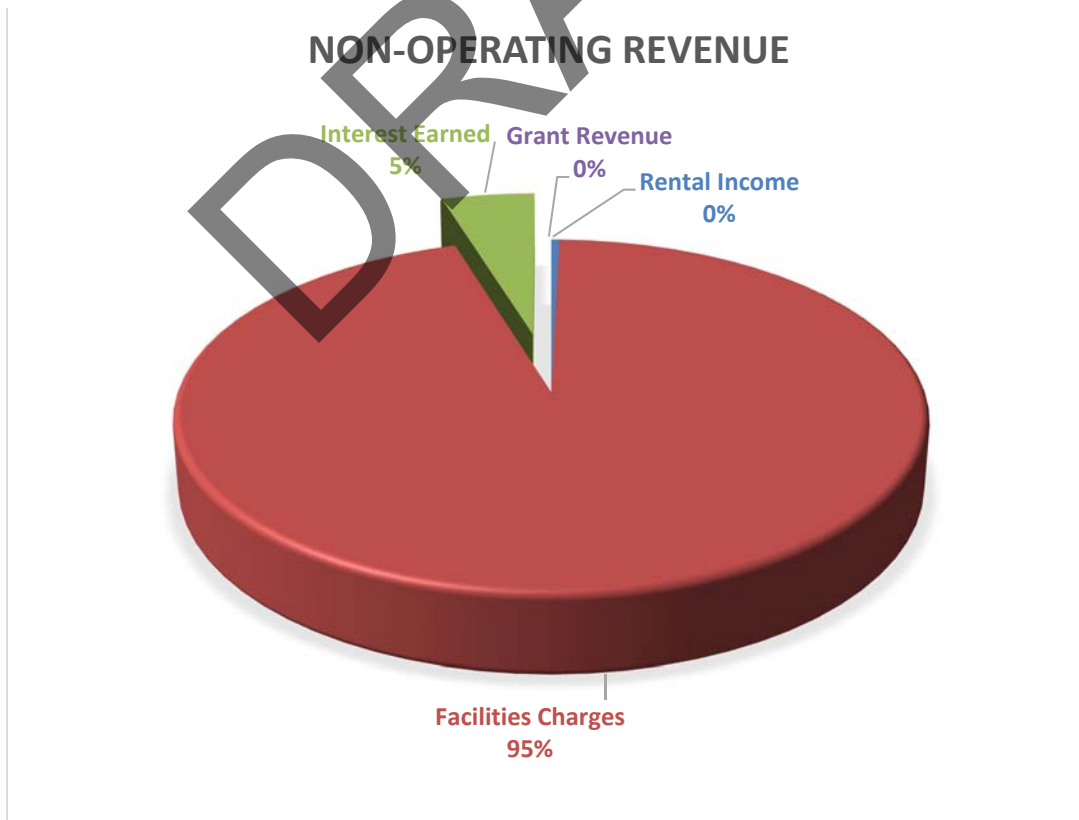
- Safety
- Liquidity
- Earn a total rate of return commensurate with the first two goals

The proposed \$249,358 of general interest earned is based on the expected level of capital invested throughout the fiscal year, and is 16.1 percent above the projected amount for 2017.

		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>Interest Earned</b>					
01-50-510-490001	Interest Income-Bonita Vista	\$ 2,400	\$ 2,075	\$ 1,995	\$ (405)
01-50-510-490011	Interest Income-Fairway Canyon	\$ -	\$ 10,280	\$ 57,363	\$ 57,363
01-50-510-490021	Interest Income - General	\$ 80,000	\$ 202,369	\$ 190,000	\$ 110,000
		\$ 82,400	\$ 214,724	\$ 249,358	\$ 166,958

## Grant Revenue

The District does not anticipate receiving any grant funding in 2018.

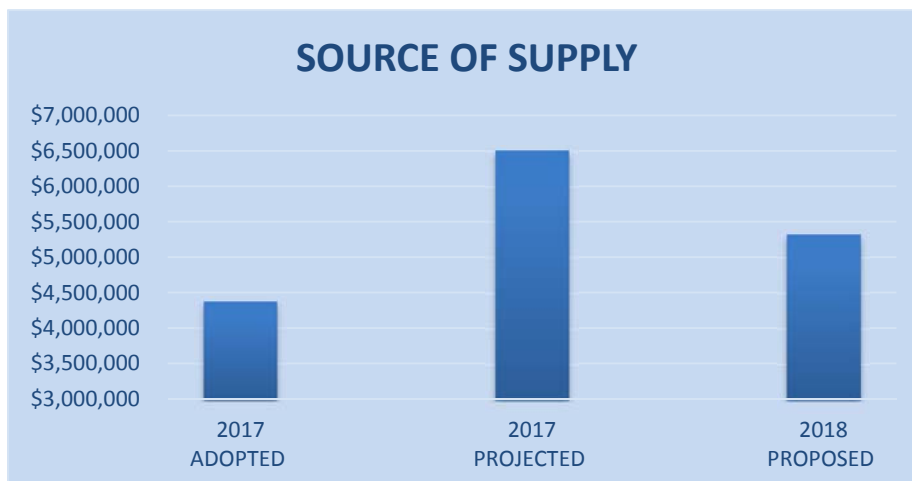


## Operating Expenses Detail

### Source of Supply

This category represents the projected costs related to the operation and maintenance of the 23 active wells, booster stations, storage facilities, State Water Project supply, supervisory control and data acquisition (SCADA) and water quality functions. Source of supply expenses for 2018 are proposed as \$5,330,765, an 18.1 percent decrease from projected expenses for 2017. 2017 was a “wet” year, and while purchases of imported State Water Project supplies will be made to the extent available, it is anticipated that 2018 will not be as wet as 2017.

SOURCE OF SUPPLY		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-40-410-500105	Labor	\$ 294,844	\$ 180,482	\$ 328,948	\$ 34,104
01-40-410-500110	Overtime	16,145	15,916	18,393	2,248
01-40-410-500111	Double Time	427	374	930	503
01-40-410-500113	Standby/On-Call	0	0	4,550	4,550
01-40-410-500115	Social Security	18,283	12,681	21,988	3,705
01-40-410-500120	Medicare	4,278	2,966	5,148	870
01-40-410-500125	Health Insurance	121,440	63,035	108,600	(12,840)
01-40-410-500140	Life Insurance	1,265	881	2,160	895
01-40-410-500145	Workers' Compensation	20,808	11,251	23,214	2,406
01-40-410-500150	Unemployment Insurance	0	0	48,080	48,080
01-40-410-500155	Retirement/CalPERS	59,910	45,646	75,285	15,375
01-40-410-500165	Uniforms & Employee Benefits	1,000	646	2,200	1,200
01-40-410-500170	Education Expenses	1,000	109	1,000	0
01-40-410-500175	Seminar & Travel Expenses	500	1,346	4,000	3,500
01-40-410-500180	Accrued Sick Leave Expense	0	9,519	9,519	9,519
01-40-410-500185	Accrued Vacation Expenses	0	6,355	6,355	6,355
01-40-410-500187	Accrual Leave Payments	0	0	6,235	6,235
01-40-410-500195	State Project Water Purchases	0	(25,000)	(25,000)	(25,000)
01-40-410-500501	State Project Water Purchases	2,000,000	4,219,270	2,813,692	813,692
01-40-410-500511	Ground Water Purchases	0	0	0	0
01-40-410-501101	Electricity - Wells	1,550,000	1,700,583	1,566,443	16,443
01-40-410-501201	Gas - Wells	225	178	225	0
01-40-410-510011	Treatment & Chemicals	75,000	86,740	80,000	5,000
01-40-410-510021	Lab Testing	90,000	40,873	90,000	0
01-40-410-510031	Small Tools, Parts & Maint	3,200	2,655	3,200	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	15,000	3,831	10,000	(5,000)
01-40-410-520031	Maint & Rpr-General Equipment	100	527	0	(100)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	128,973	125,000	25,000
01-40-410-540048	Permits, Fees & Licensing	0	0	0	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-550066	Subscriptions	400	0	400	0
		<b>\$ 4,374,025</b>	<b>\$ 6,509,837</b>	<b>\$ 5,330,765</b>	<b>\$ 956,740</b>

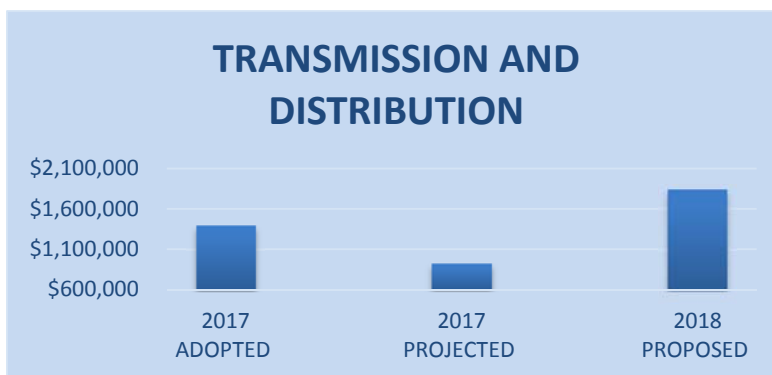




## Transmission and Distribution

This department includes the maintenance of the distribution system, service connections, meters, reservoirs and pressure regulating stations that deliver water throughout the District. This department also includes costs associated with new service requests, fire hydrants and fire services. Proposed expenses for 2018 are \$1,843,114, a 100.4 percent increase above projected transmission and distribution costs for 2017. The increase is mainly due to a combination of new positions, vacant positions that are anticipated to be filled and wage and benefit increases as a result of the compensation study performed in 2017 by Koff & Associates.

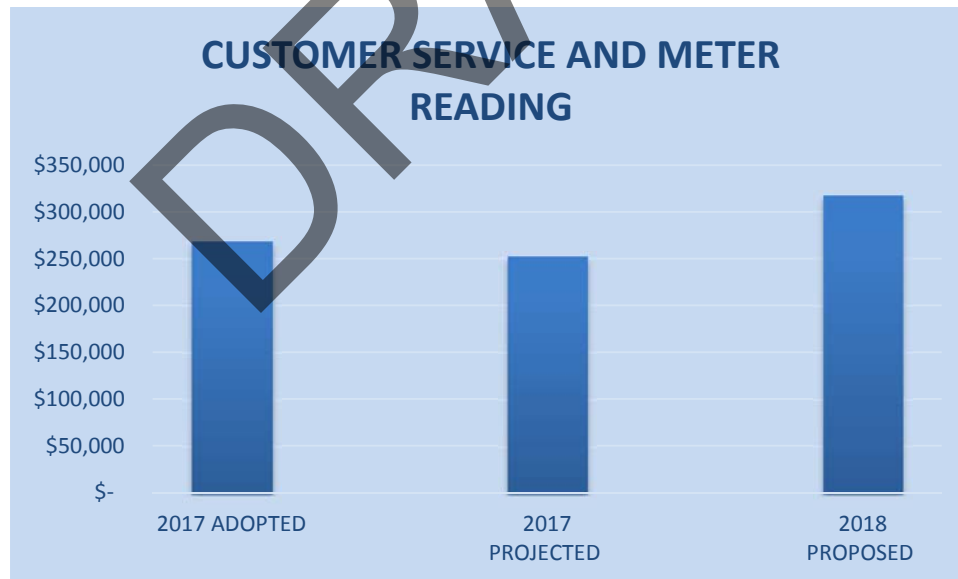
TRANSMISSION AND DISTRIBUTION		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-40-440-500105	Labor	\$ 661,864	\$ 407,545	\$ 922,072	\$ 260,208
01-40-440-500110	Overtime	20,007	20,705	36,825	16,818
01-40-440-500111	Double Time	3,156	3,091	3,000	(156)
01-40-440-500113	Standby/On-Call	0	0	7,800	7,800
01-40-440-500115	Social Security	40,273	29,503	61,467	21,194
01-40-440-500120	Medicare	9,603	6,900	14,387	4,784
01-40-440-500125	Health Insurance	279,312	154,991	304,080	24,768
01-40-440-500140	Life Insurance	2,726	2,040	6,060	3,334
01-40-440-500145	Workers' Compensation	36,190	20,776	51,310	15,120
01-40-440-500155	Retirement/CalPERS	123,317	87,824	170,684	47,367
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,784	4,500	500
01-40-440-500170	Education Expenses	1,000	376	1,000	0
01-40-440-500175	Seminar & Travel Expenses	500	30	500	0
01-40-440-500180	Accrued Sick Leave Expense	0	9,260	9,260	9,260
01-40-440-500185	Accrued Vacation Expenses	0	20,816	20,816	20,816
01-40-440-500187	Accrual Leave Payments	0	0	28,454	28,454
01-40-440-500195	CIP Related Labor	(40,000)	0	(57,300)	(17,300)
01-40-440-510031	Small Tools, Parts & Maint	6,500	4,030	6,500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	34,588	55,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	7,500	97	7,500	0
01-40-440-540001	Backflow Devices	2,500	724	2,500	0
01-40-440-540024	Inventory Adjustments	3,000	2,416	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	0	5,000
01-40-440-540036	Line Locates	3,500	2,203	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	93,085	150,000	0
01-40-440-540078	Reservoirs Maintenance	30,000	16,932	30,000	0
01-40-440-550024	Employment Testing	200	25	200	0
01-40-450-500105	Labor	0	0	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500115	Social Security	0	0	0	0
01-40-450-500120	Medicare	0	0	0	0
01-40-450-500125	Health Insurance	0	0	0	0
01-40-450-500140	Life Insurance	0	0	0	0
01-40-450-500145	Workers' Compensation	0	0	0	0
01-40-450-500155	Retirement/CalPERS	0	0	0	0
01-40-450-500165	Uniforms & Employee Benefits	0	0	0	0
		<u>\$ 1,395,148</u>	<u>\$ 919,743</u>	<u>\$ 1,843,114</u>	<u>\$ 447,966</u>



## Customer Service and Meter Reading

This department conducts meter reading and field related customer service activities. Customer service and meter reading expenses are proposed at \$317,373 for 2018, a 25.9 percent increase above projected costs for 2017, reflecting wage and benefit increases as a result of the compensation study performed in 2017 by Koff & Associates.

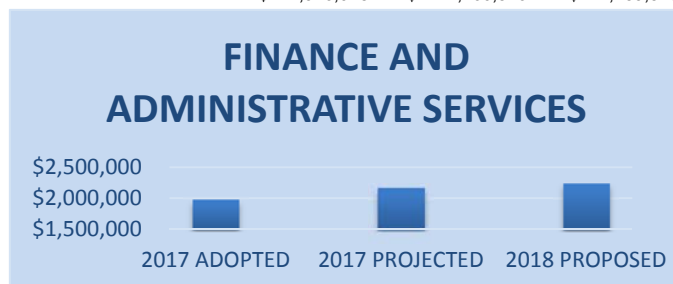
CUSTOMER SERVICE AND METER READING		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-40-460-500105	Labor	\$ 144,396	\$ 126,470	\$ 162,730	\$ 18,334
01-40-460-500110	Overtime	7,124	5,763	14,102	6,978
01-40-460-500111	Double Time	1,435	936	1,579	144
01-40-460-500113	Standby/On-Call	0	0	3,900	3,900
01-40-460-500115	Social Security	8,954	8,920	11,267	2,313
01-40-460-500120	Medicare	2,096	2,086	2,639	543
01-40-460-500125	Health Insurance	72,864	69,545	65,160	(7,704)
01-40-460-500140	Life Insurance	543	654	1,068	525
01-40-460-500145	Workers' Compensation	10,190	7,925	11,484	1,294
01-40-460-500155	Retirement/CalPERS	29,268	29,693	39,276	10,008
01-40-460-500165	Uniforms & Employee Benefits	750	0	200	(550)
01-40-460-500170	Education Expenses	500	0	200	(300)
01-40-460-500175	Seminar & Travel Expenses	300	30	200	(100)
01-40-460-500180	Accrued Sick Leave Expense	0	147	147	147
01-40-460-500185	Accrued Vacation Expenses	0	(68)	0	0
01-40-460-500187	Accrual Leave Payments	0	0	3,221	3,221
01-40-460-500195	CIP Related Labor	(10,000)	0	0	10,000
01-40-460-550024	Employment Testing	300	0	200	(100)
		<u>\$ 268,720</u>	<u>\$ 252,101</u>	<u>\$ 317,373</u>	<u>\$ 48,653</u>



## Finance and Administrative Services

This department includes all administrative salaries, employee benefits, operating supplies, property insurance and other expenses associated with the administrative, accounting and billing functions of the District. Proposed expenses for 2018 are \$2,239,320, a 3.6 percent increase above projected finance and administrative services costs for 2017.

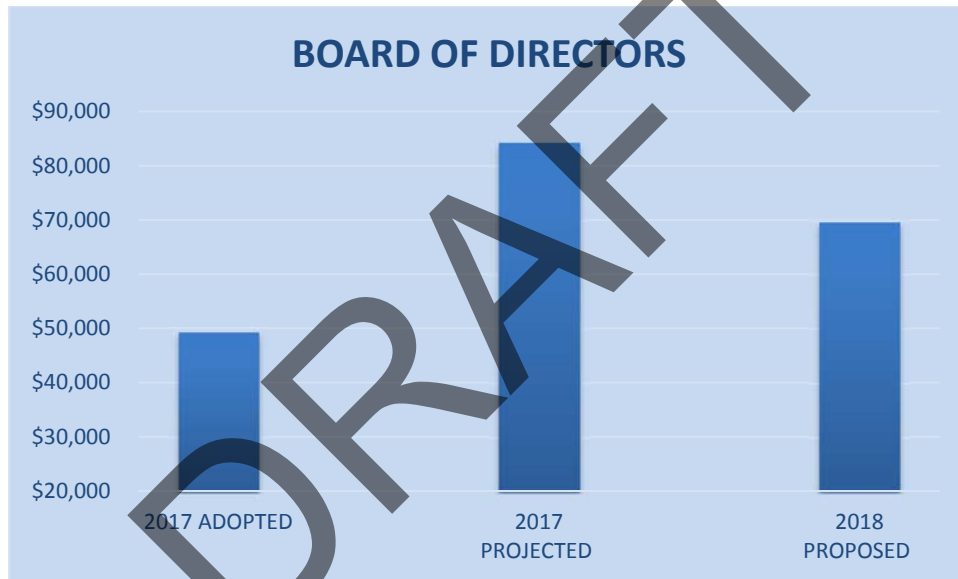
FINANCE AND ADMINISTRATIVE SERVICES		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-30-310-500105	Labor	\$ 968,732	\$ 1,074,352	\$ 963,090	\$ (5,642)
01-30-310-500110	Overtime	622	36	0	
01-30-310-500115	Social Security	55,000	61,007	62,324	7,324
01-30-310-500120	Medicare	14,051	17,825	14,583	
01-30-310-500125	Health Insurance	255,024	172,139	246,160	(8,864)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,681	2,000	0
01-30-310-500140	Life Insurance	3,746	3,478	6,072	2,326
01-30-310-500145	Workers' Compensation	14,113	11,365	14,012	(101)
01-30-310-500150	Unemployment Insurance	74,709	1,791	32,751	(41,958)
01-30-310-500155	Retirement/CalPERS	157,481	134,794	156,625	(856)
01-30-310-500161	Estim Current Yr OPEB Expense	0	100,000	100,000	100,000
01-30-310-500165	Uniforms & Employee Benefits	500	767	750	250
01-30-310-500170	Education Expenses	2,000	398	2,000	0
01-30-310-500175	Seminar & Travel Expenses	11,000	14,377	15,000	4,000
01-30-310-500180	Accrued Sick Leave Expenses	0	34,780	27,897	27,897
01-30-310-500185	Accrued Vacation Expenses	0	118,092	103,444	103,444
01-30-310-500187	Accrual Leave Payments	0	0	40,781	40,781
01-30-310-500190	Temporary Labor	0	0	0	0
01-30-310-500195	CIP Related Labor	(25,000)	0	0	25,000
01-30-310-500196	CIP Related Overtime	0	0	0	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	239	0	(2,800)
01-30-310-550001	Bank/Financial Service Fees	33,000	40,524	42,000	9,000
01-30-310-550006	Cashiering Shortages/Overages	50	0	50	0
01-30-310-550008	Transaction/Return Fees	0	0	3,000	3,000
01-30-310-550010	Transaction/Credit Card Fees	0	0	44,381	44,381
01-30-310-550014	Credit Check Fees	0	0	12,000	12,000
01-30-310-550018	Employee Medical/First Aid	200	0	200	0
01-30-310-550024	Employment Testing	200	155	200	0
01-30-310-550030	Membership Dues	35,000	41,632	42,000	7,000
01-30-310-550036	Notary & Lien Fees	2,000	1,765	2,000	0
01-30-310-550042	Office Supplies	15,000	13,616	10,500	(4,500)
01-30-310-550046	Office Equipment	65,000	31,248	40,000	(25,000)
01-30-310-550048	Postage	58,800	47,930	50,000	(8,800)
01-30-310-550051	Advertising	0	4,338	4,000	4,000
01-30-310-550054	Property, Auto& Gen Liab Insur	85,000	73,897	80,000	(5,000)
01-30-310-550066	Subscriptions	10,000	7,444	3,000	(7,000)
01-30-310-550072	Misc Operating Expenses	5,000	0	1,000	(4,000)
01-30-310-550078	Bad Debt Expense	5,000	0	5,000	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-580021	IT/Software Support	30,000	33,893	0	(30,000)
01-30-310-580036	Other Professional Services	0	12,870	5,000	5,000
01-30-310-590001	Interest Expense	0	0	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
01-40-410-540084	State Mandates & Tariffs	50,000	68,142	70,000	20,000
01-40-470-501691	Maint & Rpr- Buildgs (General)	5,000	2,581	5,000	0
01-40-510-510031	Small Tools, Parts & Maint	1,500	5,383	500	(1,000)
01-50-510-540066	Property Damages & Theft	15,000	15,767	15,000	0
01-50-510-550040	General Supplies	9,000	10,902	11,000	2,000
01-50-510-550060	Public Education	10,000	1,320	5,000	(5,000)
01-50-510-550072	Misc Operating Expenses	4,500	0	1,000	(3,500)
		\$ 1,976,028	\$ 2,160,526	\$ 2,239,320	\$ 263,292



## Board of Directors

This department includes per diem paid to each Board member as well as the associated payroll tax expenses, election expenses and seminar/travel expenses. Proposed expenses for 2018 are \$69,680, a 17.3 percent decrease from projected costs for 2017.

BOARD OF DIRECTORS		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-10-110-500101	Board of Directors Fees	\$ 36,000	\$ 26,600	\$ 36,000	\$ -
01-10-110-500115	Social Security	2,235	1,637	2,235	0
01-10-110-500120	Medicare	525	386	525	0
01-10-110-500145	Workers' Compensation	485	258	520	35
01-10-110-500175	Seminar & Travel Expenses	10,000	140	10,000	0
01-10-110-550012	Election Expenses	0	54,827	20,000	20,000
01-10-110-550042	Supplies - Other	0	378	400	400
		<u>\$ 49,245</u>	<u>\$ 84,225</u>	<u>\$ 69,680</u>	<u>\$ 20,435</u>



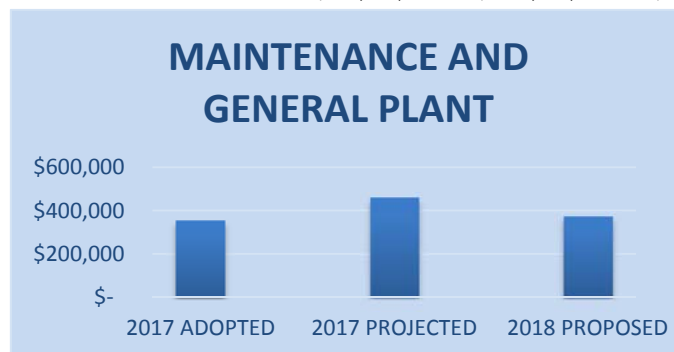
## Maintenance and General Plant

This category includes utilities, auto/equipment fuel, maintenance and repairs for all residences and offices. It also includes all landscape maintenance related labor as well as general maintenance in the canyon areas, recharge basin system and the Noble Creek Recharge facility. Maintenance and general plant expenses are proposed at \$374,327 (excluding depreciation expense) for 2018, an 18.3 percent decrease from projected costs for 2017. This decrease is mainly due to the expectation that much of the landscape maintenance in 2018 will be contracted out to third parties, with de minimis District labor expenses to be incurred.

MAINTENANCE AND GENERAL PLANT		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600	\$ 21,547	\$ 23,000	\$ (600)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,930	2,400	600
01-40-470-501511	Phones - 560 Magnolia	20,000	16,083	0	(20,000)
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	15,117	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,659	2,159	(41)
01-40-470-501321	Propane - 12303 Oak Glen	120	0	114	(6)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	390	1,200	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	1,668	1,848	348
01-40-470-501331	Propane - 13695 Oak Glen	600	0	683	83
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	265	1,000	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,945	2,818	618
01-40-470-501341	Propane - 13697 Oak Glen	600	0	618	18
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	1,132	500	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	2,245	1,834	34
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,003	903	403
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	47	1,500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,181	6,000	0
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,100	4,050	450
01-40-470-501561	Phones - 815 E. 12th	1,800	4,514	0	(1,800)
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,894	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	3,023	3,200	0
01-40-470-500105	Labor	32,000	37,950	0	(32,000)
01-40-470-500115	Social Security	1,700	2,353	0	(1,700)
01-40-470-500120	Medicare	400	550	0	(400)
01-40-470-500125	Health Insurance	11,000	17,090	0	(11,000)
01-40-470-500140	Life Insurance	200	173	0	(200)
01-40-470-500145	Workers' Compensation	2,500	2,089	0	(2,500)
01-40-470-500155	Retirement/CalPERS	9,950	6,805	0	(9,950)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	0	(5,000)
01-40-470-510001	Auto/Fuel	75,000	66,842	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	0	15,000
01-40-470-520011	Maint & Rpr-Safety Equipment	5,000	1,540	3,000	(2,000)
01-40-470-520031	Maint & Rpr-General Equipment	40,000	42,242	46,000	6,000
01-40-470-520041	Maint & Rpr-Fleet	55,000	46,237	50,000	(5,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	5,353	5,500	3,000
01-40-470-540030	Landscape Maintenance	15,000	4,274	45,000	30,000
01-40-470-540072	Rechrq Facs, Cnyns&Ponds Maint	20,000	137,000	75,000	55,000
		\$ 354,970	\$ 458,238	\$ 374,327	\$ 19,357

NOTE: System Depreciation is omitted from the chart for clarity

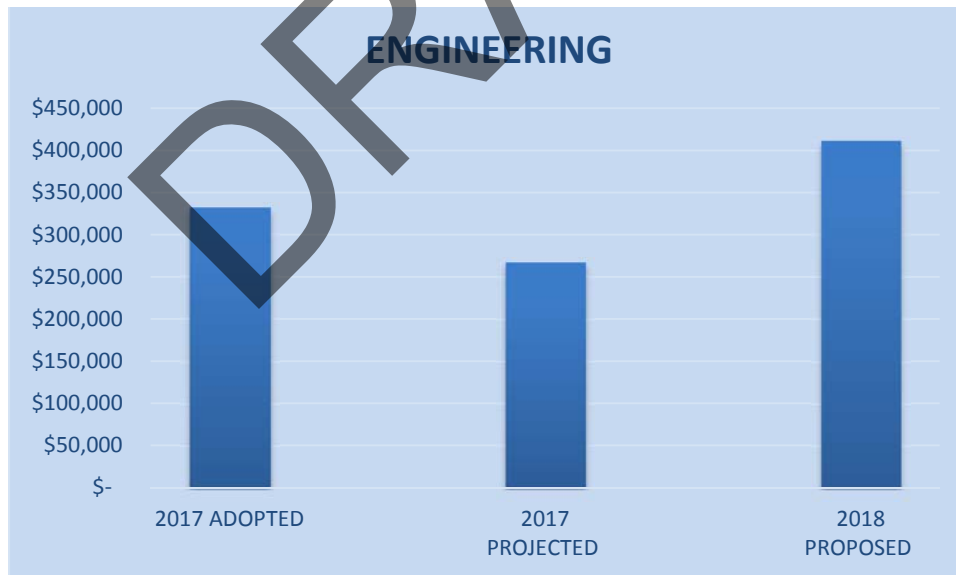
01-30-310-550084	Depreciation	\$ 2,504,276	\$ 2,554,144	\$ 2,554,781	\$ 50,505
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## Engineering

This category includes the full-time Director of Engineering and Engineering Staff. Engineering expenses are proposed at \$411,357 for 2018, a 53.9 percent increase from projected costs for 2017. The expected increase is due the anticipated need for additional labor and associated benefits in the implementation and management of the District's Capital Improvement Plan.

<b>ENGINEERING</b>		<b>2017 ADOPTED</b>	<b>2017 PROJECTED</b>	<b>2018 PROPOSED</b>	<b>CHANGE</b>
01-20-210-500105	Labor	\$ 300,701	\$ 244,425	\$ 391,181	\$ 90,480
01-20-210-500115	Social Security	17,876	16,176	24,489	6,613
01-20-210-500120	Medicare	4,363	3,783	5,730	1,367
01-20-210-500125	Health Insurance	48,576	28,336	43,440	(5,136)
01-20-210-500140	Life Insurance	956	596	1,524	568
01-20-210-500145	Workers' Compensation	4,491	3,312	5,842	1,351
01-20-210-500150	Unemployment Insurance	0	0	13,303	13,303
01-20-210-500155	Retirement/CalPERS	50,409	35,280	57,099	6,690
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	5,000	2,500
01-20-210-500175	Seminar & Travel Expenses	500	70	1,000	500
01-20-210-500180	Accrued Sick Leave Expenses	0	16,230	16,230	16,230
01-20-210-500185	Accrued Vacation Expenses	0	13,127	13,127	13,127
01-20-210-500187	Accrual Leave Payments	0	0	2,657	2,657
01-20-210-500195	CIP Related Labor	(121,158)	(106,618)	(169,314)	(48,156)
01-20-210-550068	Software Maintenance	22,500	12,500	0	(22,500)
		<u>\$ 331,764</u>	<u>\$ 267,217</u>	<u>\$ 411,357</u>	<u>\$ 79,593</u>



## Professional Services

This category includes professional services from outside consultants for legal, engineering and auditing services. Proposed expenses for 2018 are \$249,000, an 84.2 percent increase above projected professional services costs for 2017. This increase is mainly due to an anticipated increase in legal counsel and outside engineering costs.

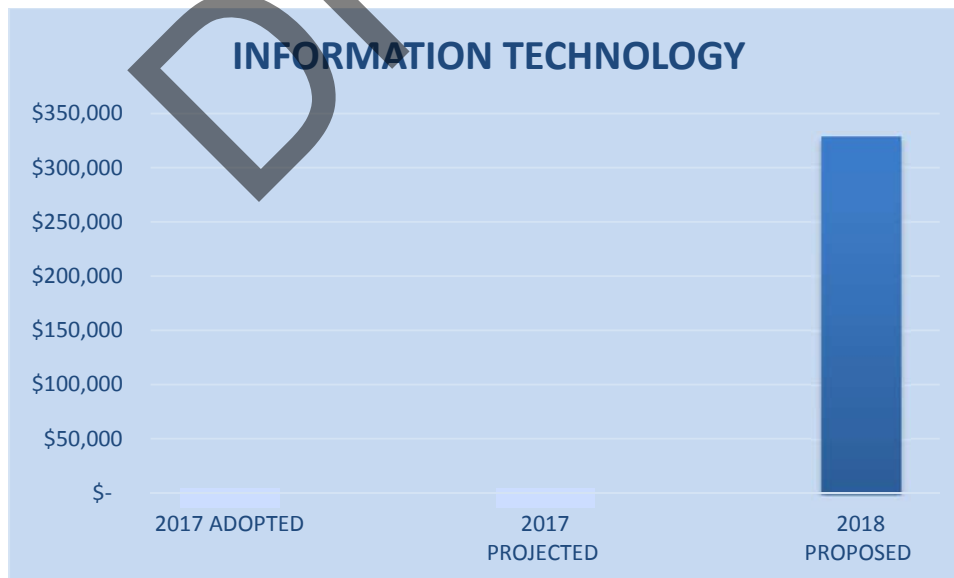
<b>PROFESSIONAL SERVICES</b>		<b>2017 ADOPTED</b>	<b>2017 PROJECTED</b>	<b>2018 PROPOSED</b>	<b>CHANGE</b>
01-20-210-540012	Dev Reimbursable Engineering	\$ 15,000	\$ -	\$ -	\$ (15,000)
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	2,000	(2,000)
01-20-210-580031	Outside Engineering	50,000	5,368	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(40,000)	(10,000)
01-30-310-580001	Accounting & Audit	36,000	29,544	35,000	(1,000)
01-30-310-580011	General Legal	150,000	60,620	150,000	0
01-50-510-550096	Beaumont Basin Watermaster	36,610	39,661	42,000	5,390
		<u>\$ 261,610</u>	<u>\$ 135,192</u>	<u>\$ 249,000</u>	<u>\$ (12,610)</u>



## Information Technology

This department includes the administrative salaries, employee benefits, operating supplies, and other expenses associated with the information technology function of the District. This is a new department for 2018 that has previously been budgeted and accounted for within Finance and Administrative Services, with proposed expenses of \$328,952 for 2018.

INFORMATION TECHNOLOGY		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
01-30-315-500105	Labor	\$ -	\$ -	\$ 118,311	\$ 118,311
01-30-315-500110	Overtime	\$ -	\$ -	\$ -	\$ -
01-30-315-500115	Social Security	\$ -	\$ -	\$ 7,802	\$ 7,802
01-30-315-500120	Medicare	\$ -	\$ -	\$ 1,825	\$ 1,825
01-30-315-500125	Health Insurance	\$ -	\$ -	\$ 21,720	\$ 21,720
01-30-315-500140	Life Insurance	\$ -	\$ -	\$ 780	\$ 780
01-30-315-500145	Workers' Compensation	\$ -	\$ -	\$ 1,709	\$ 1,709
01-30-315-500150	Unemployment Insurance	\$ -	\$ -	\$ 4,023	\$ 4,023
01-30-315-500155	Retirement/CalPERS	\$ -	\$ -	\$ 11,648	\$ 11,648
01-30-315-500175	Seminar & Travel Expenses	\$ -	\$ -	\$ 4,000	\$ 4,000
01-30-315-500180	Accrued Sick Leave Expenses	\$ -	\$ -	\$ 6,883	\$ 6,883
01-30-315-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 14,648	\$ 14,648
01-30-315-500187	Accrual Leave Payments	\$ -	\$ -	\$ 7,458	\$ 7,458
01-30-315-500190	Temporary Labor	\$ -	\$ -	\$ -	\$ -
01-30-315-500195	CIP Related Labor	\$ -	\$ -	\$ (31,855)	\$ (31,855)
01-30-315-501511	Phones - 560 Magnolia	\$ -	\$ -	\$ 25,200	\$ 25,200
01-30-315-501561	Phones - 815 E. 12th	\$ -	\$ -	\$ 2,800	\$ 2,800
01-30-315-550030	Membership Dues	\$ -	\$ -	\$ 2,000	\$ 2,000
01-30-315-550044	Printing/Toner & Maint	\$ -	\$ -	\$ 15,000	\$ 15,000
01-30-315-580016	Computer Hardware	\$ -	\$ -	\$ 20,000	\$ 20,000
01-30-315-580021	IT/Software Support	\$ -	\$ -	\$ 5,000	\$ 5,000
01-30-315-580026	License/Maintenance/Support	\$ -	\$ -	\$ 90,000	\$ 90,000
		\$ -	\$ -	\$ 328,952	\$ 328,952





## Appendix A Budget Detail



**Revenues: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget**

	<u>2017 ADOPTED</u>	<u>2017 PROJECTED</u>	<u>2018 PROPOSED</u>	<u>CHANGE</u>
<b>OPERATING REVENUE</b>				
<b>Water Sales</b>				
01-50-510-410100	\$ 4,200,000	\$ 4,649,637	\$ 4,750,617	\$ 550,617
01-50-510-410151	25,500	24,573	20,000	(5,500)
01-50-510-410171	150,000	103,099	150,000	0
01-50-510-413011	2,786,335	2,913,334	3,158,771	372,436
	<u>7,161,835</u>	<u>7,690,644</u>	<u>8,079,388</u>	<u>917,553</u>
<b>Development and Installation Charges</b>				
01-50-510-413021	275,000	414,666	619,974	344,974
01-50-510-419011	100,000	110,240	100,626	626
	<u>375,000</u>	<u>524,906</u>	<u>720,600</u>	<u>345,600</u>
<b>Other Charges for Service</b>				
01-50-510-413001	30,000	40,806	41,501	11,501
01-50-510-417001	90,000	92,230	93,072	3,072
01-50-510-417011	32,000	34,355	32,000	0
01-50-510-417021	65,000	66,650	35,490	(29,510)
01-50-510-417030	0	204	0	0
01-50-510-417031	5,000	5,900	5,000	0
01-50-510-417041	8,000	11,055	12,000	4,000
01-50-510-417051	2,000	2,900	3,000	1,000
01-50-510-417061	15,000	19,007	18,819	3,819
01-50-510-417071	600	1,700	1,931	1,331
01-50-510-417081	180	72	0	(180)
01-50-510-417091	35,000	41,493	44,381	9,381
01-50-510-419021	45,000	114,332	61,140	16,140
01-50-510-419061	250	83,283	200	(50)
	<u>328,030</u>	<u>513,987</u>	<u>348,534</u>	<u>20,504</u>
<b>Water Importation Surcharge</b>				
01-50-510-415001	2,000,000	2,159,391	2,160,000	160,000
<b>Water Pumping Energy Surcharge</b>				
01-50-510-415011	1,550,000	1,549,128	1,566,443	16,443
	<u>11,414,865</u>	<u>12,438,056</u>	<u>12,874,965</u>	<u>1,460,100</u>
<b>NON-OPERATING REVENUE</b>				
<b>Rental Income</b>				
01-50-510-471001	2,400	2,400	2,400	0
01-50-510-471011	2,400	2,400	2,400	0
01-50-510-471021	2,400	2,400	2,400	0
01-50-510-471031	2,400	2,400	2,400	0
01-50-510-471101	2,320	2,577	2,273	(47)
01-50-510-471111	1,500	1,431	2,531	1,031
01-50-510-471121	2,800	2,950	3,436	636
01-50-510-471131	2,300	2,706	2,737	437
	<u>18,520</u>	<u>19,264</u>	<u>20,577</u>	<u>2,057</u>
<b>Facilities Charges</b>				
01-50-510-481001	387,200	2,067,145	956,333	569,133
01-50-510-481006	245,000	1,156,864	605,118	360,118
01-50-510-481012	184,200	983,389	454,950	270,750
01-50-510-481018	97,000	458,024	239,577	142,577
01-50-510-481024	280,400	1,643,746	692,551	412,151
01-50-510-481030	313,600	1,674,216	774,550	460,950
01-50-510-481036	401,600	2,144,022	991,899	590,299
01-50-510-481042	27,800	148,416	68,662	40,862
01-50-510-481048	14,200	75,810	35,072	20,872
01-50-510-481054	12,400	79,696	30,626	18,226
01-50-510-481060	61,000	330,083	150,662	89,662
01-50-510-485001	2,500	16,541	16,541	14,041
01-50-510-488001	0	0	0	0
	<u>2,026,900</u>	<u>10,777,952</u>	<u>5,016,541</u>	<u>2,989,641</u>
<b>Interest Earned</b>				
01-50-510-490001	2,400	2,075	1,995	(405)
01-50-510-490011	0	10,280	57,363	57,363
01-50-510-490021	80,000	202,369	190,000	110,000
	<u>82,400</u>	<u>214,724</u>	<u>249,358</u>	<u>166,958</u>
<b>Grant Revenue</b>				
01-50-510-419051	0	0	0	0
	<u>2,127,820</u>	<u>11,011,939</u>	<u>5,286,476</u>	<u>3,158,656</u>
<b>Total Revenues</b>	<u>\$ 13,542,685</u>	<u>\$ 23,449,995</u>	<u>\$ 18,161,441</u>	<u>\$ 4,618,756</u>

**Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget**

EXPENSES	2017		2018		
	ADOPTED	PROJECTED	PROPOSED	CHANGE	
<b>SOURCE OF SUPPLY</b>					
01-40-410-500105	Labor	\$ 294,844	\$ 180,482	\$ 328,948	\$ 34,104
01-40-410-500110	Overtime	16,145	15,916	18,393	2,248
01-40-410-500111	Double Time	427	374	930	503
01-40-410-500113	Standby/On-Call	0	0	4,550	4,550
01-40-410-500115	Social Security	18,283	12,681	21,988	3,705
01-40-410-500120	Medicare	4,278	2,966	5,148	870
01-40-410-500125	Health Insurance	121,440	63,035	108,600	(12,840)
01-40-410-500140	Life Insurance	1,265	881	2,160	895
01-40-410-500145	Workers' Compensation	20,808	11,251	23,214	2,406
01-40-410-500150	Unemployment Insurance	0	0	48,080	48,080
01-40-410-500155	Retirement/CalPERS	59,910	45,646	75,285	15,375
01-40-410-500165	Uniforms & Employee Benefits	1,000	646	2,200	1,200
01-40-410-500170	Education Expenses	1,000	109	1,000	0
01-40-410-500175	Seminar & Travel Expenses	500	1,346	4,000	3,500
01-40-410-500180	Accrued Sick Leave Expense	0	9,519	9,519	9,519
01-40-410-500185	Accrued Vacation Expenses	0	6,355	6,355	6,355
01-40-410-500187	Accrual Leave Payments	0	0	6,235	6,235
01-40-410-500195	CIP Related Labor	0	(25,000)	(25,000)	(25,000)
01-40-410-500501	State Project Water Purchases	2,000,000	4,219,270	2,813,692	813,692
01-40-410-500511	Ground Water Purchases	0	0	0	0
01-40-410-501101	Electricity - Wells	1,550,000	1,700,583	1,566,443	16,443
01-40-410-501201	Gas - Wells	225	178	225	0
01-40-410-510011	Treatment & Chemicals	75,000	86,740	80,000	5,000
01-40-410-510021	Lab Testing	90,000	40,873	90,000	0
01-40-410-510031	Small Tools, Parts & Maint	3,200	2,655	3,200	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	15,000	3,831	10,000	(5,000)
01-40-410-520031	Maint & Rpr-General Equipment	100	527	0	(100)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	128,973	125,000	25,000
01-40-410-540048	Permits, Fees & Licensing	0	0	0	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-550066	Subscriptions	400	0	400	0
		<u>4,874,025</u>	<u>6,509,837</u>	<u>5,330,765</u>	<u>956,740</u>
<b>TRANSMISSION AND DISTRIBUTION</b>					
01-40-440-500105	Labor	661,864	407,545	922,072	260,208
01-40-440-500110	Overtime	20,007	20,705	36,825	16,818
01-40-440-500111	Double Time	3,156	3,091	3,000	(156)
01-40-440-500113	Standby/On-Call	0	0	7,800	7,800
01-40-440-500115	Social Security	40,273	29,503	61,467	21,194
01-40-440-500120	Medicare	9,603	6,900	14,387	4,784
01-40-440-500125	Health Insurance	279,312	154,991	304,080	24,768
01-40-440-500140	Life Insurance	2,726	2,040	6,060	3,334
01-40-440-500145	Workers' Compensation	36,190	20,776	51,310	15,120
01-40-440-500155	Retirement/CalPERS	123,317	87,824	170,684	47,367
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,784	4,500	500
01-40-440-500170	Education Expenses	1,000	376	1,000	0
01-40-440-500175	Seminar & Travel Expenses	500	30	500	0
01-40-440-500180	Accrued Sick Leave Expense	0	9,260	9,260	9,260
01-40-440-500185	Accrued Vacation Expenses	0	20,816	20,816	20,816
01-40-440-500187	Accrual Leave Payments	0	0	28,454	28,454
01-40-440-500195	CIP Related Labor	(40,000)	0	(57,300)	(17,300)
01-40-440-510031	Small Tools, Parts & Maint	6,500	4,030	6,500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	34,588	55,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	7,500	97	7,500	0
01-40-440-540001	Backflow Devices	2,500	724	2,500	0
01-40-440-540024	Inventory Adjustments	3,000	2,416	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	0	5,000
01-40-440-540036	Line Locates	3,500	2,203	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	93,085	150,000	0
01-40-440-540078	Reservoirs Maintenance	30,000	16,932	30,000	0
01-40-440-550024	Employment Testing	200	25	200	0
01-40-450-500105	Labor	0	0	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500115	Social Security	0	0	0	0
01-40-450-500120	Medicare	0	0	0	0
01-40-450-500125	Health Insurance	0	0	0	0
01-40-450-500140	Life Insurance	0	0	0	0
01-40-450-500145	Workers' Compensation	0	0	0	0
01-40-450-500155	Retirement/CalPERS	0	0	0	0
01-40-450-500165	Uniforms & Employee Benefits	0	0	0	0
		<u>1,395,148</u>	<u>919,743</u>	<u>1,843,114</u>	<u>447,966</u>

**Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget**

EXPENSES	2017	2017	2018	CHANGE
	ADOPTED	PROJECTED	PROPOSED	
<b>CUSTOMER SERVICE AND METER READING</b>				
01-40-460-500105 Labor	144,396	126,470	162,730	18,334
01-40-460-500110 Overtime	7,124	5,763	14,102	6,978
01-40-460-500111 Double Time	1,435	936	1,579	144
01-40-460-500113 Standby/On-Call	0	0	3,900	3,900
01-40-460-500115 Social Security	8,954	8,920	11,267	2,313
01-40-460-500120 Medicare	2,096	2,086	2,639	543
01-40-460-500125 Health Insurance	72,864	69,545	65,160	(7,704)
01-40-460-500140 Life Insurance	543	654	1,068	525
01-40-460-500145 Workers' Compensation	10,190	7,925	11,484	1,294
01-40-460-500155 Retirement/CalPERS	29,268	29,693	39,276	10,008
01-40-460-500165 Uniforms & Employee Benefits	750	0	200	(550)
01-40-460-500170 Education Expenses	500	0	200	(300)
01-40-460-500175 Seminar & Travel Expenses	300	30	200	(100)
01-40-460-500180 Accrued Sick Leave Expense	0	147	147	147
01-40-460-500185 Accrued Vacation Expenses	0	(68)	0	0
01-40-460-500187 Accrual Leave Payments	0	0	3,221	3,221
01-40-460-500195 CIP Related Labor	(10,000)	0	0	10,000
01-40-460-550024 Employment Testing	300	0	200	(100)
	<u>268,720</u>	<u>252,101</u>	<u>317,373</u>	<u>48,653</u>
<b>FINANCE AND ADMINISTRATIVE SERVICES</b>				
01-30-310-500105 Labor	968,732	1,074,352	963,090	\$ (5,642)
01-30-310-500110 Overtime	622	36	0	(622)
01-30-310-500115 Social Security	55,000	61,007	62,324	7,324
01-30-310-500120 Medicare	14,051	17,825	14,583	532
01-30-310-500125 Health Insurance	255,024	172,139	246,160	(8,864)
01-30-310-500130 CalPERS Health Admin Costs	2,000	1,681	2,000	0
01-30-310-500140 Life Insurance	3,746	3,478	6,072	2,326
01-30-310-500145 Workers' Compensation	14,113	11,365	14,012	(101)
01-30-310-500150 Unemployment Insurance	74,709	1,791	32,751	(41,958)
01-30-310-500155 Retirement/CalPERS	157,481	134,794	156,625	(856)
01-30-310-500161 Estim Current Yr OPEB Expense	0	100,000	100,000	100,000
01-30-310-500165 Uniforms & Employee Benefits	500	767	750	250
01-30-310-500170 Education Expenses	2,000	398	2,000	0
01-30-310-500175 Seminar & Travel Expenses	11,000	14,377	15,000	4,000
01-30-310-500180 Accrued Sick Leave Expenses	0	34,780	27,897	27,897
01-30-310-500185 Accrued Vacation Expenses	0	118,092	103,444	103,444
01-30-310-500187 Accrual Leave Payments	0	0	40,781	40,781
01-30-310-500190 Temporary Labor	0	0	0	0
01-30-310-500195 CIP Related Labor	(25,000)	0	0	25,000
01-30-310-500196 CIP Related Overtime	0	0	0	0
01-30-310-520001 Maint & Rpr-Office Equipment	2,800	239	0	(2,800)
01-30-310-550001 Bank/Financial Service Fees	33,000	40,524	42,000	9,000
01-30-310-550006 Cashiering Shortages/Overages	50	0	50	0
01-30-310-550008 Transaction/Return Fees	0	0	3,000	3,000
01-30-310-550010 Transaction/Credit Card Fees	0	0	44,381	44,381
01-30-310-550014 Credit Check Fees	0	0	12,000	12,000
01-30-310-550018 Employee Medical/First Aid	200	0	200	0
01-30-310-550024 Employment Testing	200	155	200	0
01-30-310-550030 Membership Dues	35,000	41,632	42,000	7,000
01-30-310-550036 Notary & Lien Fees	2,000	1,765	2,000	0
01-30-310-550042 Office Supplies	15,000	13,616	10,500	(4,500)
01-30-310-550046 Office Equipment	65,000	31,248	40,000	(25,000)
01-30-310-550048 Postage	58,800	47,930	50,000	(8,800)
01-30-310-550051 Advertising	0	4,338	4,000	4,000
01-30-310-550054 Property, Auto & Gen Liab Insur	85,000	73,897	80,000	(5,000)
01-30-310-550066 Subscriptions	10,000	7,444	3,000	(7,000)
01-30-310-550072 Misc Operating Expenses	5,000	0	1,000	(4,000)
01-30-310-550078 Bad Debt Expense	5,000	0	5,000	0
01-30-310-550090 Principal Repayment	0	0	0	0
01-30-310-580021 IT/Software Support	30,000	33,893	0	(30,000)
01-30-310-580036 Other Professional Services	0	12,870	5,000	5,000
01-30-310-590001 Interest Expense	0	0	0	0
01-30-310-590011 Cost of Issuance Amortization	0	0	0	0
01-40-410-540084 State Mandates & Tariffs	50,000	68,142	70,000	20,000
01-40-470-501691 Maint & Rpr- Buildgs (General)	5,000	2,581	5,000	0
01-40-510-510031 Small Tools, Parts & Maint	1,500	5,383	500	(1,000)
01-50-510-540066 Property Damages & Theft	15,000	15,767	15,000	0
01-50-510-550040 General Supplies	9,000	10,902	11,000	2,000
01-50-510-550060 Public Education	10,000	1,320	5,000	(5,000)
01-50-510-550072 Misc Operating Expenses	4,500	0	1,000	(3,500)
	<u>1,976,028</u>	<u>2,160,526</u>	<u>2,239,320</u>	<u>263,292</u>

**Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget**

EXPENSES		2017	2017	2018	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
<b>BOARD OF DIRECTORS</b>					
01-10-110-500101	Board of Directors Fees	36,000	26,600	36,000	0
01-10-110-500115	Social Security	2,235	1,637	2,235	0
01-10-110-500120	Medicare	525	386	525	0
01-10-110-500145	Workers' Compensation	485	258	520	35
01-10-110-500175	Seminar & Travel Expenses	10,000	140	10,000	0
01-10-110-550012	Election Expenses	0	54,827	20,000	20,000
01-10-110-550042	Supplies - Other	0	378	400	400
		<u>49,245</u>	<u>84,225</u>	<u>69,680</u>	<u>20,435</u>
<b>MAINTENANCE AND GENERAL PLANT</b>					
01-40-470-501111	Electricity - 560 Magnolia	23,600	21,547	23,000	(600)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,930	2,400	600
01-40-470-501511	Phones - 560 Magnolia	20,000	16,083	0	(20,000)
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	15,117	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,659	2,159	(41)
01-40-470-501321	Propane - 12303 Oak Glen	120	0	114	(6)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	390	1,200	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	1,668	1,848	348
01-40-470-501331	Propane - 13695 Oak Glen	600	0	683	83
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	265	1,000	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,945	2,818	618
01-40-470-501341	Propane - 13697 Oak Glen	600	0	618	18
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	1,132	500	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	2,245	1,834	34
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,003	903	403
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	47	1,500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,181	6,000	0
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,100	4,050	450
01-40-470-501561	Phones - 815 E. 12th	1,800	4,514	0	(1,800)
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,894	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	3,023	3,200	0
01-30-310-550084	Depreciation	2,504,276	2,554,144	2,554,781	50,505
01-40-470-500105	Labor	32,000	37,950	0	(32,000)
01-40-470-500115	Social Security	1,700	2,353	0	(1,700)
01-40-470-500120	Medicare	400	550	0	(400)
01-40-470-500125	Health Insurance	11,000	17,090	0	(11,000)
01-40-470-500140	Life Insurance	200	173	0	(200)
01-40-470-500145	Workers' Compensation	2,500	2,089	0	(2,500)
01-40-470-500155	Retirement/CalPERS	9,950	6,805	0	(9,950)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	0	(5,000)
01-40-470-510001	Auto/Fuel	75,000	66,842	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	0	15,000
01-40-470-520011	Maint & Rpr-Safety Equipment	5,000	1,540	3,000	(2,000)
01-40-470-520031	Maint & Rpr-General Equipment	40,000	42,242	46,000	6,000
01-40-470-520041	Maint & Rpr-Fleet	55,000	46,237	50,000	(5,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	5,353	5,500	3,000
01-40-470-540030	Landscape Maintenance	15,000	4,274	45,000	30,000
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	137,000	75,000	55,000
		<u>2,859,246</u>	<u>3,012,382</u>	<u>2,929,108</u>	<u>69,862</u>
<b>ENGINEERING</b>					
01-20-210-500105	Labor	300,701	244,425	391,181	90,480
01-20-210-500115	Social Security	17,876	16,176	24,489	6,613
01-20-210-500120	Medicare	4,363	3,783	5,730	1,367
01-20-210-500125	Health Insurance	48,576	28,336	43,440	(5,136)
01-20-210-500140	Life Insurance	956	596	1,524	568
01-20-210-500145	Workers' Compensation	4,491	3,312	5,842	1,351
01-20-210-500150	Unemployment Insurance	0	0	13,303	13,303
01-20-210-500155	Retirement/CalPERS	50,409	35,280	57,099	6,690
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	5,000	2,500
01-20-210-500175	Seminar & Travel Expenses	500	70	1,000	500
01-20-210-500180	Accrued Sick Leave Expenses	0	16,230	16,230	16,230
01-20-210-500185	Accrued Vacation Expenses	0	13,127	13,127	13,127
01-20-210-500187	Accrual Leave Payments	0	0	2,657	2,657
01-20-210-500195	CIP Related Labor	(121,158)	(106,618)	(169,314)	(48,156)
01-20-210-550068	Software Maintenance	22,500	12,500	0	(22,500)
		<u>331,764</u>	<u>267,217</u>	<u>411,357</u>	<u>79,593</u>

**Expenses: 2017 Adopted Budget versus 2017 Projected Actuals versus 2018 Proposed Budget**

EXPENSES		2017 ADOPTED	2017 PROJECTED	2018 PROPOSED	CHANGE
<b>PROFESSIONAL SERVICES</b>					
01-20-210-540012	Dev Reimbursable Engineering	15,000	0	0	(15,000)
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	2,000	(2,000)
01-20-210-580031	Outside Engineering	50,000	5,368	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(40,000)	(10,000)
01-30-310-580001	Accounting & Audit	36,000	29,544	35,000	(1,000)
01-30-310-580011	General Legal	150,000	60,620	150,000	0
01-50-510-550096	Beaumont Basin Watermaster	36,610	39,661	42,000	5,390
		<u>\$ 261,610</u>	<u>\$ 135,192</u>	<u>\$ 249,000</u>	<u>(12,610)</u>
<b>INFORMATION TECHNOLOGY</b>					
01-30-315-500105	Labor	0	0	118,311	118,311
01-30-315-500110	Overtime	0	0	0	0
01-30-315-500115	Social Security	0	0	7,802	7,802
01-30-315-500120	Medicare	0	0	1,825	1,825
01-30-315-500125	Health Insurance	0	0	21,720	21,720
01-30-315-500140	Life Insurance	0	0	780	780
01-30-315-500145	Workers' Compensation	0	0	1,709	1,709
01-30-315-500150	Unemployment Insurance	0	0	4,023	4,023
01-30-315-500155	Retirement/CalPERS	0	0	11,648	11,648
01-30-315-500175	Seminar & Travel Expenses	0	0	4,000	4,000
01-30-315-500180	Accrued Sick Leave Expenses	0	0	6,883	6,883
01-30-315-500185	Accrued Vacation Expenses	0	0	14,648	14,648
01-30-315-500187	Accrual Leave Payments	0	0	7,458	7,458
01-30-315-500190	Temporary Labor	0	0	0	0
01-30-315-500195	CIP Related Labor	0	0	(31,855)	(31,855)
01-30-315-501511	Phones - 560 Magnolia	0	0	25,200	25,200
01-30-315-501561	Phones - 815 E. 12th	0	0	2,800	2,800
01-30-315-550030	Membership Dues	0	0	2,000	2,000
01-30-315-550044	Printing/Toner & Maint	0	0	15,000	15,000
01-30-315-580016	Computer Hardware	0	0	20,000	20,000
01-30-315-580021	IT/Software Support	0	0	5,000	5,000
01-30-315-580026	License/Maintenance/Support	0	0	90,000	90,000
		<u>\$ 11,515,786</u>	<u>\$ 13,341,224</u>	<u>\$ 13,718,669</u>	<u>\$ 2,202,883</u>

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**Appendix B**  
**Summary of Account Descriptions**



## OPERATING REVENUE

### WATER SALES

- 01-50-510-410100 — **Sales** — Commodity charges for commercial, residential and landscape irrigation water usage.
- 01-50-510-410151 — **Agricultural Irrigation Sales** — Commodity charges for irrigation water usage.
- 01-50-510-410171 — **Construction Sales** — Commodity charges for water used for new construction and other purposes through portable fire hydrant meters.
- 01-50-510-413011 — **Fixed Meter Charges** — Fixed service charges for installed meters.

### DEVELOPMENT AND INSTALLATION CHARGES

- 01-50-510-413021 — **Meter Fees** — Charges for new service installations.
- 01-50-510-419011 — **Development Income** — Revenue earned and charged to deposits that were collected to cover engineering, legal and administrative costs associated with new development.

### OTHER CHARGES FOR SERVICE

- 01-50-510-413001 — **Backflow Administration Charges** — Administrative charge for required annual backflow program administration.
- 01-50-510-417001 — **Second Notice Penalties** — Late fee assessed on delinquent accounts.
- 01-50-510-417011 — **Third Notice Charges** — Fee associated with disconnection notices sent on delinquent accounts.
- 01-50-510-417021 — **Account Reinstatement Fees** — Fees associated with the reinstatement of service when an account is inactivated due to non-payment.
- 01-50-510-417030 — **Water Restriction Noncompliance 10% - 50%** — Fees assessed on accounts where water waste is deemed to have occurred.
- 01-50-510-417031 — **Lien Processing Fees** — Fees associated with filing and releasing liens on delinquent accounts.
- 01-50-510-417041 — **Credit Check Processing Fees** — Pass through charge to cover the cost of performing a credit check.
- 01-50-510-417051 — **Returned Check Fees** — Pass through charges for payments returned by the bank as unpaid.
- 01-50-510-417061 — **Customer Damages/Upgrade Charges** — Reimbursements for work performed when customers/developers cause damage to District property or customer requested changes such as meter relocation charges.
- 01-50-510-417071 — **After-Hours Call Out Charges** — Reimbursement charge for after-hours services provided.
- 01-50-510-417081 — **Bench Test Fees** — Fees for pulling a meter and bench testing it.
- 01-50-510-417091 — **Credit Card Processing Fees** — Pass-through charge to cover the bank fees charged to the District for credit card processing.
- 01-50-510-419021 — **Recharge Income** — Income received for the recharge of imported water from San Geronio Pass Water Agency (SGPWA) for the City of Banning.
- 01-50-510-419061 — **Miscellaneous Income** — Receipts for miscellaneous, non-recurring revenues.

### WATER IMPORTATION SURCHARGE

- 01-50-510-415001 — **SGPWA Importation Charges** — Pass through charge to cover the cost of purchasing imported water.

### WATER PUMPING ENERGY SURCHARGE

- 01-50-510-415011 — **SCE Power Charges** — Pass through charge to cover the cost of electricity used for pumping water from wells and through the system.

## NON-OPERATING REVENUE

### RENTAL INCOME

- 01-50-510-471001 — **Rent — 12303 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471011 — **Rent — 13695 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471021 — **Rent — 13697 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471031 — **Rent — 9781 Avenida Miravilla** — Rental of District residential property.
- 01-50-510-471101 — **Utilities — 12303 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471111 — **Utilities — 13695 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471121 — **Utilities — 13697 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471131 — **Utilities — 9781 Avenida Miravilla** — Utility payments for District residential property.



## **FACILITIES CHARGES**

- 01-50-510-481001 — Facility Fees – Wells** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new wells.
- 01-50-510-481006 — Facility Fees – Water Rights (SWP)** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for State Water Project water rights.
- 01-50-510-481012 — Facility Fees – Water Treatment Plant** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new water treatment plants.
- 01-50-510-481018 — Facility Fees – Local Water Resources** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for local water resources.
- 01-50-510-481024 — Facility Fees – Recycled Water Facilities** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new recycled water facilities.
- 01-50-510-481030 — Facility Fees – Transmission (16")** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new 16" transmission lines.
- 01-50-510-481036 — Facility Fees – Storage** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new storage facilities.
- 01-50-510-481042 — Facility Fees – Booster** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new booster stations.
- 01-50-510-481048 — Facility Fees – Pressure Reducing Stations** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for new pressure reducing stations.
- 01-50-510-481054 — Facility Fees – Miscellaneous Projects** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, for miscellaneous projects not covered by other types of facilities fees.
- 01-50-510-481060 — Facility Fees – Financing Costs** — Fees paid per EDU by individual homeowners and industrial, residential, and commercial developers to fund the cost of the impacts of their developments on the District's water system, specifically for costs of financing new facilities.
- 01-50-510-485001 — Front Footage Fees** — Charged to cover the cost of pipelines traveling along the frontage of properties requesting service.
- 01-50-510-488001 — Contributed Capital** — Fees and infrastructure contributed to enhance District facilities.

## **INTEREST EARNED**

- 01-50-510-490001 — Interest Income - Bonita Vista** — Interest income on Bonita Vista note receivable.
- 01-50-510-490011 — Interest Income- Fairway Canyon** — Interest earned on the Fairway Canyon note receivable.
- 01-50-510-490021 — Interest Income- General** — Interest earned on District investments.

## **GRANT REVENUE**

- 01-50-510-419051 — Grant Revenue** — Grant funding received.

## OPERATING EXPENSES

### SOURCE OF SUPPLY

*The three digit department number 410 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.*

- 01-40-410-500105 — **Labor** — Wage expenses for this department.
- 01-40-410-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-410-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-410-500113 — **Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department.
- 01-40-410-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-410-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-410-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-410-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-410-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-410-500150 — **Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-40-410-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-410-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-410-500170 — **Education Expense** — Education expense reimbursement.
- 01-40-410-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-410-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-410-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-410-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-410-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-410-500501 — **State Project Water Purchases** — Costs associated with the purchase of imported water from the SGPWA.
- 01-40-410-500511 — **Groundwater Purchases** — Costs associated with the purchase of groundwater rights from South Mesa Mutual.
- 01-40-410-501101 — **Electricity - Wells** — Charges for power purchased from Southern California Edison to operate District pumping facilities.
- 01-40-410-501201 — **Gas - Wells** — Natural gas purchased for the operation of an emergency booster pump.
- 01-40-410-510011 — **Treatment and Chemicals** — Costs associated with the purchase of water treatment chemicals such as chlorine.
- 01-40-410-510021 — **Lab Testing** — Costs associated with water sample analysis conducted by outside laboratories.
- 01-40-410-510031 — **Small Tools, Parts and Maintenance** — Costs for minor repairs and small parts purchases.
- 01-40-410-520021 — **Maintenance and Repairs – Telemetry Equipment** — Costs associated with the maintenance and repair of the District's telemetry system.
- 01-40-410-520031 — **Maintenance and Repair – General Equipment** — Costs associated with the equipment, maintenance and repair incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.
- 01-40-410-520061 — **Maintenance and Repair – Pumping Equipment** — Maintenance cost of pumping equipment, wells, booster and chlorination equipment.
- 01-40-410-540048 — **Permits, Fees and Licensing** — Costs of permits, fees and licensing for District facilities and operations.
- 01-40-410-550066 — **Subscriptions** — Costs of subscriptions for regulatory and technical updates.
- 01-40-410-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.

## TRANSMISSION AND DISTRIBUTION

*The three digit departmental number 440 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of the infrastructure used to bring water from wells to storage tanks and from storage tanks to the consumers.*

- 01-40-440-500105 — **Labor** — Wage expenses for this department.
- 01-40-440-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-440-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-440-500113 — **Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department
- 01-40-440-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-440-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-440-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-440-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-440-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-440-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-440-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-440-500170 — **Education Expenses** — Education expense reimbursement.
- 01-40-440-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-440-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-440-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-440-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-440-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-440-510031 — **Small Tools, Parts and Maintenance** — Costs for minor repairs and small parts purchases.
- 01-40-440-520071 — **Maintenance and Repair – Pipeline and Hydrants** — Costs associated with the maintenance and repair of pipelines and fire hydrants.
- 01-40-440-520081 — **Maintenance and Repair – Pressure Regulators** — Costs associated with the repair and maintenance of pressure reducing valves (PRV's).
- 01-40-440-540001 — **Backflow Devices** — Costs associated with maintenance done to District owned and operated backflow devices, as well as costs for the annual required testing of these devices.
- 01-40-440-540024 — **Inventory Adjustments** — Costs associated with change in market value on inventory using an average-cost valuation method or costs associated with removing obsolete or damaged items from inventory.
- 01-40-440-540026 — **Inventory Purchase Discounts** — Discounts taken on inventory purchases.
- 01-40-440-540036 — **Line Locates** — Cost associated with the locating and marking of underground facilities.
- 01-40-440-540042 — **Meters Maintenance and Services** — Costs associated with repair and maintenance of existing meters and services, in accordance with the District's meter change out program.
- 01-40-440-540078 — **Reservoirs Maintenance** — Costs associated with the repair and maintenance of storage reservoirs and tanks.
- 01-40-440-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.

## INSPECTIONS

*The three digit departmental number 450 seen in this section of the General Ledger refers to the expenses incurred for the labor of the inspectors. These costs are typically recovered through inspection fees and development charges.*

- 01-40-450-500105 — **Labor** — Wage expenses for this department.
- 01-40-450-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-450-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-450-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-450-500125 — **Health Insurance** — Cost of providing health insurance to employees in this department.
- 01-40-450-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-450-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-450-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-450-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.

## CUSTOMER SERVICE AND METER READING

*The three digit departmental number 460 seen in this section of the General Ledger refers to the expenses incurred for the labor of the meter readers and the field customer service representative.*

- 01-40-460-500105 — **Labor** — Wage expenses for this department.
- 01-40-460-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-460-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-460-500113 — **Standby/On-Call** — Expenses for minimum two-hour off-duty work for this department.
- 01-40-460-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-460-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-460-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-460-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-460-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-460-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-460-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-460-500170 — **Education Expenses** — Education expense reimbursement.
- 01-40-460-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-40-460-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-40-460-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-40-460-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-40-460-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-460-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.

## FINANCE AND ADMINISTRATIVE SERVICES EXPENSES

*The three digit departmental number 310 seen in this section of the General Ledger refers to the expenses incurred for Finance and Administrative Services as well as General District expenses.*

- 01-30-310-500105 — **Labor** — Wage expenses for this department.
- 01-30-310-500110 — **Overtime** — Overtime expenses for this department.
- 01-30-310-500115 — **Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-30-310-500120 — **Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-30-310-500125 — **Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-310-500130 — **CalPERS Health Administration Costs** — Administrative fees charged for CalPERS health insurance.
- 01-30-310-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-30-310-500145 — **Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-30-310-500150 — **Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-30-310-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-310-500161 — **Estimated Current Year OPEB Expenses** — Actuarially-determined Annual OPEB Expense for retiree health benefits provided by the District. It is calculated as the Annual Required Contribution (ARC), plus the interest cost on the beginning Net OPEB Obligation, plus or minus the ARC adjustment.
- 01-30-310-500165 — **Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-30-310-500170 — **Education Expenses** — Education expense reimbursement.
- 01-30-310-500175 — **Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-30-310-500180 — **Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-30-310-500185 — **Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-30-310-500187 — **Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-30-310-500190 — **Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-310-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-310-500196 — **CIP Related Overtime** — Overtime expenses for a Capital Improvement Project in this department.
- 01-30-310-520001 — **Maintenance and Repair – Office Equipment** — Costs associated with the repair and maintenance of various office equipment including the phone system, computers, mailing equipment and copier machines.
- 01-30-310-550001 — **Bank/Financial Service Fees** — Service fees associated with District bank deposit accounts.
- 01-30-310-550006 — **Cashiering Shortages/Overages** — Accounts for cash shortages and overages at the three cashiering windows.
- 01-30-310-550008 — **Transaction/Return Fees** — Fees Bank fees charged for payments returned by the bank as unpaid.
- 01-30-310-550010 — **Transaction/Credit Card Fees** — Bank fees charged to the District for credit card processing.
- 01-30-310-550014 — **Credit Check Fees** — Costs of performing credit checks for water service applicants.
- 01-30-310-550018 — **Employee Medical/First Aid** — Cost of supplies for First Aid kits located in District Offices.
- 01-30-310-550024 — **Employment Testing** — Cost associated with pre-employment and random drug testing.
- 01-30-310-550030 — **Membership Dues** — Membership dues for associations including the Beaumont Chamber of Commerce, Cherry Valley Chamber of Commerce and the California Special District Association, ACWA, AWWA and finance related associations.
- 01-30-310-550036 — **Notary and Lien Fees** — Fees associated with filing and releasing liens on delinquent accounts.

- 01-30-310-550042 — Office Supplies** — Cost of miscellaneous office supplies.
- 01-30-310-550046 — Office Equipment** — Costs that are part of service and/or lease agreements for the office equipment.
- 01-30-310-550048 — Postage** — Costs such as postage for regular and delinquent utility bills as well as daily correspondence.
- 01-30-310-550051 — Advertising** — Cost associated with advertising notices inviting bids, unclaimed funds, etc.
- 01-30-310-550054 — Property, Auto and General Liability Insurance** — Annual insurance premiums covering District properties and facilities.
- 01-30-310-550066 — Subscriptions** — Costs associated with subscriptions to regulatory and technical materials. Also includes cost for accessing credit verification information.
- 01-30-310-550072 — Miscellaneous Operating Expenses** — Miscellaneous expenses include expenses which do not fall directly under another general ledger account.
- 01-30-310-550078 — Bad Debt Expense** — Cost of providing water service to accounts which are deemed to be uncollectible.
- 01-30-310-550090 — Principal Repayment** — Principal payment expense for notes or bonds payable.
- 01-30-310-580021 — IT/ Software Support** — Annual support fee for the District's municipal software.
- 01-30-310-580036 — Other Professional Services** — Costs associated with outside legal, engineering and auditing services.
- 01-30-310-590001 — Interest Expense** — Interest expense for notes or bonds payable.
- 01-30-310-590011 — Cost of Issuance Amortization** — Allocation of cost of issuance expenses for notes or bonds payable.
- 01-40-410-540084 — State Mandates and Tariffs** — Expenses include National Pollutant Discharge Elimination System (NPDES) permit fees and water system fees to the California Department of Public Health as well as all permits and annual reports mandated by other Regulatory Agencies.
- 01-40-470-501691 — Maintenance and Repair – Buildings (General)** — Costs associated with items such as the cleaning service who cleans all District offices and routine maintenance such as A/C repairs and plumbing problems.
- 01-40-510-510031 — Small Tools, Parts and Maintenance** — Cost of general tools used for District operations not specifically associated with any one project.
- 01-50-510-540066 — Property Damage and Theft** — Costs associated with small claims on the District for property damage.
- 01-50-510-550040 — General Supplies** — Cost of general supplies used for District operations not specifically associated with any one project.
- 01-50-510-550060 — Public Education** — Costs such as the mandated Annual Consumer Confidence Report (Water Quality Report).
- 01-50-510-550072 — Miscellaneous Operating Expenses** — Expenses which do not fall directly under another general ledger account.

#### **BOARD OF DIRECTORS EXPENSES**

- 01-10-110-500101 — Board of Director Fees** — Each Director can be paid per diem for attendance at meetings/days of service.
- 01-10-110-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-10-110-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-10-110-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-10-110-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for board members.
- 01-10-110-550012 — Election Expenses** — Costs associated with directorial elections.
- 01-10-110-550042 — Supplies - Other** — Cost of supplies used by Directors such as name placards and business cards.

## **MAINTENANCE and GENERAL PLANT EXPENSES**

### **DISTRICT OFFICE – 560 MAGNOLIA AVE**

- 01-40-470-501111 — Electricity – 560 Magnolia Avenue** — Electricity for the main District Office.
- 01-40-470-501411 — Sanitation – 560 Magnolia Ave** — Sewer and Refuse for the main District Office.
- 01-40-470-501511 — Phones – 560 Magnolia Ave** — Phone and communication services for office and field operation.
- 01-40-470-501611 — Maintenance and Repair – 560 Magnolia Ave** — Maintenance and repairs performed at the District Office. Routine maintenance to A/C unit and plumbing issues which arise make up the expenses in this category.

### **DISTRICT PROPERTY - 12303 OAK GLEN ROAD**

- 01-40-470-501121 — Electricity – 12303 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501321 — Propane – 12303 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501621 — Maintenance and Repair – 12303 Oak Glen Rd** — Maintenance and repairs performed at District residence.

### **DISTRICT PROPERTY - 13695 OAK GLEN ROAD**

- 01-40-470-501131 — Electricity – 13695 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501331 — Propane – 13695 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501631 — Maintenance and Repair – 13695 Oak Glen Rd** — Maintenance and repairs performed at the District residence.

### **DISTRICT PROPERTY - 13697 OAK GLEN ROAD**

- 01-40-470-501141 — Electricity – 13697 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501341 — Propane – 13697 Oak Glen Rd** — Propane purchased for District residence.
- 01-40-470-501641 — Maintenance and Repair – 13697 Oak Glen Rd** — Maintenance and repairs performed at the District residence.

### **DISTRICT PROPERTY - 9781 AVENIDA MIRAVILLA**

- 01-40-470-501151 — Electricity – 9781 Avenida Miravilla** — Electricity for District residence.
- 01-40-470-501351 — Propane – 9781 Avenida Miravilla** — Propane purchased for District residence.
- 01-40-470-501651 — Maintenance and Repair – 9781 Avenida Miravilla** — Maintenance and repairs performed at the District residence.

### **DISTRICT FIELD OFFICE - 815 E. 12<sup>TH</sup> STREET**

- 01-40-470-501161 — Electricity – 815 E. 12<sup>th</sup> Street** — Electricity for the field office.
- 01-40-470-501461 — Sanitation – 815 E. 12<sup>th</sup> Street** — Sewer/Refuse and trash bin for field office.
- 01-40-470-501561 — Phones – 815 E. 12<sup>th</sup> Street** — There are both internet services (telemetry and District network) and fax services at the field office.
- 01-40-470-501661 — Maintenance and Repair – 815 E. 12<sup>th</sup> Street** — Maintenance and Repair performed at the field office, including monthly cleaning services.

### **DISTRICT PROPERTY - 11083 CHERRY AVENUE**

- 01-40-470-501471 — Sanitation – 11083 Cherry Ave** — Trash bin located at Cherry Yard.

## **MAINTENANCE AND GENERAL PLANT EXPENSES**

- 01-30-310-550084 — Depreciation** — Annual depreciation expenses on capital assets.
- 01-40-470-500105 — Labor** — Wage expenses for this department.
- 01-40-470-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-40-470-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-40-470-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.

- 01-40-470-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-470-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-40-470-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-470-501600 — Property Maintenance and Repairs** — Maintenance work performed on the various District owned buildings (wells, pressure regulation stations, booster pumps, etc.).
- 01-40-470-510001 — Auto/Fuel** — Fuel purchased for District fleet vehicles.
- 01-40-470-510002 — CIP Related Fuel**— Fuel purchased for Capital Improvement Projects.
- 01-40-470-520011 — Maintenance and Repair – Safety Equipment** — Costs for safety items such as barricades, safety vests, etc. District keeps on-hand inventory; purchases would be only to replenish worn out items.
- 01-40-470-520031 — Maintenance and Repair – General Equipment** — Costs associated with preventative maintenance performed on District equipment.
- 01-40-470-520041 — Maintenance and Repair – Fleet** — Costs of oil changes, preventative maintenance, etc. for all fleet vehicles, as well as the car cleaning service which cleans all District fleet vehicles.
- 01-40-470-520091 — Maintenance and Repair – Communication Equipment** — Cost of repair and maintenance of District radio equipment.
- 01-40-470-540030 — Landscape Maintenance** — This is the landscape maintenance performed at the various District facilities.
- 01-40-470-540072 — Recharge Facility, Canyon and Pond Maintenance** — Costs associated with the maintenance necessary for the basins at the recharge project and basins located in Edgar Canyon.

## ENGINEERING EXPENSES

*The three digit departmental number 210 seen in this section of the General Ledger refers to the expenses incurred for the labor of the Engineering staff.*

- 01-20-210-500105 — Labor** — Wage expenses for this department.
- 01-20-210-500115 — Social Security** — Expenses for the District's portion of Social Security (FICA) for this department.
- 01-20-210-500120 — Medicare** — Expenses for the District's portion of Medicare for this department.
- 01-20-210-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-20-210-500140 — Life Insurance** — District paid life insurance through Standard Life Insurance offered to each full time employee. This category total reflects activity for this department only.
- 01-20-210-500145 — Workers' Compensation** — Standard costs paid for employees in this department to the District's insurance carrier.
- 01-20-210-500150 — Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-20-210-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-20-210-500165 — Uniforms and Employee Benefits** — Yearly each employee is given a boot allowance as well as uniforms to be cleaned, mended and maintained by employees.
- 01-20-210-500170 — Education Expenses** — Education expense reimbursement.
- 01-20-210-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-20-210-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-20-210-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-20-210-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-20-210-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-20-210-550068 — Software Maintenance** — This category total reflects software licensing activity for this department only.



## PROFESSIONAL SERVICES EXPENSES

*The section of the General Ledger refers to the expenses incurred for Professional Expenses.*

- 01-20-210-540012 — Development Reimbursable Engineering** — This section includes all engineering required to be reimbursed by development for plan checks and plan processing.
- 01-20-210-540018 — Grant and Loan Procurement** — This section includes all procurement costs for grants and loans.
- 01-20-210-540048 — Permits, Fees and Licensing** — This includes all engineering costs associated with non-potable water.
- 01-20-210-580031 — Outside Engineering** — This section includes any contract engineering work performed by outside vendors.
- 01-20-210-580032 — CIP Related Outside Engineering** — This section includes any contract engineering work performed by outside vendors on Capital Improvement Projects.
- 01-30-310-580001 — Accounting and Audit** — Includes costs associated with audits of District financials.
- 01-30-310-580011 — General Legal** — Costs associated with day to day operations may include litigation expenses not associated with Capital Improvements (property acquisitions etc.).
- 01-50-510-550096 — Beaumont Basin Watermaster** — This section accounts for the District's cost of participation in the Beaumont Basin Watermaster.

## INFORMATION TECHNOLOGY EXPENSES

*The three digit departmental number 315 seen in this section of the General Ledger includes the administrative salaries, employee benefits, operating supplies, and other expenses associated with the information technology function of the District.*

- 01-30-315-500105 — Labor** — Wage expenses for this department.
- 01-30-315-500110 — Overtime** — Overtime expenses for this department.
- 01-30-315-500115 — Social Security** — This category reflects the District's portion of Social Security (FICA).
- 01-30-315-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-30-315-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-315-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-30-315-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-30-315-500150 — Unemployment Insurance** — Cost of providing unemployment benefits for employees in this department.
- 01-30-315-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-315-500175 — Seminar and Travel Expense** — Costs associated with attendance to District approved seminars and conferences for employees in this department.
- 01-30-315-500180 — Accrued Sick Leave Expense** — Cost of unused sick time earned by employees in this department.
- 01-30-315-500185 — Accrual Vacation Leave Expense** — Cost of unused vacation time earned by employees in this department.
- 01-30-315-500187 — Accrual Leave Payments** — Cash payouts of excess vacation and sick time permitted under District policy.
- 01-30-315-500190 — Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-315-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-315-501511 — Phones – 560 Magnolia Ave** — Phone and communication services for office and field operation.
- 01-30-315-501561 — Phones – 815 E. 12<sup>th</sup> Street** — There are both internet services (telemetry and District network) and fax services at the field office.

- 01-30-315-550030 — Membership Dues** — Membership dues for information technology related associations such as Multi-State Information Sharing & Analysis Center (MS-ISAC) and Municipal Information Systems Association of California (MISAC).
- 01-30-315-550044 — Printing/Toner and Maintenance** — Costs associated with toner supplies, imaging, or enterprise printers.
- 01-30-315-580016 — Computer Hardware** — Costs for general information technology hardware related items such as cables, wire management, keyboards, mouse, computer repair components.
- 01-30-315-580021 — IT/Software Support** — Costs for general information technology software related items.
- 01-30-315-580026 — License/Maintenance/Support** — Costs for information technology related license renewals, maintenance agreements and renewals and Annual Support Agreements.

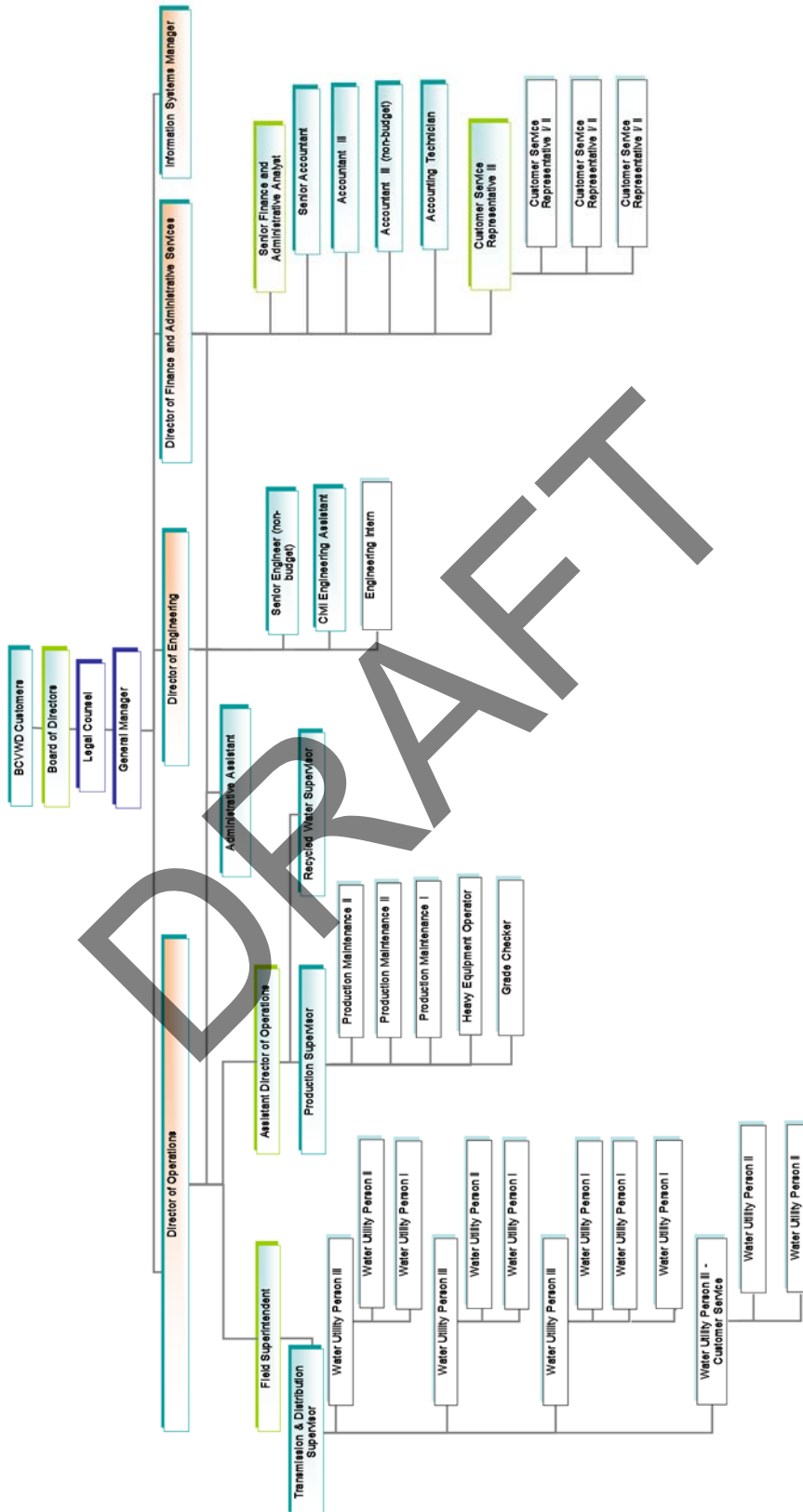
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# Appendix C

## Organization Overview



# 2018 Organizational Chart



## 2018 Salary Schedule

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**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017

**TO:** Board of Directors

**FROM:** Dan Jagers, General Manager

**SUBJECT:** **Consideration of Change of Service Request from CJ Foods, Inc. for the existing building located at 415 Nicholas Road**

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**Recommendation**

Consider the Change of Service Request for 415 Nicholas Road, Building B for CJ Foods, Inc. and:

- A. Approve the Change of Service, or
- B. Deny the Change of Service

**Background**

In order to fund appropriate levels of water capacity, the Beaumont-Cherry Valley Water District assesses facilities fees on new development using a calculation of Equivalent Dwelling Units (EDUs) per Water Rules and Regulations 5-5.1.3, establishing fees case-by-case based on projected water consumption by the proposed use of the property.

In 2013, the BCVWD entered into an Agreement with the developer of the property at 415 Nicholas Road (formerly the Dowling Orchard Business Park) to provide water service to a warehouse facility which included two buildings, A and B. BCVWD has received a request from a potential buyer of Building "B" to increase the amount of water consumption from a warehouse use to a food processing facility.

The original Dowling Orchard Business Park Project file shows that a Facilities Fees payment was made to the District for Building "B" based upon **4.53** Equivalent Dwelling Units (EDUs) or **2,627.4** gallons per day of water usage. This original fee was determined based upon an anticipated Building "B" usage as a warehouse facility. The District equates an EDU as a water use of 580 gallons per day.

The potential buyer of Building "B," CJ Foods, is a manufacturer with a product line including snacks, noodles, sauces and ready meals. This use would represent a significant increase in anticipated water consumption. If the Change of Use is approved by the Board, the District will require that Facilities Fees be paid commensurate with the actual water usage necessary for each phase of development at the time of that phase of construction. CJ Foods estimates its water supply needs ranging from 109,028 gallons per day in 2018, to 227,189 gpd at build-out in 2022. The District calculates the 2018 use at **74.74** EDUs, resulting in an estimated 2018 facilities fee of \$710,615.00. (See Tables 1 and 2 below for the list of water demands and



associated fees.) This cost information was provided in writing to CJ Foods in October 2017, and CJ Foods' request for modification of the Agreement was received on December 4, 2017.

**TABLE I WATER SUPPLY NEEDS**

Year		2018		2019		2020		2021		2022	
Hourly Usage	Average	5,738	gal/hr	9,868	gal/hr	11,271	gal/hr	11,271	gal/hr	11,957	gal/hr
	Peak	7,460	gal/hr	12,828	gal/hr	14,652	gal/hr	14,652	gal/hr	15,545	gal/hr
	Peak GPM	96	gpm	164	gpm	188	gpm	188	gpm	199	gpm
Daily Usage	Normal	43,346	gal/day	72,539	gal/day	85,820	gal/day	112,620	gal/day	130,708	gal/day
	Normal EDU	74.74	EDU's	125.07	EDU's	147.97	EDU's	194.17	EDU's	225.36	EDU's
	Max	109,028	gal/day	187,493	gal/day	214,144	gal/day	214,144	gal/day	227,189	gal/day

1 EDU = 580 GPD

**TABLE II FACILITIES FEE ESTIMATE (BASED ON NOVEMBER 15, 2017 FACILITIES FEES)**

Year		2018		2019		2020		2021		2022	
Estimated EDU's and Fees	Normal	43,346	gal/day	72,539	gal/day	85,820	gal/day	112,620	gal/day	130,708	gal/day
	Normal EDU	74.74	EDU's	125.07	EDU's	147.97	EDU's	194.17	EDU's	225.36	EDU's
	EDU Credit	4.53	EDU Credit	70.21	EDU Credit	125.07	EDU Credit	147.97	EDU Credit	194.17	EDU Credit

EDU's per Year		70.21	EDU's	54.86	EDU's	22.90	EDU's	46.21	EDU's	31.19	EDU's
Facility Fee per EDU		\$ 10,122		\$ 10,122		\$ 10,122		\$ 10,122		\$ 10,122	
<b>Total Est. Fee</b>		<b>\$710,615</b>		<b>\$555,312</b>		<b>\$231,782</b>		<b>\$467,711</b>		<b>\$315,657</b>	

CJ Foods has also been advised there may be some engineering and inspection deposits necessary during project development in the event additional facilities are required to service the project.

Since this proposed project would significantly increase the approved water usage requirements for this building, final approval of this change of use is requested from the Board of Directors. District review of existing facilities in the vicinity of the project location can support demands required from this change of use.

CJ Foods is an international producer of Korean food products based in South Korea, and located locally in La Palma, Ca. According to its website, the company has been a leader in the



development of the Korean food industry for 60 years, and has excelled in safety and bioengineering in food production. It began operations in the U.S. in 1978. The company features an “Environmental Management Vision and Mission” which includes a goal of reduction of water usage “to protect the environment and respond to climate change.”

### **Fiscal Impact**

The developer will be required to pay all Facility Fees and other District fees to cover the project’s water needs.

### **Attachments**

Change of Service request letter from CJ Foods, Inc.  
Electrical and Water Requirement and Wastewater Generation of new CJ Foods Plant  
Yearly Water Consumption  
November 15, 2017 Letter from BCVWD to Grace Partnership (CJ Foods)

Report prepared by Dan Jagers, General Manager  
DJK:ljk

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- Staff Report CJ Foods request.docx





Daniel K. Jagers  
Beaumont-Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, California 92223

November 28, 2017

**Change of Service Letter**

**Subject:** Possible Water Service Upgrades to Existing "Dowling Orchard Business Park" – Building B  
CJ Foods Proposed Manufacturing Project at  
415 Nicholas Road  
Beaumont, CA 92223

Dear Mr. Jagers,

On November 15, 2017, CJ Foods received a letter from Beaumont-Cherry Valley Water District requesting a change of service letter to formalize the change of use for the building to the District's Board of Directors for final approval by the District Board, as this project significantly changes the approved water usage requirements for this building.

This letter serves as CJ Foods' formal request for change of service from warehouse to food manufacturing facility in the building located at 415 Nicholas Road, Beaumont, CA 92223. The service request shall be based upon projected water demands contained within the attached documents.

CJ Foods understands and agrees that there may also be engineering and inspection deposits necessary during project development in the event of additional facilities are required to provide service to this project.

CJ Foods would like this item to be brought before the Board of Directors at the next available meeting.

If you have any questions or need additional information, please don't hesitate to contact Sungjin Yun by phone at 1-714-582-9718 or by email at [sj.yun@cj.net](mailto:sj.yun@cj.net)

Sincerely,

Sungjin Yun  
CFO

**Attachments:**

1. CJ Foods Water Usage Calculations
2. CJ Foods Electrical & Water Requirements and Waste Water Generation at new CJ Foods Plant

■ Electrical & Water Requirement and Waste Water Generation of New CJ Foods Plant

1. Water

Year		2018	2019	2020	2021	2022
Water Q'ty	Average	5,738 gal	9,868 gal	11,271 gal	11,271 gal	11,957 gal
	Peak	7,460 gal	12,828 gal	14,652 gal	14,652 gal	15,545 gal
	gal/day [normal]	43,346 gal	72,539 gal	85,820 gal	112,620 gal	130,708 gal
	gal/day [max]	109,028 gal	187,493 gal	214,144 gal	214,144 gal	227,189 gal

2. Waste Water

Year		2018	2019	2020	2021	2022
W/W Q'ty	Average [gal/hr]	4,782 gal	8,223 gal	9,392 gal	9,392 gal	9,964 gal
	Peak [gal/hr]	6,216 gal	10,690 gal	12,210 gal	12,210 gal	12,954 gal
	gal/day [normal]	36,122 gal	60,449 gal	71,517 gal	93,850 gal	108,923 gal
	gal/day [max]	90,856 gal	156,244 gal	178,453 gal	178,453 gal	189,324 gal

3. Electricity

Year		2018	2019	2020	2021	2022
Production	Machinery	1,768 kw	3,169 kw	3,948 kw	5,130 kw	6,333 kw
	HVAC	256 kw	256 kw	511 kw	511 kw	511 kw
Ware House	Cold Storage	256 kw	256 kw	511 kw	511 kw	511 kw
	Total	2,024 kw	3,424 kw	4,459 kw	5,641 kw	6,844 kw
Peak		2,631 kw	4,451 kw	5,796 kw	7,333 kw	8,897 kw

[Base: 3ph, 480V, 90%], Year		2018	2019	2020	2021	2022
Production	Machinery	2,363 Amps	4,235 Amps	5,276 Amps	6,856 Amps	8,464 Amps
	HVAC	342 Amps	342 Amps	683 Amps	683 Amps	683 Amps
Ware House	Cold Storage	342 Amps	342 Amps	683 Amps	683 Amps	683 Amps
	Total	2,705 Amps	4,576 Amps	5,959 Amps	7,539 Amps	9,147 Amps
Peak		3,516 Amps	5,949 Amps	7,747 Amps	9,801 Amps	11,891 Amps

1. Yearly Water Consumption

Year	2018	2019	2020	2021	2022
Hourly Usage	Average 5,738 gal/hr	9,868 gal/hr	11,271 gal/hr	11,271 gal/hr	11,957 gal/hr
	Peak 7,460 gal/hr	12,828 gal/hr	14,652 gal/hr	14,652 gal/hr	15,545 gal/hr
Daily Usage	Normal 43,346 gal/day	72,539 gal/day	85,820 gal/day	112,620 gal/day	130,708 gal/day
	Max 109,028 gal/day	187,493 gal/day	214,144 gal/day	214,144 gal/day	227,189 gal/day

2. Yearly Waer Consumption

# Peak Times will vary according to production schedules.

Pro=Production

1 gal = 3.785L  
 1.3 5,738 g/hr (Aver)  
 7,460 g/hr (Max) 36,343 gal/shift

Year 2018		Room Size [feet]		Water Consumption					YEAR 2018																									sum			
Category	Product	Room #	W	L	Pro Capa [Ton/hr]	Unit Usage [g/Ton[pro]]	Usage per Line [g/hr]	Number of Line	Average Usage [g/hr]	1st Shift					2nd Shift					3rd Shift																	
										06am	07am	08am	09am	10am	11am	12pm	01pm	02am	03am	04am	05am	06am	07am	08pm	09pm	10am	11am	12am	01am	02am	03am	04pm	05pm				
SNACK	Snack	1	177	21	0.1	No Water		1	0																												
	Crisp				0.1			0																													
ASSEMBLY	Rice	2	52.5	55.8	1.0	No Water		0	0																												
	Noodle				0.8			1	0																												
NOODLE	LL N	3	321.5	72.2	0.9	4,416	3,829	1	3,829	4,977	2,382	2,382	2,382	2,382	2,382	2,382	4,977	4,977	2,382	2,382	2,382	2,382	2,382	2,382	2,382	4,977	4,977	2,382	2,382	2,382	2,382	2,382	4,977	72,744			
	Panda N				0.8	412	343	1	343	446	214	214	214	214	214	214	446	446	214	214	214	214	214	214	214	214	446	446	214	214	214	214	214	446	6,523		
SAUCE	Korean BBQ	4	393.7	101.7	2.1	371	795	1	795	1,033	494	494	494	494	494	494	1,033	1,033	494	494	494	494	494	494	494	1,033	1,033	494	494	494	494	494	1,033	15,096			
	Bottle				0.9	371	318	1	318	413	198	198	198	198	198	198	413	413	198	198	198	198	198	198	198	413	413	198	198	198	198	198	413	6,039			
	Small Pouch				0.2	371	76	2	151	197	94	94	94	94	94	94	197	197	94	94	94	94	94	94	94	94	197	197	94	94	94	94	94	197	2,876		
	Pouch				0.8	371	303	1	303	393	188	188	188	188	188	188	393	393	188	188	188	188	188	188	188	188	393	393	188	188	188	188	188	393	5,751		
	Bulk packing				0.5	371	189	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
REDAY MEAL	Rice	5	354.3	101.7	0.6	3,925	2,522	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
	Sauce				0.4	3,271	1,418	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total									9,792.4	5,738	7,460	3,570	3,570	3,570	3,570	3,570	3,570	7,460	7,460	3,570	3,570	3,570	3,570	3,570	3,570	3,570	7,460	7,460	3,570	3,570	3,570	3,570	3,570	3,570	3,570	7,460	109,028
D-check																	3570	0																		0	

# Peak Times will vary according to production schedules.

1 gal = 3.785L  
 9,868 g/hr (Aver)  
 12,828 g/hr (Max) 62,498 gal/shift

Year 2019		Room Size [feet]		Water Consumption					YEAR 2019																									sum			
Category	Product	Room #	W	L	Production Capa [Ton/hr]	Unit Consumption [g/Ton(prod uct)]	Water per Line [g/hr]	Number of Line	Average Water [g/hr]	1st Shift					2nd Shift					3rd Shift																	
										06am	07am	08am	09am	10am	11am	12pm	01pm	02am	03am	04am	05am	06am	07am	08pm	09pm	10am	11am	12am	01am	02am	03am	04pm	05pm				
SNACK	Snack	1	177	21	0.1	No Water		1	0																												
	Crisp				0.1			0																													
ASSEMBLY	Rice	2	52.5	55.8	1.0	No Water		0	0																												
	Noodle				0.8			1	0																												
NOODLE	LL N	3	321.5	72.2	0.9	4,416	3,829	1	3,829	4,977	2,382	2,382	2,382	2,382	2,382	2,382	4,977	4,977	2,382	2,382	2,382	2,382	2,382	2,382	2,382	4,977	4,977	2,382	2,382	2,382	2,382	2,382	4,977	72,744			
	Panda N				0.8	412	343	1	343	446	214	214	214	214	214	214	446	446	214	214	214	214	214	214	214	214	446	446	214	214	214	214	214	446	6,523		
SAUCE	Korean BBQ	4	393.7	101.7	2.1	371	795	1	795	1,033	494	494	494	494	494	494	1,033	1,033	494	494	494	494	494	494	494	1,033	1,033	494	494	494	494	494	1,033	15,096			
	Bottle				0.9	371	318	1	318	413	198	198	198	198	198	198	413	413	198	198	198	198	198	198	198	198	413	413	198	198	198	198	198	413	6,039		
	Small Pouch				0.2	371	76	2	151	197	94	94	94	94	94	94	197	197	94	94	94	94	94	94	94	94	197	197	94	94	94	94	94	197	2,876		
	Pouch				0.8	371	303	1	303	393	188	188	188	188	188	188	393	393	188	188	188	188	188	188	188	188	188	393	393	188	188	188	188	188	393	5,751	
	Bulk packing				0.5	371	189	1	189	246	118	118	118	118	118	118	246	246	118	118	118	118	118	118	118	118	118	246	246	118	118	118	118	118	246	3,594	
REDAY MEAL	Rice	5	354.3	101.7	0.6	3,925	2,522	1	2,522	3,279	1,570	1,570	1,570	1,570	1,570	1,570	3,279	3,279	1,570	1,570	1,570	1,570	1,570	1,570	1,570	3,279	3,279	1,570	1,570	1,570	1,570	1,570	3,279	47,927			
	Sauce				0.4	3,271	1,418	1	1,418	1,843	882	882	882	882	882	882	1,843	1,843	882	882	882	882	882	882	882	882	1,843	1,843	882	882	882	882	882	1,843	26,943		
Total									9,792.4	9,868	12,828	6,140	6,140	6,140	6,140	6,140	6,140	12,828	12,828	6,140	6,140	6,140	6,140	6,140	6,140	6,140	12,828	12,828	6,140	6,140	6,140	6,140	6,140	6,140	6,140	12,828	187,493
D-check																	6140	0																		0	

# Peak Times will vary according to production schedules.

1 gal = 3.785L  
 11,271 g/hr (Aver)  
 14,652 g/hr (Max) 71,381 gal/shift

Year 2020		Room Size [feet]		Water Consumption					YEAR 2020																									sum	
Category	Product	Room #	W	L	Production Capa [Ton/hr]	Unit Consumption [g/Ton(prod uct)]	Water per Line [g/hr]	Number of Line	Average Water [g/hr]	1st Shift					2nd Shift					3rd Shift															
										06am	07am	08am	09am	10am	11am	12pm	01pm	02am	03am	04am	05am	06am	07am	08pm	09pm	10am	11am	12am	01am	02am	03am	04pm	05pm		
SNACK	Snack	1	177	21	0.1	No Water		1	0																										
	Crisp				0.1			0																											
ASSEMBLY	Rice	2	52.5	55.8	1.0	No Water		0	0																										
	Noodle				0.8			1	0																										
NOODLE	LL N	3	321.5	72.2	0.9	4,416	3,829	1	3,829	5,134	2,457	2,457	2,457	2,457	2,457	2,457	5,134	5,134	2,457	2,457	2,457	2,457	2,457	2,457	2,457	5,134	5,134	2,457	2,457	2,457	2,457	2,457	5,134	75,029	
	Panda N				0.8	412	343	1	343	460	220	220	220	220	220	220	460	460	220	220	220	220	220	220	220	220	460	460	220	220	220	220	220	460	6,728
SAUCE	Korean BBQ	4	393.7	101.7	2.1	371	795	1	795	1,065	510	510	510	510	510	510	1,065	1,065	510	510	510	510	510	510	510	1,065	1,065	510	510	510	510	510	1,065	15,571	
	Bottle				0.9	371	318	1	318	426	204	204	204	204	204	204	426	426	204	204	204	204	204	204	204	204	426	426	204	204	204	204	204	426	6,228
	Small Pouch				0.2	371	76	4	303	406	194	194	194	194	194	194	406	406	194	194	194	194	194	194	194	194	406	406	194	194	194	194	194	406	5,932
	Pouch				0.8	371	303	4	1,211	1,623	777	777	777	777																					

1 gal = 3.785L  
 11,271 g/hr (Aver)  
 15,545 g/hr (Max)  
 71,381 gal/shift

# Peak Times will vary according to production schedules.

Year 2021			Room Size (feet)		Water Consumption					2021																									sum	
Category	Product	Room #	W	L	Production Capa [Ton/hr]	Unit Consumption [g/Ton(product)]	Water per Line [g/hr]	Number of Line	Average Water [g/hr]	1st Shift					2nd Shift					3rd Shift																
										06am	07am	08am	09am	10am	11am	12pm	01pm	02am	03am	04am	05am	06am	07am	08pm	09pm	10am	11am	12am	01am	02am	03am	04pm	05pm			
SNACK	Snack	1	177	21	0.1	No Water Consumption		3	0																											
	Crisp				0.1																															
ASSEMBLY	Rice	2	52.5	55.8	1.0			1	0																											
	Noodle				0.8																															
NOODLE	LL N	3	321.5	72.2	0.9	4,416	3,829	2	7,657	8,066	3,485	3,485	3,485	3,485	3,485	3,485	8,066	8,066	3,485	3,485	3,485	3,485	3,485	3,485	8,066	8,066	3,485	3,485	3,485	3,485	3,485	3,485	8,066	111,124		
	Panda N				0.8	412	343	1	343	362	156	156	156	156	156	156	156	156	156	362	362	156	156	156	156	156	156	362	362	156	156	156	156	156	362	4,982
SAUCE	Korean BBQ	4	393.7	101.7	2.1	371	795	1	795	837	362	362	362	362	362	362	837	837	362	362	362	362	362	362	837	837	362	362	362	362	362	362	837	11,531		
	Bottle				0.9	371	318	1	318	335	145	145	145	145	145	145	145	145	335	335	145	145	145	145	145	145	335	335	145	145	145	145	145	335	4,612	
	Small Pouch				0.2	371	76	4	303	319	138	138	138	138	138	138	138	138	138	319	319	138	138	138	138	138	138	319	319	138	138	138	138	138	319	4,393
	Pouch				0.8	371	303	4	1,211	1,275	551	551	551	551	551	551	551	551	551	1,275	1,275	551	551	551	551	551	551	1,275	1,275	551	551	551	551	551	1,275	17,571
	Bulk packing				0.5	371	189	1	189	199	86	86	86	86	86	86	86	86	86	199	199	86	86	86	86	86	86	86	199	199	86	86	86	86	199	2,745
READY MEAL	Rice	5	354.3	101.7	0.6	3,925	2,522	1	2,522	2,657	1,148	1,148	1,148	1,148	1,148	1,148	2,657	2,657	1,148	1,148	1,148	1,148	1,148	1,148	2,657	2,657	1,148	1,148	1,148	1,148	1,148	1,148	2,657	36,607		
	Sauce				0.4	3,271	1,418	1	1,418	1,494	645	645	645	645	645	645	645	645	1,494	1,494	645	645	645	645	645	645	1,494	1,494	645	645	645	645	645	1,494	20,579	
					Total	9,792.4			14,756	15,545	6,715	6,715	6,715	6,715	6,715	6,715	15,545	15,545	6,715	6,715	6,715	6,715	6,715	6,715	15,545	15,545	6,715	6,715	6,715	6,715	6,715	6,715	214,144			
					D-check																												0			

1 gal = 3.785L  
 11,957 g/hr (Aver)  
 15,545 g/hr (Max)  
 75,730 gal/shift

# Peak Times will vary according to production schedules.

Year 2022			Room Size (feet)		Water Consumption					2021																									sum	
Category	Product	Room #	W	L	Production Capa [Ton/hr]	Unit Consumption [g/Ton(product)]	Water per Line [g/hr]	Number of Line	Average Water [g/hr]	1st Shift					2nd Shift					3rd Shift																
										06am	07am	08am	09am	10am	11am	12pm	01pm	02am	03am	04am	05am	06am	07am	08pm	09pm	10am	11am	12am	01am	02am	03am	04pm	05pm			
SNACK	Snack	1	177	21	0.1	No Water Consumption		4	0																											
	Crisp				0.1																															
ASSEMBLY	Rice	2	52.5	55.8	1.0			1	0																											
	Noodle				0.8																															
NOODLE	LL N	3	321.5	72.2	0.9	4,416	3,829	2	7,657	8,066	3,861	3,861	3,861	3,861	3,861	3,861	8,066	8,066	3,861	3,861	3,861	3,861	3,861	3,861	8,066	8,066	3,861	3,861	3,861	3,861	3,861	3,861	8,066	117,893		
	Panda N				0.8	412	343	1	343	362	173	173	173	173	173	173	173	173	173	362	362	173	173	173	173	173	362	362	173	173	173	173	173	362	5,285	
SAUCE	Korean BBQ	4	393.7	101.7	2.1	371	795	1	795	837	401	401	401	401	401	401	837	837	401	401	401	401	401	401	837	837	401	401	401	401	401	401	837	12,233		
	Bottle				0.9	371	318	1	318	335	160	160	160	160	160	160	160	160	335	335	160	160	160	160	160	160	335	335	160	160	160	160	335	4,893		
	Small Pouch				0.2	371	76	4	303	319	153	153	153	153	153	153	153	153	319	319	153	153	153	153	153	153	319	319	153	153	153	153	153	319	4,660	
	Pouch				0.8	371	303	4	1,211	1,275	610	610	610	610	610	610	610	610	610	1,275	1,275	610	610	610	610	610	610	1,275	1,275	610	610	610	610	610	1,275	18,641
	Bulk packing				0.5	371	189	1	189	199	95	95	95	95	95	95	95	95	95	199	199	95	95	95	95	95	95	199	199	95	95	95	95	95	199	2,913
READY MEAL	Rice	5	354.3	101.7	0.6	3,925	2,522	1	2,522	2,657	1,272	1,272	1,272	1,272	1,272	1,272	2,657	2,657	1,272	1,272	1,272	1,272	1,272	1,272	2,657	2,657	1,272	1,272	1,272	1,272	1,272	1,272	2,657	38,837		
	Sauce				0.4	3,271	1,418	1	1,418	1,494	715	715	715	715	715	715	715	715	1,494	1,494	715	715	715	715	715	715	1,494	1,494	715	715	715	715	715	1,494	21,833	
					Total	9,792.4			14,756	15,545	7,440	7,440	7,440	7,440	7,440	7,440	15,545	15,545	7,440	7,440	7,440	7,440	7,440	15,545	15,545	7,440	7,440	7,440	7,440	7,440	7,440	7,440	227,189			
					D-check																												0			



# Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159  
Email: [info@bcvwd.org](mailto:info@bcvwd.org)

<http://www.bcvwd.org>

November 15, 2017

Sang M. Park AIA, Associate Principal  
GRACE PARTNERSHIP, INC.  
550 S. Wilton Pl. Los Angeles, CA 90020

Subject: Possible Water Service Upgrades to Existing "Dowling Orchard Business Park"-Building B  
CJ Foods Proposed Manufacturing Project at  
415 Nicholas Road.  
Beaumont, CA 92223

Dear Mr. Park:

The District understands that CJ Foods is reviewing the possible purchase of an existing industrial building located at 415 Nicholas Street t in the City of Beaumont, California. Said building was developed as a warehouse/industrial building as part of an existing project known to the District as Building "B" from the original project development entitled "Dowling Orchard Business Park Development".

The District reviewed existing Facilities Fees payed to the District as part of the original "Dowling Orchard Business Park Development" project development process in order to provide understand how a credit for this Fee might be applied to the proposed project.

The original Dowling Orchard Business Park Project files shows that a Facilities Fees payment was made to the District for Building "B" which is 450,000 sq. ft. based upon **4.53** Equivalent Dwelling Units (EDUs) or **2,627.40** gallons per day of water usage. This original fee was determined based upon an anticipated Building "B" usage as a warehouse facility. The District equates an EDU as a water use of 580 gallons per day.

The District also understands that CF Foods is considering constructing a food production facility in this building which will be completed in multiple phases with varying water supply needs for each phase of development. A copy of the projected water demands prepared by CJ Foods is attached hereafter for reference. The District also understands that the proposed manufacturing product line will include the following items:

1. Snack Processing
2. Noodle Production
3. Sauce Production
4. Ready Meal Production

## Board of Directors

David Hoffman  
Division 5

John Covington  
Division 4

Daniel Slawson  
Division 3

Claudeen Diaz  
Division 2

Andy Ramirez  
Division 1



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 Division 1

The District understands that the proposed water supply needs based upon product line installation schedule for the various product manufacturing lines within this building c would require an increased water supply as part of the added production processes between 2018 and 2022 as set forth in Table I below:

**TABLE I WATER SUPPLY NEEDS**

Year		2018	2019	2020	2021	2022
Hourly Usage	Average	5,738 gal/hr	9,868 gal/hr	11,271 gal/hr	11,271 gal/hr	11,957 gal/hr
	Peak	7,460 gal/hr	12,828 gal/hr	14,652 gal/hr	14,652 gal/hr	15,545 gal/hr
	Peak GPM	96 gpm	164 gpm	188 gpm	188 gpm	199 gpm
Daily Usage	Normal	43,346 gal/day	72,539 gal/day	85,820 gal/day	112,620 gal/day	130,708 gal/day
	Normal EDU	74.74 EDU's	125.07 EDU's	147.97 EDU's	194.17 EDU's	225.36 EDU's
	Max	109,028 gal/day	187,493 gal/day	214,144 gal/day	214,144 gal/day	227,189 gal/day

1 EDU = 580 GPD

The District further understands that CJ Foods would prefer to pay only those District Facilities Fees necessary to provide water supply for the each phase of operation as those product lines are developed and has therefore requested that the District provide a cost analysis of the current District Charges for facilities fees related to each years increase in production line facilities and associated water needs. This analysis of fees that would be due at each phase of completion is set forth in Table II below and is based upon District fees as of November 15, 2017.

Future Phase installations would be required to pay Facilities Fees commensurate with the actual water usage necessary for each additional phase of development at the time of that phase of construction at the then current District Facilities Fee Structure (fee).

The average 2018 project demand is estimated by CJ Foods as 43,346 gallons per day resulting and an estimated total 2018 EDU requirement of **74.74** EDUs. After crediting the **4.53** EDUs previously paid to the District during the original Building "B" development, approximately **70.21** EDU's of additional Facility Fees will be due to provide for the proposed 2018 water supply needs. The 2018 through 2022 Facilities Fees (based upon the District's current rate structure) are set forth below based upon normal daily usage information provided by CJ Food:

**TABLE II FACILITIES FEE ESTIMATE (BASED ON NOVEMBER 15, 2017 FACILITIES FEES)**

Year		2018	2019	2020	2021	2022
Estimated EDU's and Fees	Normal	43,346 gal/day	72,539 gal/day	85,820 gal/day	112,620 gal/day	130,708 gal/day
	Normal EDU	74.74 EDU's	125.07 EDU's	147.97 EDU's	194.17 EDU's	225.36 EDU's
	EDU Credit	4.53 EDU Credit	70.21 EDU Credit	125.07 EDU Credit	147.97 EDU Credit	194.17 EDU Credit
<b>EDU's per Year</b>		<b>70.21 EDU's</b>	<b>54.86 EDU's</b>	<b>22.90 EDU's</b>	<b>46.21 EDU's</b>	<b>31.19 EDU's</b>
Facility Fee per EDU		\$ 10,122	\$ 10,122	\$ 10,122	\$ 10,122	\$ 10,122
<b>Total Est. Fee</b>		<b>\$ 710,615</b>	<b>\$ 555,312</b>	<b>\$ 231,782</b>	<b>\$ 467,711</b>	<b>\$ 315,657</b>



# Beaumont-Cherry Valley Water District

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At this time, the District is would require a request for change of service letter to be provided by CJ Foods to the District in order to formalize the change of use for the building to the District's Board of Directors for final approval by the District Board, as this project significantly changes the approved water usage requirements for this building.

There may also be some engineering and inspection deposits necessary during project development in the event additional facilities are required to provide service to this project.

Please feel free to contact me should you have any questions.

Sincerely,

Daniel K. Jagers  
General Manager

- Attachments
1. CJ Foods Water Usage Calculations
  2. CJ Foods Electrical & Water Requirements and Waste Water Generation at new CJ Foods Plant

DKJ/dkj



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 5, 2017

**TO:** Board of Directors

**FROM:** Dan Jagers, General Manager

**SUBJECT: Consideration of Request for Extension of “Will Serve Letter” for Commercial Development Infill Parcel - Riverside County Assessor’s Parcel No. 419-267-075**

---

**Recommendation:**

Consider the request for update of “Will Serve Letter” for a commercial development infill parcel located between 1<sup>st</sup> Street and 2<sup>nd</sup> Street, just west of Highland Springs Avenue within the City of Beaumont, Ca., identified on Parcel Map (PM) 35266 as Parcel No. 4, and further identified as Riverside County Assessor’s Parcel No (APN) 419-267-075, and:

- A. Approve the Extension, or
- B. Deny the Extension

**Background:**

The Applicant, Rich Development Enterprises. LLC, submitted a written request for an updated Will Serve Letter on December 5, 2017 (see Exhibit A) for a **7.02 acre** parcel located between 1<sup>st</sup> Street and 2<sup>nd</sup> Street just west of Highland Springs Road in Beaumont, CA identified as Riverside County Assessor’s Parcel No. (APN) 419-267-075 (See Figure 1 for location). The Developer received an updated will serve letter from the District related to this project in January 2017 and has continued with site acquisition and project development since the project was last approved by the District Board of Directors for update in 2016.

The Applicant states that during 2017, entitlements were obtained through the City of Beaumont, and leases or parcel sales are pending. The Applicant has requested an updated “Will Serve Letter” from the District due to the need for additional time to continue the development process, including final approval of grading plans, and closing of escrow on the property.

The Applicant’s original project submittal provided information related to the proposed development including a site plan, building elevations and preliminary landscape plans showing the proposed development of APN 419-267-075 together and said information is set forth on the attached June 10<sup>th</sup>, 2015 Staff Report related to this project. Based upon that information, the





total estimated project water demand was approximately 50 Equivalent Dwelling Units (EDUs) or 29,000 gallons per day.

The Applicant has identified that a revision to the original plan has been made which replaces a retail store with a smaller footprint drive-through restaurant (see attached Site Plan). District staff anticipates that overall water demands will remain within the same requirements previously approved.

**Figure 1 APN 419-267-075.**



Riverside County APN 419-267-075 was annexed into the District's Service Area Boundary in 1986 by Loma Linda University under LAFCO Annexation 1985-107-3 as part of a larger set of land parcels.

The Applicant has continued to actively develop this property since the last Will Serve Letter update, therefore District Staff identifies that the parcel in question (APN 419-267-075) should be considered by the Board of Directors for issuance of an updated "Will Serve Letter" related to this project.

**Conditions:**

The same conditions as in previous Will-Serve Letters will apply. Prior to final project development the following conditions must be met:



1. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and non-potable water services for the proposed development. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the current City of Beaumont fire protection conditions and/or fire flow requirements.
2. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed, for which fees have not previously been paid as part of the original development proceedings.
3. The Applicant shall connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
  - a. Landscaped areas which have turf shall have “smart irrigation controllers” which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
  - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
4. The Applicant shall prepare plans (as determined by District Staff) in accordance with current District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
5. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

**Fiscal Impact:**

None. All fees and deposits will be paid by the Applicant.

**Attachments:**

Will Serve Letter extension request  
Beaumont Site Plan  
Previous Will Serve letters

Prepared by Daniel K. Jagers, General Manager



December 5, 2017

Mr. Eric Fraser, General Manager  
Beaumont Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, CA 92223-2258

**RE: Request for an Updated “Will Serve Letter” for this Previously Approved Development, APN 419-267-075, a 7.02 acre project consisting of approximately 46,000 sq. ft. of mixed retail and restaurant businesses including an express car wash, located on the west side of Highland Springs Avenue between 1<sup>st</sup> Street and 2<sup>nd</sup> Street in the City of Beaumont, CA.**

Dear Mr. Fraser:

As the developer of the above referenced project, we are requesting an update of the Will Serve Letter that was previously issued for the property.

The project received an original Will Serve Letter from the Beaumont Cherry Valley Water District on December 20, 2015 last year. Subsequently, we were approved for an updated Will Serve Letter at the Board Meeting on December 14, 2016 and the updated letter was issued on January 10, 2017.

During the last year we have obtained entitlements with the City of Beaumont and have leases or parcel sales negotiated for all but one final tenant who we are in the final stages of negotiations with. We’re also in the final stages of receiving approval of grading plans.

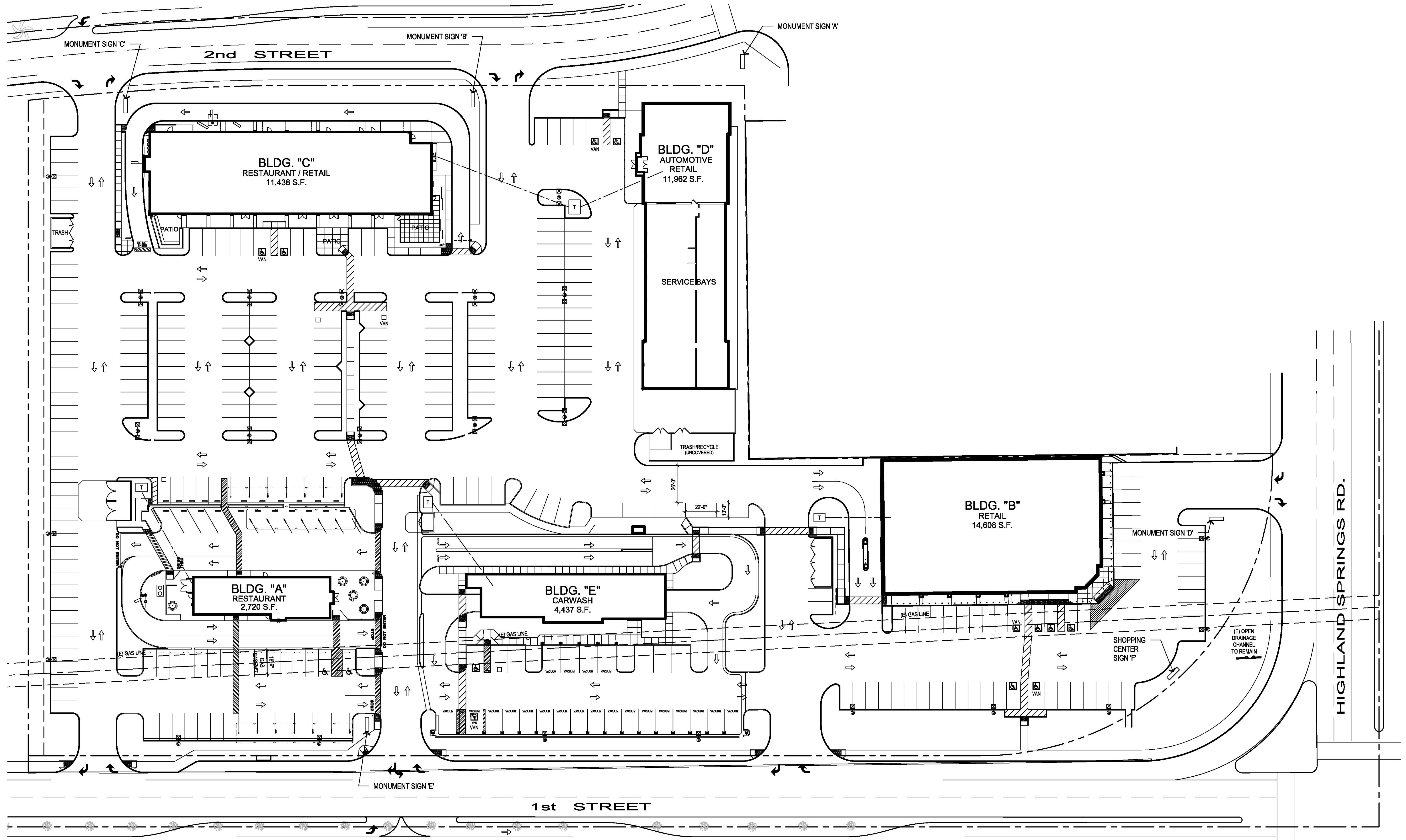
We are projected to close escrow on the property within the next two weeks and have delivery dates for leases tied to our ability to close. As the deadline for the current Will Serve Letter I approaching we are respectfully requesting an Updated Will Serve Letter for an additional twelve (12) months to enable us to close on the property knowing we have sufficient time to apply for and receive a service agreement for water service.

Attached is a current site plan as well as the water improvement plans. Please note that the square footage of the project has decreased from previous plans due primarily to a drive thru restaurant replacing the previous retail store in Building A.

Thank you for your cooperation in processing this request.

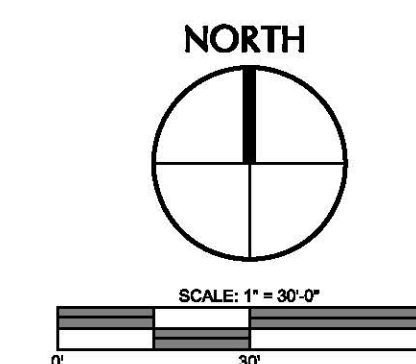
Sincerely,

Bart J. Hollander  
Senior Vice President



**SITE PLAN**  
**CENTER POINTE COMMERCIAL CENTER**  
 NW Corner HIGHLAND SPRINGS RD. and FIRST ST.  
 BEAUMONT, CALIFORNIA  
 10/12/2017

**RICH DEVELOPMENT**  
 1000 N. Western Ave., Suite 200  
 San Pedro, CA 90732  
 (310) 547-3326  
 www.richdevelopment.com



**Chipman Architects**  
 20361 Irvine Avenue  
 Studio B2  
 Newport Beach, CA 92660  
 (949) 759-1492  
 www.chipmanarchitects.com  
 1513



June 3, 2015

Board of Directors  
Beaumont Cherry Valley Water District  
560 Magnolia Ave.  
Beaumont, CA 92223

RE: REQUEST FOR UPDATED WILL SERVER LETTER  
SWC HIGHLAND SPRINGS & 2<sup>ND</sup> STREET, BEAUMONT, CA

Dear Board of Directors:

We are currently in escrow with Loma Linda University to purchase and develop APN 419-267-075 which is approximately 7 acres at the SWC Highland Springs and 2<sup>nd</sup> Street in Beaumont. The purpose of this letter is to request, prior to closing escrow, an updated will serve letter for water service based on the attached development conditions.

Per Section 2(b) of Resolution 2014-05, applications for service can be approved if a will serve letter previously has been issued and either (a) the property has been annexed into the district, (b) the applicant has paid fees to the district or (c) constructed infrastructure in order to provide service to the property. It is our position that the property meets the criteria for approval since a will serve letter was previously issued, the property was annexed into the district and fees have been paid to the district through CFD 93-1 disbursements that include participation from this property (see attached).

In 1985 a will serve letter was issued for this property as part of the 400+ acres owned by the Loma Linda University and the property was annexed on May 12, 1986 (LAFCO #85-107-3). The payment of Fees to BCVWD resulted from a bond financing Disbursement through CFD No. 93-1 of The City of Beaumont that included Area 6B, which this property is a part of. The amount of the Fee payment was \$303,779.00.

The site is an infill lot contiguous to existing development and is bounded by completed street infrastructure improvements. The proposed development of this site will be for commercial service, retail and restaurant purposes as set forth on the site plan, landscape plan and building elevations (attached).

Estimated water demand for the proposed development is estimated to be approximately 50 EDU's.

Thank you for your approval of this update.

Sincerely,

A handwritten signature in black ink, appearing to read "Bart J. Hollander". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bart J. Hollander  
Senior Vice President

Attachments

# BEAUMONT-CHERRY VALLEY WATER DISTRICT

## DIRECTORS

*K.L. Murdock*  
President  
*Roland Russell*  
Vice President  
*Phillip Broderick*  
*Ralph Mason*  
*George Molnar*

P.O. Box 2037  
560 Magnolia Avenue  
BEAUMONT, CALIF. 92223  
Telephone 845-~~1322~~ 9581

September 9, 1985

## OFFICERS

*Frances Atkins*  
Secretary  
*Janet Wilkin*  
Treasurer &  
Assessor-Collector  
*Engineering - Science*  
Engineer  
*Maurice C. Sherrill*  
Attorney

*Mr. T. Milford Harrison*  
*Psomas/Harrison & Associates*  
*3901 Lime St.*  
*Riverside, CA 92501*

*Subject: Proposed Annexation - Loma Linda Univ/Dorn Properties*  
*Your Nos. 4LLU0101/4DOR0101*

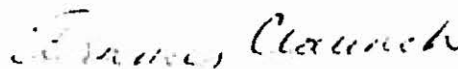
*Dear Mr. Harrison*

*At its meeting of September 5, 1985, the Board of Directors of the Beaumont-Cherry Valley Water District indicated its approval in principle of the annexation of the 437-acre parcel you requested. The District, upon annexation of this property and the compliance with all District financial arrangements and rules and regulations, would be willing to provide water service to such property.*

*There is a one-year time limit in which the owner of a parcel must proceed with annexation after the Board has agreed to look with favor on an annexation request.*

*Should you have any questions, please do not hesitate to contact our office.*

*Sincerely,*



*Frances Claunch*  
District Secretary

*l/c*

Land Planners  
Civil Engineers  
Land Surveyors

June 28, 1985

Board of Directors  
BEAUMONT-CHERRY VALLEY WATER DISTRICT  
P. O. Box 2037  
560 Magnolia Avenue  
Beaumont, CA 92223

Ref. 4LLU0101/  
4DOR0101

Dear Sirs:

We request that the Beaumont-Cherry Valley Water District annex the Loma Linda University and Dorn properties for purposes of providing future water service. As shown on the attached plot plan, Loma Linda University owns 437 acres located south of Interstate 10, west of Highland Springs Road, and east of Pennsylvania Avenue. Mr. Dorn owns approximately 22 acres east of Manzanita Road that adjoins the southwest portion of the Loma Linda properties. Psomas/Harrison & Associates has been retained by Loma Linda University and Mr. Dorn to represent them in the water annexation request as well as the request for annexation to the City of Beaumont.

The Beaumont General Plan shows the 142 acres north of First Street as Industrial. The remaining acreage is shown as Residential Planned Unit Development, Rural Residential, and Open Space Reserve (see Exhibit 1, General Plan). Our rezoning request for M-L, P-R-MF and R-A zoning is consistent with the City's General Plan and the County's Comprehensive General Plan which designates the property as "Not Designated as Open Space." Exhibit 2 shows our request for rezoning.

If you have any questions or we can provide any assistance, please contact Katherine Gifford or the undersigned at the address and telephone number shown above. Thank you for your consideration of this request for annexation.

Sincerely,

PSOMAS/HARRISON & ASSOCIATES



T. Milford Harrison  
Vice President

KMG:TMH:mg  
Attachments



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017

**TO:** Board of Directors

**FROM:** Dan Jagers, General Manager

**SUBJECT:** **Consideration of Resolution 2017-07: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District Amending the District's Policies & Procedures Manual Pursuant to the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522)**

---

**Recommendation**

Adopt Resolution 2017-07 amending the District's Policies & Procedures Manual to conform to the Healthy Workplace Healthy Families Act of 2014 (AB 1522).

**Background**

On September 10, 2014, the Governor of the State of California signed the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522) providing paid sick leave to employees who work for 30 or more days within a year and who are not covered by a collective bargaining agreement. Amendments to AB 1522 include clarification of employee classifications as well an expanded list of family members covered by the act.

The Policies & Procedures Manual, which was last amended on July 8, 2015, updated the sick leave rates for temporary and part-time employees within the definition of temporary and part-time employees. The update was not carried over to the section defining the application of sick leave, Part 1, Section 24. Additionally, amendments to AB 1522 have expanded on the definition of family members to include registered domestic partners, grandparents, grandchildren, and siblings.

**Fiscal Impact**

There is no fiscal impact on the District.

**Attachments**

Resolution 2017-07  
Amendments to Policies and Procedures Manual  
Labor Code section 245

Report prepared by: Yolanda Rodriguez, Director of Finance & Administrative Services  
YR:sm



**RESOLUTION 2017-07**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT  
AMENDING THE POLICIES & PROCEDURE MANUAL PURSUANT TO THE  
HEALTHY WORKPLACES, HEALTHY FAMILIES ACT OF 2014 (AB 1522)**

**WHEREAS**, on September 10, 2014 the Governor of the State of California signed the Healthy Workplaces, Healthy Families Act of 2014 (AB1522) providing paid sick leave for covered employees effective July 1, 2015; and

**WHEREAS**, the Beaumont-Cherry Valley Water District wishes to update the paid sick leave policy pursuant to AB 1522 for temporary and part-time employees; and

**WHEREAS**, the Beaumont-Cherry Valley Water District wishes to update the definition of family members to include registered domestic partners, grandparents, grandchildren, and siblings; and

**WHEREAS**, the Board of Directors of the Beaumont-Cherry Valley Water District has determined that it is in the best interest of the District to amend the District's Policies & Procedures Manual to ensure compliance with all applicable laws and to resolve ambiguities; and

**WHEREAS**, the Board of Directors of the Beaumont-Cherry Valley Water District has carefully reviewed the proposed changes as attached to this Resolution, and

**NOW, THEREFORE, BE IT RESOLVED** that the District's Policies & Procedures are hereby amended and immediately enforceable as set forth in this Resolution.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, President of the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

\_\_\_\_\_  
\_\_\_\_\_, Secretary to the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

**BEAUMONT-CHERRY VALLEY WATER DISTRICT**

**PART 1**

**PERSONNEL  
POLICIES & PROCEDURES MANUAL**

**Adopted March 18, 2009 by Resolution 2009-05**

**Amended April 28, 2011 by Resolution 2011-04**

**Amended May 8, 2013 by Resolution 2013-02**

**Amended July 8, 2015 by Resolution 2015-03**

**Amended December 13, 2017 by Resolution 2017-07**

**RESERVATION OF RIGHTS**

As circumstances change, the District may revise, supplement, or rescind any policies or portion of this Manual. Employees will be notified in writing of such changes as they occur. Only written changes adopted by the Board of Directors are recognized or binding.

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- vii. If a required medical examination reveals a medical problem that is recommended by the examining physician to be investigated further, any such investigation and/ or follow-up medical procedures shall be paid for by the applicant.
- viii. Medical inquiries are only made after a conditional offer of employment has been made and after all non-medical contingencies have been removed (except as otherwise allowed by law). Medical examinations will only be required where all applicants in the same job category are subject to the examination. Any contrary provision of this Manual notwithstanding, medical inquiries and examinations will only be conducted in conformance with applicable law, including the Americans with Disabilities Act and the California Fair Employment and Housing Act.

## 24. SICK LEAVE

- A. **Application.** This policy shall apply to introductory and regular employees in all classifications who work at least 30 days within a year in accordance with the Healthy Workplaces, Healthy Family Act of 2014 (AB 1522), operative January 1, 2015.
- B. **Definition.** Sick leave is defined as absence from work due to illness, non-industrial injury, or quarantine due to exposure to a contagious disease. In addition, dentist and doctor appointments and prescribed sickness prevention measures shall be subject to sick leave when prior notice is provided to the supervisor.
- C. **Accrual.** Employees shall accumulate sick leave at the rate of one (1) day per month. A temporary or part-time employees will accrue sick leave at a rate of one (1) hour for every thirty (30) hours worked.
- D. **Use.** Each employee may use accrued sick leave, up to half the time accrued per calendar year, as kin care leave, to care for sick ~~immediate~~-family members. It is provided for those circumstances where the employee must take time off to care for a sick family member, regardless of the seriousness of the illness. Employees should notify their supervisor to the extent feasible in order to avoid disruptions in work schedule as a result of use of kin care time. Family members covered include parents, children ~~and~~-spouses, registered domestic partners, grandparents, grandchildren, and siblings and are defined as follows:
  - i. A “child” means a biological, adopted or foster child, a stepchild, a legal ward or a child for whom an employee has accepted the duties and responsibilities of raising, such as where a grandparent raises his/her grandchild.
  - ii. A “parent” means a biological, foster or adoptive parent, a stepparent or legal guardian. Mothers-in-law, fathers-in-law and grandparents are also considered “parents for purposes of this division.
  - iii. The term “spouse” is not defined in the legislation mandating kin care, but presumably applies only to an individual to whom the employee is legally married.

iv. A registered domestic partnership shall be established in California when both person file a Declaration of Domestic Partnership and are registered with the Secretary of State.

v. Any other definition of Family Member as defined by the state of California.

- E. **Notice.** In order to receive compensation while on sick leave, the employee shall notify a supervisor prior to the time for beginning the regular work day, or as soon thereafter as practical.
- F. **Evidence.** If absence from duty by reason of illness occurs, satisfactory evidence may be required by the employee's immediate supervisor or the General Manager. Such evidence may include but is not limited to certification from a licensed physician.
- G. **"Buy-Back."**
- i. **Incentive Plan "A."** An employee not using any sick leave for twelve (12) consecutive months may convert their twelve (12) accrued days to cash at a rate of two (2) accrued days for eight (8) hours pay at their regular hourly rate.
  - ii. **Incentive Plan "B."** Upon retirement or death, an employee, or his/ her beneficiary, shall be entitled to receive 50% of all accumulated sick leave not compensated for in "A" above.
  - iii. **Note.** The beneficiary specified in the previous paragraph shall be the individual indicated on the employee's Life Insurance Beneficiary Form.

## 25. FAMILY AND MEDICAL LEAVE

- A. The purpose of this policy is to clarify how the District will implement the Family and Medical Leave Act of 1993 (FMLA). The provisions of the contract or MOU with union and/or employee association shall prevail, notwithstanding the contents of this policy, unless said provisions are in conflict with the FMLA.
- B. **Eligibility.** To be eligible for leave under the FMLA, an employee must have:
- i. Been employed by the District for at least twelve (12) months
  - ii. Worked for the District at least one-thousand-two-hundred-fifty (1,250) hours during the twelve (12) months immediately preceding the commencement of leave.
- C. **Leave Benefit.**
- i. Eligible employees will be provided with up to twelve (12) weeks of unpaid leave each year to care for a newborn, adopted, or foster child or for a seriously ill child, parent, or spouse. In addition, employees who are unable to perform



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**LABOR CODE - LAB**

**DIVISION 2. EMPLOYMENT REGULATION AND SUPERVISION [200 - 2699.5]** (*Division 2 enacted by Stats. 1937, Ch. 90.*)

**PART 1. COMPENSATION [200 - 452]** (*Part 1 enacted by Stats. 1937, Ch. 90.*)

**CHAPTER 1. Payment of Wages [200 - 273]** (*Chapter 1 enacted by Stats. 1937, Ch. 90.*)

**ARTICLE 1.5. Paid Sick Days [245 - 249]** (*Article 1.5 added by Stats. 2014, Ch. 317, Sec. 3.*)

**245.** (a) This article shall be known and may be cited as the Healthy Workplaces, Healthy Families Act of 2014.

(b) The provisions of this article are in addition to and independent of any other rights, remedies, or procedures available under any other law and do not diminish, alter, or negate any other legal rights, remedies, or procedures available to an aggrieved person.

(*Added by Stats. 2014, Ch. 317, Sec. 3. Effective January 1, 2015.*)

**245.5.** As used in this article:

(a) "Employee" does not include the following:

(1) An employee covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for paid sick days or a paid leave or paid time off policy that permits the use of sick days for those employees, final and binding arbitration of disputes concerning the application of its paid sick days provisions, premium wage rates for all overtime hours worked, and regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.

(2) An employee in the construction industry covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of employees, premium wage rates for all overtime hours worked, and regular hourly pay of not less than 30 percent more than the state minimum wage rate, and the agreement either (A) was entered into before January 1, 2015, or (B) expressly waives the requirements of this article in clear and unambiguous terms. For purposes of this subparagraph, "employee in the construction industry" means an employee performing work associated with

construction, including work involving alteration, demolition, building, excavation, renovation, remodeling, maintenance, improvement, repair work, and any other work as described by Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, and other similar or related occupations or trades.

(3) An individual employed by an air carrier as a flight deck or cabin crew member that is subject to the provisions of Title II of the federal Railway Labor Act (45 U.S.C. Sec. 151 et seq.), provided that the individual is provided with compensated time off equal to or exceeding the amount established in paragraph (1) of subdivision (b) of Section 246.

(4) An employee of the state, city, county, city and county, district, or any other public entity who is a recipient of a retirement allowance and employed without reinstatement into his or her respective retirement system pursuant to either Article 8 (commencing with Section 21220) of Chapter 12 of Part 3 of Division 5 of Title 2 of the Government Code, or Article 8 (commencing with Section 31680) of Chapter 3 of Part 3 of Division 4 of Title 3 of the Government Code.

(b) "Employer" means any person employing another under any appointment or contract of hire and includes the state, political subdivisions of the state, and municipalities.

(c) "Family member" means any of the following:

(1) A child, which for purposes of this article means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis. This definition of a child is applicable regardless of age or dependency status.

(2) A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.

(3) A spouse.

(4) A registered domestic partner.

(5) A grandparent.

(6) A grandchild.

(7) A sibling.

(d) "Health care provider" has the same meaning as defined in paragraph (6) of subdivision (c) of Section 12945.2 of the Government Code.

(e) "Paid sick days" means time that is compensated at the same wage as the employee normally earns during regular work hours and is provided by an employer to an employee for the purposes described in Section 246.5.

*(Amended by Stats. 2016, Ch. 4, Sec. 1. Effective January 1, 2017.)*

**246.** (a) (1) An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section.

(2) On and after July 1, 2018, a provider of in-home supportive services under

Section 14132.95, 14132.952, or 14132.956 of, or Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of, the Welfare and Institutions Code, who works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in subdivision (e) and subject to the rate of accrual in paragraph (1) of subdivision (b).

(b) (1) An employee shall accrue paid sick days at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment or the operative date of this article, whichever is later, subject to the use and accrual limitations set forth in this section.

(2) An employee who is exempt from overtime requirements as an administrative, executive, or professional employee under a wage order of the Industrial Welfare Commission is deemed to work 40 hours per workweek for the purposes of this section, unless the employee's normal workweek is less than 40 hours, in which case the employee shall accrue paid sick days based upon that normal workweek.

(3) An employer may use a different accrual method, other than providing one hour per every 30 hours worked, provided that the accrual is on a regular basis so that an employee has no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period.

(4) An employer may satisfy the accrual requirements of this section by providing not less than 24 hours or three days of paid sick leave that is available to the employee to use by the completion of his or her 120th calendar day of employment.

(c) An employee shall be entitled to use accrued paid sick days beginning on the 90th day of employment, after which day the employee may use paid sick days as they are accrued.

(d) Accrued paid sick days shall carry over to the following year of employment. However, an employer may limit an employee's use of accrued paid sick days to 24 hours or three days in each year of employment, calendar year, or 12-month period. This section shall be satisfied and no accrual or carryover is required if the full amount of leave is received at the beginning of each year of employment, calendar year, or 12-month period. The term "full amount of leave" means three days or 24 hours.

(e) For a provider of in-home supportive services under Section 14132.95, 14132.952, or 14132.956 of, or Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of, the Welfare and Institutions Code, the term "full amount of leave" is defined as follows:

(1) Eight hours or one day in each year of employment, calendar year, or 12-month period beginning July 1, 2018.

(2) Sixteen hours or two days in each year of employment, calendar year, or 12-month period beginning when the minimum wage, as set forth in paragraph (1) of subdivision (b) of Section 1182.12 and accounting for any years postponed under subparagraph (D) of paragraph (3) of subdivision (d) of Section 1182.12, has reached thirteen dollars (\$13) per hour.



(3) Twenty-four hours or three days in each year of employment, calendar year, or 12-month period beginning when the minimum wage, as set forth in paragraph (1) of subdivision (b) of Section 1182.12 and accounting for any years postponed under subparagraph (D) of paragraph (3) of subdivision (d) of Section 1182.12, has reached fifteen dollars (\$15) per hour.

(f) An employer is not required to provide additional paid sick days pursuant to this section if the employer has a paid leave policy or paid time off policy, the employer makes available an amount of leave applicable to employees that may be used for the same purposes and under the same conditions as specified in this section, and the policy satisfies one of the following:

(1) Satisfies the accrual, carryover, and use requirements of this section.

(2) Provided paid sick leave or paid time off to a class of employees before January 1, 2015, pursuant to a sick leave policy or paid time off policy that used an accrual method different than providing one hour per 30 hours worked, provided that the accrual is on a regular basis so that an employee, including an employee hired into that class after January 1, 2015, has no less than one day or eight hours of accrued sick leave or paid time off within three months of employment of each calendar year, or each 12-month period, and the employee was eligible to earn at least three days or 24 hours of sick leave or paid time off within nine months of employment. If an employer modifies the accrual method used in the policy it had in place prior to January 1, 2015, the employer shall comply with any accrual method set forth in subdivision (b) or provide the full amount of leave at the beginning of each year of employment, calendar year, or 12-month period. This section does not prohibit the employer from increasing the accrual amount or rate for a class of employees covered by this subdivision.

(3) Notwithstanding any other law, sick leave benefits provided pursuant to the provisions of Sections 19859 to 19868.3, inclusive, of the Government Code, or annual leave benefits provided pursuant to the provisions of Sections 19858.3 to 19858.7, inclusive, of the Government Code, or by provisions of a memorandum of understanding reached pursuant to Section 3517.5 that incorporate or supersede provisions of Section 19859 to 19868.3, inclusive, or Sections 19858.3 to 19858.7, inclusive of the Government Code, meet the requirements of this section.

(g) (1) Except as specified in paragraph (2), an employer is not required to provide compensation to an employee for accrued, unused paid sick days upon termination, resignation, retirement, or other separation from employment.

(2) If an employee separates from an employer and is rehired by the employer within one year from the date of separation, previously accrued and unused paid sick days shall be reinstated. The employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring, subject to the use and accrual limitations set forth in this section. An employer is not required to reinstate accrued paid time off to an employee that was paid out at the time of termination, resignation, or separation of employment.

(h) An employer may lend paid sick days to an employee in advance of accrual, at the employer's discretion and with proper documentation.

(i) An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages. If an employer provides unlimited paid sick leave or unlimited paid time off to an employee, the employer may satisfy this section by indicating on the notice or the employee's itemized wage statement "unlimited." The penalties described in this article for a violation of this subdivision shall be in lieu of the penalties for a violation of Section 226. This subdivision shall apply to employers covered by Wage Order 11 or 12 of the Industrial Welfare Commission only on and after January 21, 2016.

(j) An employer has no obligation under this section to allow an employee's total accrual of paid sick leave to exceed 48 hours or 6 days, provided that an employee's rights to accrue and use paid sick leave are not limited other than as allowed under this section.

(k) An employee may determine how much paid sick leave he or she needs to use, provided that an employer may set a reasonable minimum increment, not to exceed two hours, for the use of paid sick leave.

(l) For the purposes of this section, an employer shall calculate paid sick leave using any of the following calculations:

(1) Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.

(2) Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

(3) Paid sick time for exempt employees shall be calculated in the same manner as the employer calculates wages for other forms of paid leave time.

(m) If the need for paid sick leave is foreseeable, the employee shall provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee shall provide notice of the need for the leave as soon as practicable.

(n) An employer shall provide payment for sick leave taken by an employee no later than the payday for the next regular payroll period after the sick leave was taken.

(o) The State Department of Social Services, in consultation with stakeholders, shall convene a workgroup to implement paid sick leave for in-home supportive services providers as specified in this section. This workgroup shall finish its implementation work by November 1, 2017, and the State Department of Social Services shall issue guidance such as an all-county letter or similar instructions by December 1, 2017.

(p) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement, interpret, or make specific this section by means of an all-county letter, or similar

instructions, without taking any regulatory action.

*(Amended by Stats. 2016, Ch. 4, Sec. 2. Effective January 1, 2017.)*

**246.5.** (a) Upon the oral or written request of an employee, an employer shall provide paid sick days for the following purposes:

(1) Diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member.

(2) For an employee who is a victim of domestic violence, sexual assault, or stalking, the purposes described in subdivision (c) of Section 230 and subdivision (a) of Section 230.1.

(b) An employer shall not require as a condition of using paid sick days that the employee search for or find a replacement worker to cover the days during which the employee uses paid sick days.

(c) (1) An employer shall not deny an employee the right to use accrued sick days, discharge, threaten to discharge, demote, suspend, or in any manner discriminate against an employee for using accrued sick days, attempting to exercise the right to use accrued sick days, filing a complaint with the department or alleging a violation of this article, cooperating in an investigation or prosecution of an alleged violation of this article, or opposing any policy or practice or act that is prohibited by this article.

(2) There shall be a rebuttable presumption of unlawful retaliation if an employer denies an employee the right to use accrued sick days, discharges, threatens to discharge, demotes, suspends, or in any manner discriminates against an employee within 30 days of any of the following:

(A) The filing of a complaint by the employee with the Labor Commissioner or alleging a violation of this article.

(B) The cooperation of an employee with an investigation or prosecution of an alleged violation of this article.

(C) Opposition by the employee to a policy, practice, or act that is prohibited by this article.

*(Added by Stats. 2014, Ch. 317, Sec. 3. Effective January 1, 2015.)*

**247.** (a) In each workplace of the employer, the employer shall display a poster in a conspicuous place containing all the information specified in subdivision (b). The Labor Commissioner shall create a poster containing this information and make it available to employers.

(b) The poster shall state all of the following:

(1) An employee is entitled to accrue, request, and use paid sick days.

(2) The amount of sick days provided for by this article.

(3) The terms of use of paid sick days.

(4) That retaliation or discrimination against an employee who requests paid sick days or uses paid sick days, or both, is prohibited and that an employee has the right under this article to file a complaint with the Labor Commissioner against an

employer who retaliates or discriminates against the employee.

(c) An employer who willfully violates the posting requirements of this section is subject to a civil penalty of not more than one hundred dollars (\$100) per each offense.

*(Added by Stats. 2014, Ch. 317, Sec. 3. Effective January 1, 2015.)*

**247.5.** (a) An employer shall keep for at least three years records documenting the hours worked and paid sick days accrued and used by an employee, and shall allow the Labor Commissioner to access these records pursuant to the requirements set forth in Section 1174. An employer shall make these records available to an employee in the same manner as described in Section 226. If an employer does not maintain adequate records pursuant to this section, it shall be presumed that the employee is entitled to the maximum number of hours accruable under this article, unless the employer can show otherwise by clear and convincing evidence.

(b) Notwithstanding any other provision of this article, an employer is not obligated to inquire into or record the purposes for which an employee uses paid leave or paid time off.

*(Amended by Stats. 2015, Ch. 67, Sec. 3. Effective July 13, 2015.)*

**248.5.** (a) The Labor Commissioner shall enforce this article, including investigating an alleged violation, and ordering appropriate temporary relief to mitigate the violation or to maintain the status quo pending the completion of a full investigation or hearing.

(b) (1) If the Labor Commissioner, after a hearing that contains adequate safeguards to ensure that the parties are afforded due process, determines that a violation of this article has occurred, he or she may order any appropriate relief, including reinstatement, backpay, the payment of sick days unlawfully withheld, and the payment of an additional sum in the form of an administrative penalty to an employee or other person whose rights under this article were violated.

(2) If paid sick days were unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three, or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty.

(3) If a violation of this article results in other harm to the employee or person, such as discharge from employment, or otherwise results in a violation of the rights of the employee or person, the administrative penalty shall include a sum of fifty dollars (\$50) for each day or portion thereof that the violation occurred or continued, not to exceed an aggregate penalty of four thousand dollars (\$4,000).

(c) Where prompt compliance by an employer is not forthcoming, the Labor Commissioner may take any appropriate enforcement action to secure compliance, including the filing of a civil action. In compensation to the state for the costs of investigating and remedying the violation, the commissioner may order the violating employer to pay to the state a sum of not more than fifty dollars (\$50) for each day or portion of a day a violation occurs or continues for each employee or other person whose rights under this article were violated.

(d) An employee or other person may report to the Labor Commissioner a suspected violation of this article. The commissioner shall encourage reporting pursuant to this subdivision by keeping confidential, to the maximum extent permitted by applicable law, the name and other identifying information of the employee or person reporting the violation. However, the commissioner may disclose that person's name and identifying information as necessary to enforce this article or for other appropriate purposes, upon the authorization of that person.

(e) The Labor Commissioner or the Attorney General may bring a civil action in a court of competent jurisdiction against the employer or other person violating this article and, upon prevailing, shall be entitled to collect legal or equitable relief on behalf of the aggrieved as may be appropriate to remedy the violation, including reinstatement, backpay, the payment of sick days unlawfully withheld, the payment of an additional sum, not to exceed an aggregate penalty of four thousand dollars (\$4,000), as liquidated damages in the amount of fifty dollars (\$50) to each employee or person whose rights under this article were violated for each day or portion thereof that the violation occurred or continued, plus, if the employer has unlawfully withheld paid sick days to an employee, the dollar amount of paid sick days withheld from the employee multiplied by three; or two hundred fifty dollars (\$250), whichever amount is greater; and reinstatement in employment or injunctive relief; and further shall be awarded reasonable attorney's fees and costs, provided, however, that any person or entity enforcing this article on behalf of the public as provided for under applicable state law shall, upon prevailing, be entitled only to equitable, injunctive, or restitutionary relief, and reasonable attorney's fees and costs.

(f) In an administrative or civil action brought under this article, the Labor Commissioner or court, as the case may be, shall award interest on all amounts due and unpaid at the rate of interest specified in subdivision (b) of Section 3289 of the Civil Code.

(g) The remedies, penalties, and procedures provided under this article are cumulative.

(h) An employer shall not be assessed any penalty or liquidated damages under this article due to an isolated and unintentional payroll error or written notice error that is a clerical or an inadvertent mistake regarding the accrual or available use of paid sick leave. In reviewing for compliance with this section, the factfinder may consider as a relevant factor whether the employer, prior to an alleged violation, has adopted and is in compliance with a set of policies, procedures, and practices that fully comply with this section.

*(Added by Stats. 2014, Ch. 317, Sec. 3. Effective January 1, 2015.)*

**249.** (a) This article does not limit or affect any laws guaranteeing the privacy of health information, or information related to domestic violence or sexual assault, regarding an employee or employee's family member. That information shall be treated as confidential and shall not be disclosed to any person except to the affected employee, or as required by law.

(b) This article shall not be construed to discourage or prohibit an employer from

the adoption or retention of a paid sick days policy more generous than the one required herein.

(c) This article does not lessen the obligation of an employer to comply with a contract, collective bargaining agreement, employment benefit plan, or other agreement providing more generous sick days to an employee than required herein.

(d) This article establishes minimum requirements pertaining to paid sick days and does not preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement, policy, or standard that provides for greater accrual or use by employees of sick days, whether paid or unpaid, or that extends other protections to an employee.

*(Added by Stats. 2014, Ch. 317, Sec. 3. Effective January 1, 2015.)*



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 6, 2017

**TO:** Board of Directors

**FROM:** Dan Jagers, General Manager

**SUBJECT:** **Consideration of Resolution 2017-08: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District amending the District's Operations Policies and Procedures Manual Part III, Section 17: Purchasing**

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**Recommendation**

Adopt Resolution 2017-08, amending the District's Policies and Procedures Manual, Part III, Section 17: Purchasing.

**Background**

In order to guide staff in the procurement of materials, supplies and equipment, the District relies on a purchasing policy. In 2017, the District's external independent auditors noted that the existing policy does not include provisions for sole source purchases. The audit report also suggested the requirements for purchasing thresholds are vaguely defined. The auditors recommended the District revise the Purchasing Policy to clarify the requirements for sole source purchases and the thresholds for purchasing authorization.

Management concurred with the opinion, and staff reviewed the policy. The proposed amendment to the Operations Policies and Procedures Manual has been designed to be more realistic and practical without sacrificing spending controls. This proposed policy would replace Section 17 in its entirety. Failure to correct these identified deficiencies could result in some exposure to the District during the 2017 audit.

Staff has reviewed policies of other special districts and investigated best practices. The attached proposed policy, Exhibit A, incorporates guidelines for sole source purchases and includes an Authorization Table to clearly identify levels of approval for increasing cost amounts.

Section 17 addresses only the purchase of materials, supplies and equipment. Purchases of construction activity, and professional services are addressed elsewhere in the Operations Policies and Procedures Manual: Sections 11 and 12.



**Fiscal Impact**

None.

**Attachments**

Resolution 2017-08

Exhibit A – Proposed revised Purchasing Policy

Current BCVWD Policies and Procedures Manual, Part III, Section 17 Purchasing

Report prepared by Yolanda Rodriguez, Director of Finance and Administrative Services

YR:wc





**EXHIBIT A**

**17. PURCHASING**

- A. **Goal.** The purpose of this purchasing policy is to establish policies and procedures for the Beaumont Cherry Valley Water District (District) that provide for:
- i. Competitive bidding in the open market therefore creating the greatest possible advantage to the District.
  - ii. A cost effective purchasing process that incorporates high ethical standards.
  - iii. Obtaining quality materials, supplies, equipment, and non-professional services at the lowest ultimate cost and in a timely manner.
  - iv. A process to purchase, using effective fiscal controls that assure adherence to budgeted expenses and for obtaining appropriate levels of approval as established herein.

**B. Table 1 – Purchasing Requirements and Authorization Table**

Purchase Level	Purchase Amount	Solicitation	Contract Required	Minimum Purchase Approval Levels
1	\$0.00 - \$500.00	Not Required <sup>1</sup>	Not Applicable	All Employees <sup>2</sup>
2	\$500.01 - \$1,500.00	Not Required <sup>1</sup>	Not Applicable	Supervisors <sup>2</sup>
3	\$1,500.01 - \$3,000.00	Informal Quotes	Purchase Orders <sup>3</sup>	Supervisors <sup>2,4</sup>
4	\$3,000.01 - \$25,000.00	Three Informal Bids	Purchase Orders <sup>3</sup>	Supervisors <sup>2,4</sup>
5	\$25,001 +	Three Qualifying Bids / Proposals	Service Agreement, Purchase Order <sup>3</sup> , or Contract	Board of Directors

- NOTES TO TABLE:
- 1 Although not required, employees are encouraged to use competitive procurement methods whenever possible, such as by obtaining informal quotes
  - 2 Purchasing employee’s supervisor (see 17.C. Authorized positions) approval / signature on invoice is required prior to submitting to Accounts Payable for check processing
  - 3 Blanket Purchase Orders are permitted, not to exceed two (2) years
  - 4 Purchasing employee’s supervisor (see 17.C. Authorized positions) approval / signature on Purchase Order is required prior to making the purchase

- C. **Authorized positions:** The following are considered supervisory personnel for the purposes of approving purchases per Table 1:

<u>Supervisors</u>	<u>Department Directors / GM</u>
1 Production Supervisor	7 Director of Operations
2 Transmission and Distribution Supervisor	8 Director of Engineering
3 Recycled Water Supervisor	9 Director of Finance and Administrative Services
4 Assistant Director of Operations	
5 Field Superintendent	10 General Manager
6 Information Systems Manager	

D. **Definitions**

- i. **Informal Quotes.** For purchases less than \$3,000 (Levels 1 through 3), quotes may be obtained through an informal process (e.g. solicitation of pricing via internet search, email or telephone inquiry). Documentation of the quotes is required.
- ii. **Informal Bids.**
  - a. For procurement of materials, supplies, equipment, and non-professional services in excess of \$3,000 but less than \$25,000 (Level 4), at least three vendors must be contacted for bids / price quotations via written request, email, telephone, legal advertising, or public notice (including District website).
  - b. Regardless of solicitation method, all vendors must receive the same information about specifications and requirements of the product or non-professional service, and all bids submitted must be kept in confidence until the bid is awarded. Vendors will be advised that they will be notified only if they submitted the successful bid.
  - c. All bids received must be documented and retained by the requesting department for two years.
  - d. When a qualified vendor, who has been requested to submit a bid, has not responded by the bid date provided in the request, the bidder is deemed non-responsive. As long as two other vendors have submitted qualifying bids, the non-responsive bidder is considered one of the three bids.
- iii. **Qualifying bids / proposals:** For all procurement of materials, supplies, equipment and non-professional services in excess of \$25,000 (Level 5), formal bidding procedures, as outlined in the District Policy and Procedure Manual, Part III Operations, Sections 11 and 12, will be used.

- E. **Exemptions from Solicitation:** The competitive solicitation process and approval levels will not be required for the procurement of materials, supplies, equipment, and non-professional services under the following circumstances:
- i. **Non-Discretionary Purchases:** These purchases / payments are not readily adaptable to the open market and competitive selection process. Non-discretionary purchases are generally included in the District's operating budget and do not require the issuance of a purchase order. Payments in excess of the General Manager's authorization limit do not require separate Board approval. Examples of non-discretionary purchases include, but are not limited to:
    - a. Utilities
    - b. Insurance premiums (worker's compensation, general liability, etc.)
    - c. Bank charges and fees
    - d. Payroll disbursements, payroll checks, deductions, deposits and tax payments that are supported by a payroll report
    - e. Software license maintenance
    - f. Memberships, dues and subscriptions
    - g. Permitting and other regulatory fees
    - h. Water purchases and related expenses
    - i. Debt service payments
- F. **Cooperative Procurement:** The District may participate in or reference purchases and contracts established by other political jurisdictions, provided the referenced cooperative purchase agreement is established following a competitive bid process. The District's subsequent cooperative purchase agreement may be authorized according to Table 1.
- G. **Inventory Replenishment:** Purchases to replenish the District's warehouse inventory within established inventory re-order levels require no prior authorization provided that the vendor being utilized has been selected via procedures set forth herein within the last twenty-four months as the designated vendor for the items, or class of items, to be purchased.
- H. **Sole Source.** The General Manager has the final responsibility for determining whether a sole source requisition meets the requirements of this policy. Instances when sole source purchasing may be applicable include the following:
  - i. Property or services can be obtained only from a specific vendor (i.e. materials or equipment; one-of-a-kind items, etc.)

- ii. Competitive sourcing is precluded because of the existence of patents, copyrights, and special processes, control of raw materials by vendors or similar circumstances
- iii. Procurement of water or other utility services where it would not be practical or feasible to allow other vendors to provide such services
- iv. Procurement of support services in connection with the assembly, installation or servicing of equipment or software of a highly technical or specialized nature
- v. Procurement of parts or components to be used as replacements in support of equipment manufactured by a particular supplier
- vi. Procurement involving construction where a contractor is already at work on the site and it would not be practical to engage another contractor
- vii. Procurement where only a single supplier in a market is licensed or authorized to service or sell a specific product line
- viii. Procurement of compatible additions to existing equipment where a different manufacturer's equipment would be impractical for the specific need
- ix. The supplier or products are specified and required by the funding agency of a grant or Federal / State contract

I. **Vehicles.** Vehicles may be purchased in accordance with Table 1, in conjunction with the District's Capital Improvement Plan approved by the Board of Directors. Preference will be given to use of the State of California Vehicle Procurement Program, but at the discretion of the General Manager, vehicles may be obtained from an alternative local source if the cost difference does not exceed \$1,500. Consideration may also be given to delivery schedules and availability of inventory.

J. **Emergency Purchases.** Emergency purchases may be made without competitive bidding when unforeseen circumstances present an immediate risk of:

- i. Harm or hazard to the public health, safety and welfare;
- ii. Damage to District property; or
- iii. Serious interruption of District essential services

Since emergency purchases do not normally provide the District an opportunity to obtain competitive quotes, sound judgment shall be used in keeping such orders to an absolute minimum. In addition, the following requirements shall apply:

- i. The Finance Department shall be contacted as soon as possible to obtain a purchase order number
  - a. Documentation explaining the circumstances and nature of the purchase shall be maintained by the Supervisor, General Manager or Department Director
- ii. Emergency purchases at Level 4 require notification of the General Manager within 24 hours
- iii. Emergency purchases at Level 5 require notification of the General Manager within 24 hours. The General Manager will notify the President and/or Vice President of the Board of Directors within an additional 24 hours

If the emergency purchase causes any budget line item to exceed the approved budget, it shall be the responsibility of the department requesting the purchase to obtain subsequent Board of Directors approval of reserve funding or to make a budget transfer to cover the purchase.

Approvals for a budget transfer must be given by the appropriate Supervisor or Manager as determined by the Authorization Table.

All emergency purchases shall be reported to the Board of Directors.

- K. **Change Orders.** Any substantial change to a purchase order or contract shall be documented as a change order.
- i. Taxes, shipping and handling may cause the purchase order or contract to exceed the authorized amount. These items do not require a change order, even if they exceed 10% of the original purchase order or contract amount.
  - ii. The General Manager may approve change orders to purchase orders or contracts for the procurement of materials, supplies, and equipment, provided:
    - a. The change order is within the scope of the purchase order or contract and the cost of the changed work does not exceed the adopted budget;
    - b. The cumulative total of all change orders is within 10% of the original purchase order or contract amount

- ~~C. **Implementation.** A credit card shall be issued to the General Manager and the Finance Division Manager. District credit cards will not be issued or used by members of the Board of Directors.~~
- ~~i. **Timely Payment.** All credit card bills shall be paid in a timely manner to avoid late fees and finance charges.~~
- ~~ii. **Reasonable Expenses.** All credit card expenses shall be reasonable and necessary to the furtherance of District business. No personal expenses shall be charged on a District credit card. If there is an overlap on a transaction between personal and District business, the employee shall pay for the transaction personally and then request reimbursement by the District.~~
- ~~iii. **Receipts.** All credit-card transactions shall have third party documents (receipts) attached and the District purpose annotated by the cardholder.~~
- ~~iv. **Review and Approval.** The Director of Finance and Administration shall review and approve credit card transactions by the General Manager cardholder. The General Manager shall review and approve credit card transactions by the Director of Finance and Administration.~~

## 17. PURCHASING

- A. **Policy.** To purchase small items - such as office supplies, auto parts, and other miscellaneous items costing less than five hundred dollars (\$500) - vendors will be asked to submit pricing information by telephone or written quotation. District accounts are then awarded to those firms that provide the best prices, discounts, etc. Acquisitions are processed on purchase order forms that list instructions to vendors.
- B. **Solicitation.** To purchase items costing more than five-hundred dollars (\$500) and up to twenty-five thousand dollars (\$25,000), quotations will be solicited from vendors and received by telephone, fax or mail, preferably from two (2) or more sources, prior to selecting a preferred supplier and processing a purchase order. The General Manager or designee must approve purchase orders.
- C. **Written Quotes.** For items over twenty five-thousand dollars (\$25,000) or large quantity orders, the District will provide suppliers with a list of items to be purchased. Suppliers will provide written quotes for consideration and recommendation to the Board of Directors for award of contract. Items on the list will be purchased from the supplier quoting the lowest prices and having an acceptable delivery date.
- D. **Vehicles.** Vehicles will be purchased through the State's Vehicle Procurement Program, unless they can be acquired at the same cost or less expensively from local sources by competitive quotation bids in accordance with Paragraph B above.



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
December 13, 2017**

**DATE:** December 7, 2017

**TO:** Board of Directors

**FROM:** Dan Jagers, General Manager

**SUBJECT:** **Consideration of Resolution 2017-09: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District establishing the District's Investment Policy and rescinding Resolution 2017-02**

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**Recommendation**

Adopt Resolution 2017-09, establishing the District's Investment Policy and rescinding Resolution 2017-02.

**Background**

In order to best safeguard the ratepayers' funds, the District is required to develop and implement an Investment Policy. State law requires that an investment policy and any material changes in the policy be approved by the Board of Directors annually at a public meeting. Section 53607 of the State of California Government Code limits the authorization of the legislative body to delegate investment authority to a one-year period, renewable annually.

The Board of Directors at the Regular Meeting of January 11, 2017 adopted Resolution 2017-02 to re-establish the District's existing Investment Policy. No revisions were made from the previous year's policy, as it was in compliance with all aspects of the Government Code.

Subsequent to the January 11, 2017 Investment Policy adoption, the District's independent external auditors provided recommendations resulting from their audit of the District's financial statements for the year ending December 31, 2016. In addition to incorporating the auditors' suggestions, staff developed the proposed policy in accordance with guidelines of the California Municipal Treasurer's Association (CMTA) Investment Policy Certification program for California's public sector agencies and districts. Staff believes that the result meets the auditors' recommendations and provides a more comprehensive and consistent Investment Policy.

This revised Investment Policy (Exhibit A) is now presented to the Board of Directors for consideration. Staff recommends adoption of these changes, which are based on the auditors' recommendations.





The primary objectives, in priority order, of investment activities shall be: safety, liquidity and return.

**Safety:** It is the primary duty and responsibility of the General Manager to protect, preserve and maintain cash and investments of the District.

**Liquidity:** Investments should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements.

**Return:** Should become a consideration only after the basic requirements of safety and liquidity are met.

### **Fiscal Impact**

There is no fiscal impact at this time. The attached policy is in full compliance with all applicable government codes.

### **Attachments**

Resolution 2017-09

Exhibit A – Proposed revised Investment Policy

Report prepared by Yolanda Rodriguez, Director of Finance and Administration

YR:wc

**RESOLUTION 2017-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT  
ACKNOWLEDGING THE REVIEW, RECEIPT AND ACCEPTANCE OF THE  
DISTRICT’S INVESTMENT POLICY, AND RESCINDING RESOLUTION 2017-02**

**WHEREAS**, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code sections 53600.6 and 53630.1); and

**WHEREAS**, the legislative body of a local agency may invest surplus monies not required by the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5920 et seq. and 53601 et seq.; and

**WHEREAS**, the General Manager of the Beaumont-Cherry Valley Water District shall annually prepare and submit a statement of investment policy and such policy shall be considered by the Board of Directors at a public meeting (California Government Code 53646(a)), and

**WHEREAS**, the most recent investment policy was last reviewed and approved by Resolution 2017-02 on January 11, 2017; and

**WHEREAS**, staff now proposes several changes to the policy to address the comments of the District’s auditors as outlined in Exhibit A;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Beaumont-Cherry Valley Water District accepts by this Resolution the District’s Investment Policy as amended (Exhibit A), and rescinds Resolution 2017-02.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

\_\_\_\_\_  
 \_\_\_\_\_ President of the  
 Board of Directors of the  
 Beaumont-Cherry Valley Water District

\_\_\_\_\_  
 \_\_\_\_\_, Secretary to the  
 Board of Directors of the  
 Beaumont-Cherry Valley Water District



PPM NUMBER <b>III-9</b>	TITLE  <b>INVESTMENT POLICY</b>	ISSUE DATE <b>April 28, 2011</b>	REVISION DATE <b>December 13, 2017</b>
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**1.0 POLICY**

<b>EXHIBIT A</b>
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This investment policy (“Policy”) is set forth by the Beaumont-Cherry Valley Water District (“District”) for the following purposes:

- a. To establish clear guidance and understanding for the District’s Board of Directors (“Board”), management, designated employees, citizens and third parties of the objectives, policies and guidelines for the investment of the District’s idle surplus funds; and
- b. To establish a basis for evaluating investment results.

The District establishes investment policies that meet its current investment goals. The District shall review this Policy annually and may change its policies as its investment objectives change.

**2.0 SCOPE**

This investment policy applies to all investment activities and financial assets of the District. The funds covered by this policy are accounted for and incorporated in the District’s Annual Financial Report

The Deferred Compensation Plan is excluded because it is managed by a third party administrator and invested by individual plan participants.

Proceeds of debt issuances shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, such proceeds will be invested in accordance with the general investment philosophy of the District as set forth in this Policy.

**3.0 PRUDENT INVESTOR STANDARD**

The standard of prudence to be used by the designated representative shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio. Persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to The **Prudent Investor Standard**, which states “When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”



PPM NUMBER	TITLE	ISSUE DATE	REVISION DATE
III-9	INVESTMENT POLICY	April 28, 2011	December 13, 2017

#### **4. OBJECTIVES**

As specified in California Government Code Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the District's investment activities and of this Policy shall be:

**Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the District's overall portfolio. To attain this objective, the District will diversify its investments by investing funds among a variety of securities with independent returns.

**Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

**Yield:** The investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, as long as it does not diminish the objectives of Safety and Liquidity.

#### **5.0 DELEGATION OF AUTHORITY**

The authority of the District's Board to invest or reinvest funds of the District as permitted under Section 53600 et seq. of the California Government Code is delegated by Board resolution in conjunction with the annual investment policy review. Management responsibility for the investment program is hereby delegated, with the General Manager's oversight, to the Director of Finance and Administrative Services, who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of his/her designee, and their procedures in the absence of the General Manager or his/her designee, or Director of Finance and Administrative Services. The Director of Finance and Administrative Services shall establish procedures for the management of investment activities, including the activities of staff consistent with this policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance and Administrative Services.

The Director of Finance and Administrative Services may retain the services of an outside investment advisor or manager as approved by the Board to assist with the District's investment program. Qualified outside managers will be either SEC Registered Investment Advisors or Bank Money Managers. The investment advisor shall make investment decisions and transactions in strict accordance with State and Federal law, this Policy, and such other written instructions as are provided. The performance and service levels of such advisors and managers shall be reviewed annually.

#### **6.0 ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the District's General Manager any material financial interest in the financial institutions that conduct business with the District.



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## **7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Director of Finance and Administrative Services will maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes. Broker/dealers will be selected for credit worthiness and must be authorized to provide investment services in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15(C)3-I (uniform net capital rule). No public deposit will be made by the broker/dealer except in a qualified public depository as established by the established state laws. Before a financial institution or broker/dealer is used, they are subject to investigation and approval by the Director of Finance and Administrative Services or his/her designee, and must submit the following:

1. Certification of having read and understood this investment policy resolution and agreeing to comply with the District's investment policy;
2. Proof of Federal Investment Regulatory Authority certification;
3. Proof of State of California registration;
4. Audited financial statements for the institution's three (3) most recent fiscal years;
5. References of other public-sector clients that similar services are provided to.

If a third party investment advisor is authorized to conduct investment transactions on the District's behalf, the investment advisor may use their own list of approved independent broker/dealers and financial institutions. The investment advisor's approved list must be made available to the District upon request.

## **8.0 AUTHORIZED AND SUITABLE INVESTMENTS**

The District's investments are governed by the California Government Code. Within the investments permitted by the Government Code, the District may seek to further restrict eligible investments. In the event an apparent discrepancy is found between this Policy and the Government Code, the more restrictive parameters will take precedence. A table of allowable investment instruments per California Government Code can be found in section 19.0 of the Policy.

**United States Treasury Issues.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category.

**Federal Agency Obligations.** Federal agency or United States government-sponsored enterprise senior debt obligations, participations, mortgage backed securities, or other instruments, including those issued by or fully guaranteed as to principal and interest by Federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category.

**Municipal Debt.** Registered treasury notes or bonds of this state or any of the other 49 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of this state or any of the other 49 United States.

Bonds, notes, warrants, or other evidence of indebtedness of any local agency, including the District's own bonds, within this state, including bonds payable solely out of the revenues from a revenue-producing property



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owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

There is no limitation as to the percentage of the portfolio that may be invested in this category.

**Medium-Term Notes.** All corporate and depository institution debt securities with a maximum remaining maturity of 5 years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities that have a long-term debt rating of at least "A", or its equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO"). A maximum of 30 percent of the portfolio may be invested in this category.

**Negotiable Certificates of Deposit.** Negotiable certificates of deposit (NCDs) issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. In combination with placement service CDs, a maximum of 30 percent of the portfolio may be invested in this category.

**Placement Service Certificates of Deposit.** Certificates of deposit placed through a deposit placement service shall meet the requirements under Government Code Section 53601.8. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by federal deposit insurance. In combination with negotiable certificates of deposit, a maximum of 30 percent of the portfolio may be invested in this category.

**Bank Deposits.** FDIC insured or fully collateralized bank deposits, including, but not limited to, demand deposit accounts, savings accounts, market rate accounts, and time deposits. Bank deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The Director of Finance and Administrative Services, at their discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance.

**Commercial Paper.** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of 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 "A", or its equivalent, by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 25 percent of the portfolio may be invested in this category.

**Bankers' Acceptances.** Bankers' acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases are limited to bankers' acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System. Purchases of bankers' acceptances may not exceed 180 days maturity. Eligible bankers' acceptances are restricted to issuing financial institutions with a short-term debt rating of at least "A-1", or its equivalent, by a NRSRO. No more than 30 percent of the District's money may be in bankers' acceptances of any one commercial bank, while a maximum of 40 percent of the portfolio may be invested in this category.



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**State of California Local Agency Investment Fund (LAIF).** There is no limitation as to the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the current maximum allowed by LAIF.

**Local Government Investment Pools (LGIP).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7. To be eligible for purchase, the pool shall meet all of the following conditions: (i) must meet the requirements of California Government Code Section 53601(p), (ii) the pool must seek to maintain a stable Net Asset Value ("NAV"), and (iii) the pool must be rated at least "AAM", or its equivalent, by a NRSRO. There is no limitation as to the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the current maximum allowed by the pool.

**Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission. The company shall have met either of the following criteria: (A) attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs and (B) 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 (\$500,000,000). A maximum of 20 percent of the portfolio may be invested in this category.

**Repurchase Agreements.** Repurchase agreements are to be used as short-term investments not to exceed 1 year. Repurchase agreements shall only be made only with counterparties that are a nationally or state-chartered bank that has or has had a significant banking relationship with the District.

The District shall have a properly executed master repurchase agreement with each counterparty for which it enters into an agreement for repurchase agreements. Collateral of at least 102 percent of market value of principal and accrued interest is required. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral. Collateral is limited to obligations of the United States government and its agencies. Collateral must be delivered to the District's custodian bank or handled under a properly executed master repurchase agreement. The District, or its trustee, shall have a perfected first security interest in all collateral. A maximum of 10 percent of the portfolio may be invested in this category.

**9.0 PROHIBITED INVESTMENTS**

Section 53601.6 of the Government Code lists the investments that are prohibited. Prohibited investments shall include, but are not limited to, equity securities, inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any investment that could result in zero interest earned if held to maturity. The purchase of any investment permitted by the Government Code, but not listed as an authorized investment in section 7.0 of this Policy is prohibited without the prior approval of the Board.

**10.0 REVIEW OF INVESTMENT PORTFOLIO**

The securities held by the District must be in compliance with Section 8.0 Authorized and Suitable Investments at the time of purchase. Because some securities may not comply with Section 8.0 Authorized and Suitable Investments subsequent to the date of purchase, the Director of Finance and Administrative Services or their



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designee shall at least annually review the portfolio to identify those securities that do not comply. The Director of Finance and Administrative Services or their designee shall establish procedures to report to the Board, should one exist, major and critical incidences of noncompliance identified through the review of the portfolio.

### **11.0 INVESTMENT POOLS/MUTUAL FUNDS DUE DILIGENCE**

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

### **12.0 COLLATERALIZATION**

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse repurchase) agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificate of Deposits and 102% for reverse repurchase agreements of principal and accrued interest.

The District chooses to limit collateral to the following: U.S. Treasuries and Federal Agency Obligations. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

### **13.0 SAFEKEEPING AND CUSTODY**

All security transactions, including collateral for repurchase agreements, and reverse repurchase agreements entered into by the (Local Agency) shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.





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**14.0 DIVERSIFICATION AND MAXIMUM MATURITIES**

It is the policy of the District to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically. Adequate diversification shall be applied to the individual issuers of debt, both within each class of investments and collectively. With the exception of U.S. Treasuries, Federal Agency securities, LGIPs, and LAIF, the District's investment in any one issuer is limited to 5 percent of the District's surplus funds.

To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. The maximum maturity of individual investments shall not exceed the limits set forth in Section 8.0. Where no maturity limit is stated, no investment shall exceed a maturity of five years from the date of purchase unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment. With respect to maximum maturities, this Policy authorizes investing reserve funds beyond five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

**15.0 INTERNAL CONTROLS**

The Director of Finance and Administrative Services shall establish a system of internal controls designed to prevent losses due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, and/or imprudent actions by employees of the District. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Compliance with this Policy and internal controls shall be reviewed annually by the District's independent, external auditors.

**16.0 PERFORMANCE STANDARDS**

The investment performance of the District's operating portfolio shall be evaluated and compared to an appropriate benchmark in order to assess the success of the investment program relative to the District's Safety, Liquidity and Yield objectives. This review will be conducted annually with the Board's Finance Committee.

**17.0 INVESTMENT REPORTING**

- a. **Monthly.** The Director of Finance and Administrative Services shall prepare a monthly investment report for review and approval by the Board, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the Board to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include the following.
  - 1. Listing of individual securities held at the end of the reporting period;
  - 2. Cost and market value of all securities, including realized and unrealized market value gains or losses in accordance with GASB requirements;
  - 3. Average weighted yield to maturity of portfolio;
  - 4. Listing of investment by maturity date;
  - 5. Percentage of the total portfolio, which each type of investment represents;



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2. Statement of compliance with Investment Policy, including an explanation of any compliance exceptions (CGC Section 53646); and
  2. Certification of sufficient liquidity to meet budgeted expenditures over the ensuing six months (CGC Section 53646).
- b. **Quarterly.** On a quarterly basis, the Director of Finance and Administrative Services shall report the total rate of return on each of the District's portfolios to the Board.
- c. **Annually.** On an annual basis, the Director of Finance and Administrative Services shall present the Investment Policy, together with any proposed amendments, to the Board for its consideration.

As specified in CGC 53646(e), if funds are placed in LAIF, FDIC insured accounts and/or in an LGIP, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Beaumont Cherry Valley Water District will meet its expenditure obligations for the next six months as required by CGC 53646(b)(2) and (3) respectively. The Director of Finance and Administrative Services shall maintain a complete and timely record of all investment transactions.

### **18.0 POLICY ADOPTION AND REVIEW**

This Policy shall be adopted by resolution of the Board. Moreover, the Policy shall be reviewed on an annual basis and modifications, if any, must be approved by the Board by resolution.



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**19.0 ALLOWABLE INVESTMENT INSTRUMENTS PER CALIFORNIA GOVERNMENT CODE**

<b>ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2017)<sup>A</sup> APPLICABLE TO ALL LOCAL AGENCIES<sup>B</sup></b>			
<b>Investment Type</b>	<b>Maximum Maturity<sup>C</sup></b>	<b>Maximum Specified % of Portfolio<sup>D</sup></b>	<b>Minimum Quality Requirements</b>
Local Agency Bonds	5 years	None	None
US Treasury Obligations:	5 years	None	None
State Obligations – CA and others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
US Agency Obligations	5 years	None	None
Bankers Acceptances	180 days	40% <sup>E</sup>	None
Commercial Paper – Pooled Funds <sup>I</sup>	270 days	40% of the District's money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>
Commercial Paper – Non-Pooled Funds <sup>F</sup>	270 days	25% of the District's money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>
Negotiable Certificates of Deposit	5 years	30% <sup>J</sup>	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	30% <sup>K</sup>	None
Placement Service Certificates of Deposit	5 years	30% <sup>K</sup>	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days <sup>L</sup>	20% of the base value of the portfolio	None <sup>M</sup>
Medium-Term Notes <sup>N</sup>	5 years	30%	"A" rating category or its equivalent or better
Mutual Funds and Money Market Mutual Funds	N/A	20% <sup>O</sup>	Multiple <sup>P,Q</sup>
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	"AA" rating category or its equivalent or better <sup>R</sup>
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple <sup>S</sup>
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund <sup>T</sup>	N/A	None	None
Supranational Obligations <sup>U</sup>	5 years	30%	"AA" rating category or its equivalent or better

(Source: *Local Agency Investment Guidelines: Update for 2017* published by the California Debt and Investment Advisory Commission (CDIAC). See Notes to AUTHORIZED AND SUITABLE INVESTMENTS TABLE on the following page for footnote references in this table.)



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**Notes to Authorized and Suitable Investments Table**

- A. Sources: Sections 16340, 16429.1, 53601, 53601.8, 53635, 53635.2, 53635.8, and 53638.
- B. Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- C. Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the Board of Directors 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 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.
- D. Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- E. No more than 30 percent of the District's money may be in bankers' acceptances of any one commercial bank.
- F. "Select Agencies" are defined as a "city, a district, or other local agency that do[es] not pool money in deposits or investment with other local agencies, other than local agencies that have the same Board."
- G. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.
- H. Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, has program credit enhancements, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.
- I. "Other Agencies" are counties, a city and county, or other local agency "that pools money in deposits or investments with other local agencies, including local agencies that have the same Board." Local agencies that pool exclusively with other local agencies that have the same Board must adhere to the limits set for "Select Agencies," above.
- J. No more than 30 percent of the District's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- K. No more than 30 percent of the District's money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorized under Section 53601(i)).
- L. Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- M. Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The District must have held the securities used for the agreements for at least 30 days.
- N. "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."
- O. No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- P. A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- Q. A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- R. Issuer must be rated in a rating category of "A" or its equivalent or better as provided by a nationally recognized statistical rating organization.
- S. A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- T. Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- U. Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).



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## **20.0 GLOSSARY OF TERMS**

**AGENCY SECURITIES:** Securities issued by a U.S. government-sponsored entity (GSE) and federally related institutions. Examples of a GSE include: Federal Farm Credit Bank System (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Company (FHLMC-Freddie Mac), Federal National Mortgage Association (FNMA-Fannie Mae), and Student Loan Marketing Association (SLMA-Sallie Mae).

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft, bill, or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CALLABLE SECURITY:** A security that is redeemable by the issuer before the scheduled maturity. Bonds are usually called when the interest rates fall so significantly that the issuer can save money by floating new bonds at lower rates.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**ANNUAL FINANCIAL REPORT:** The official annual report of the Beaumont-Cherry Valley Water District. It includes financial statements prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions and extensive introductory material.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT (DVP):** The delivery of securities with an exchange of money for the securities.



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**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns with the goal of spreading risk throughout the portfolio holdings.

**DURATION:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

**LOCAL AGENCY INVESTMENT FUND (LAIF):** A voluntary program created by state statute as an investment alternative for California's local governments and Special Districts under the administration of the California State Treasurer's Office. All securities are purchased under the authority of the Government Code Section 16430 and 16480.4.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** A state or local government pool offered to public entities for the investment of public funds.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**NATIONALLY RECOGNIZED STATISTICAL RATINGS ORGANIZATION (NRSRO):** A credit rating agency that provides credit ratings that are used by the U.S. government and investors as benchmarks. Examples include Moody's, Standard & Poor's, and Fitch Ratings.

**OFFER:** The price asked by a seller of securities.



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**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT INVESTOR STANDARD:** An investment standard to be followed by those authorized to make investment decisions on behalf of a local agency. Those authorized shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of that agency.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**REPURCHASE AGREEMENT (REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

**REVERSE REPURCHASE AGREEMENT (REVERSE REPO):** A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.



Beaumont-Cherry Valley Water District  
Policy and Procedure Manual

PPM NUMBER	TITLE	ISSUE DATE	REVISION DATE
<b>III-9</b>	<b>INVESTMENT POLICY</b>	<b>April 28, 2011</b>	<b>December 13, 2017</b>

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.