

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Ave, Beaumont, CA 92223
Board Finance & Budget Workshop
Agenda
May 28, 2013, at 1:30 p.m.

1. Call to Order, Flag Salute and Roll Call

2. Adoption and Adjustment of Agenda

3. Public Comment

Members of the public may address the Board at this time concerning items not on the agenda. To comment on specific agenda items, please complete a speaker's request form and hand it to the Board secretary.

4. New Business (Discussion only)

- A. Ratification of Paid Invoices and Monthly Payroll for April, 2013 by Reviewing Check History Reports in Detail*
- B. Review and Consideration of Pending Legal Invoices for April, 2013*
- C. Review of April, 2013 Bank Reconciliation*
- D. Review of Budget Report for April, 2013*
- E. Review of Cash Reserves Policy*

5. Announcements

- A. Regular Board Meeting, June 3, 2013 at 1:30 p.m.
- B. Budget Workshop, June 6, 2013 at 1:30 p.m.
- C. Engineering Workshop, June 10, 2013 at 1:30 p.m.
- D. Regular Board Meeting, June 17, 2013 at 1:30 p.m.

6. Adjournment

***Information Included In Agenda Packet**

1. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Ave., Beaumont, CA 92223 during normal business hours. 2. Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be available on the Agency's Internet website, accessible at <http://www.sgpwa.com>. 3. Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951-845-2577) at least 48 hours prior to the meeting to make a request for a disability-related modification or accommodation.

BR Bank Register Report

San Gorgonio Pass Water Agency(ASG)

05/01/2013 08:50:50

Document Number	Date	Payee Name/Description	Type	Status	Source	Amount
Bank Code: WFC Wells Fargo Checking					Current Balance	\$276,176.48
014604	04/01/2013	BEST BEST & KRIEGER LLP	CHK	CLR	AP	\$2,973.18
014605	04/01/2013	WILLIAM E. DICKSON	CHK	CLR	AP	\$63.11
014606	04/01/2013	MARY ANN HARVEY-MELLEBY	CHK	CLR	AP	\$344.53
014607	04/01/2013	U. S. GEOLOGICAL SURVEY	CHK	CLR	AP	\$90,910.12
014608	04/04/2013	ACWA JPIA	CHK	CLR	AP	\$1,143.00
014609	04/04/2013	ALBERT WEBB ASSOCIATES	CHK	CLR	AP	\$1,019.33
014610	04/04/2013	BDL ALARMS, INC.	CHK	CLR	AP	\$78.00
014611	04/04/2013	MACRO COMMUNICATIONS	CHK	O/S	AP	\$275.00
014612	04/04/2013	VALLEY OFFICE EQUIPMENT, INC.	CHK	CLR	AP	\$142.80
014613	04/04/2013	WASTE MANAGEMENT INLAND EMPIRE	CHK	CLR	AP	\$91.60
014614	04/04/2013	WILD CALIFORNIA	CHK	CLR	AP	\$845.00
014615	04/08/2013	ACWA JPIA	CHK	CLR	AP	\$656.44
014616	04/08/2013	BEAUMONT HOME CENTER	CHK	CLR	AP	\$6.25
014617	04/08/2013	JEFFREY W. DAVIS	CHK	CLR	AP	\$288.99
014618	04/08/2013	WILLIAM E. DICKSON	CHK	CLR	AP	\$536.53
014619	04/08/2013	GOPHER PATROL	CHK	CLR	AP	\$295.00
014620	04/08/2013	UNLIMITED SERVICES BUILDING MAINT.	CHK	CLR	AP	\$295.00
014622	04/15/2013	CALIFORNIA PUBLIC EMPLOYEES'	CHK	CLR	AP	\$6,675.42
014623	04/15/2013	FRANCHISE TAX BOARD	CHK	CLR	AP	\$147.37
014624	04/15/2013	ALBERT WEBB ASSOCIATES	CHK	CLR	AP	\$19,155.00
014625	04/15/2013	JOHN R. JETER	CHK	CLR	AP	\$1,054.07
014626	04/15/2013	WILLIAM R. MORRIS	CHK	O/S	AP	\$23.73
014627	04/15/2013	WELLS FARGO REMITTANCE CENTER	CHK	CLR	AP	\$5,080.78
014628	04/16/2013	ACE FIRE AND SAFETY	CHK	CLR	AP	\$60.00
014629	04/16/2013	BEAUMONT SAFE & LOCK	CHK	CLR	AP	\$49.00
014630	04/16/2013	CALIFORNIA PUBLIC EMPLOYEES'	CHK	CLR	AP	\$6,497.86
014631	04/16/2013	INCONTACT, INC.	CHK	CLR	AP	\$127.26
014632	04/16/2013	IN-SITU, INC.	CHK	CLR	AP	\$1,474.33
014633	04/16/2013	KENNEDY/JENKS CONSULTANTS	CHK	CLR	AP	\$1,154.40
014634	04/16/2013	MICHAEL BRANDMAN ASSOCIATES	CHK	CLR	AP	\$8,739.07
014635	04/16/2013	SOUTHERN CALIFORNIA GAS	CHK	CLR	AP	\$62.88
014636	04/16/2013	THOMAS W. TODD, JR.	CHK	CLR	AP	\$291.84
014637	04/16/2013	VERIZON	CHK	CLR	AP	\$992.47
014638	04/22/2013	ATKINS NORTH AMERICA, INC.	CHK	CLR	AP	\$5,139.34
014639	04/22/2013	SAN BERNARDINO COUNTY REGISTRAR	CHK	CLR	AP	\$300.00
014640	04/22/2013	MATTHEW PISTILLI LANDSCAPE SERVICES	CHK	CLR	AP	\$325.00
014641	04/22/2013	PETTY CASH	CHK	CLR	AP	\$97.35
014642	04/25/2013	AT&T MOBILITY	CHK	CLR	AP	\$170.10
014643	04/25/2013	HOWARD'S	CHK	O/S	AP	\$2,675.00
014644	04/25/2013	MARY ANN HARVEY-MELLEBY	CHK	O/S	AP	\$68.15
014645	04/25/2013	PASS ECONOMIC DEVELOPMENT ASSOC.	CHK	O/S	AP	\$80.00
014646	04/25/2013	SOUTHERN CALIFORNIA EDISON	CHK	CLR	AP	\$114.03
014647	04/26/2013	DT MOBILE WROUGHT IRON	CHK	CLR	AP	\$1,000.00
014649	04/30/2013	CALIFORNIA PUBLIC EMPLOYEES'	CHK	O/S	AP	\$6,675.42
014650	04/30/2013	STANDARD INSURANCE COMPANY	CHK	O/S	AP	\$294.85
215560	04/15/2013	EMPLOYMENT DEVELOPMENT DEPARTMENT	CHK	CLR	AP	\$894.82
215680	04/30/2013	EMPLOYMENT DEVELOPMENT DEPARTMENT	CHK	CLR	AP	\$906.13
277409	04/15/2013	ELECTRONIC FEDERAL TAX PAYMNT SYSTEM	CHK	CLR	AP	\$5,907.04
277454	04/30/2013	ELECTRONIC FEDERAL TAX PAYMNT SYSTEM	CHK	CLR	AP	\$6,125.48
900070	04/30/2013	DEPARTMENT OF WATER RESOURCES	CHK	CLR	AP	\$301,994.00

	Bank Totals	Items	Total Voids	Items
Checks	\$484,316.07	50	\$0.00	0
Deposits	\$0.00	0	\$0.00	0
Deductions	\$0.00	0	\$0.00	0
Bank Charges	\$0.00	0	\$0.00	0
Additions	\$0.00	0	\$0.00	0

Total for Bank Code: WFC Wells Fargo Checking

Net Activity:

(\$484,316.07)

BR Bank Register Report

San Gorgonio Pass Water Agency(ASG)

05/01/2013 08:50:50

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Document Number	Date	Payee Name/Description	Type	Status	Source	Amount
Report Totals						\$276,176.48
		Bank Totals	Items	Total Current Balance		
				Total Voids	Items	
		Checks	\$484,316.07	50	\$0.00	0
		Deposits	\$0.00	0	\$0.00	0
		Deductions	\$0.00	0	\$0.00	0
		Bank Charges	\$0.00	0	\$0.00	0
		Additions	\$0.00	0	\$0.00	0
Report Total				Net Activity:		(\$484,316.07)

Report Selection Criteria

Bank Accounts	Start WFC	End WFC
Date Range	Custom	
Check Date	04/01/2013	04/30/2013
Document /Check Numbers	Start	End
Payee Code	Start	End

Report Type: Single Line
Sort By: Doc/Item Type
Includes Items posted from these source modules: AP AR
Includes Items with status: Outstanding Cleared Voided
Includes Items of the Activity Type: All; Check Deduction Bank Charge Deposit Addition
Includes Item Notes: No
Includes Bank Notes: No

Search For 1:
Search For 2:
Search For 3:
And/Or:
Search For 4:
Search For 5:
Search For 6:

BR Bank Register Report

San Gorgonio Pass Water Agency(ASG)

05/01/2013 08:51:14

Document Number	Date	Payee Name/Description	Type	Status	Source	Amount
Bank Code: WFC Wells Fargo Checking					Current Balance	\$276,176.48
000709	04/15/2013	DAVIS, JEFFREY W.	CHK	CLR	PR	\$4,076.53
000710	04/15/2013	DICKSON, WILLIAM E.	CHK	CLR	PR	\$942.50
000711	04/15/2013	FALLS, KENNETH M.	CHK	CLR	PR	\$2,537.37
000712	04/15/2013	MORRIS, WILLIAM R.	CHK	CLR	PR	\$1,089.87
000713	04/15/2013	RASMUSSEN, CHERYLE M.	CHK	CLR	PR	\$1,846.51
000714	04/15/2013	TODD, JR., THOMAS W.	CHK	CLR	PR	\$2,758.05
000715	04/30/2013	DAVIS, JEFFREY W.	CHK	CLR	PR	\$4,076.53
000716	04/30/2013	DUNCAN, RONALD A.	CHK	CLR	PR	\$1,089.87
000717	04/30/2013	FALLS, KENNETH M.	CHK	CLR	PR	\$2,612.59
000718	04/30/2013	HARVEY-MELLEBY, MARY ANN	CHK	CLR	PR	\$1,089.87
000719	04/30/2013	RASMUSSEN, CHERYLE M.	CHK	CLR	PR	\$1,846.51
000720	04/30/2013	TODD, JR., THOMAS W.	CHK	CLR	PR	\$2,758.05
000721	04/30/2013	VOIGT, BARBARA A.	CHK	CLR	PR	\$1,307.85
014621	04/15/2013	JETER, JOHN R.	CHK	CLR	PR	\$939.87
014648	04/30/2013	HARING, THEODORE F.	CHK	CLR	PR	\$989.87

	Bank Totals	Items	Total Voids	Items
Checks	\$29,961.84	15	\$0.00	0
Deposits	\$0.00	0	\$0.00	0
Deductions	\$0.00	0	\$0.00	0
Bank Charges	\$0.00	0	\$0.00	0
Additions	\$0.00	0	\$0.00	0

Total for Bank Code: WFC Wells Fargo Checking **Net Activity:** (\$29,961.84)

Report Totals	Bank Totals	Items	Total Current Balance	Total Voids	Items
			\$276,176.48		
Checks	\$29,961.84	15	\$0.00	0	
Deposits	\$0.00	0	\$0.00	0	
Deductions	\$0.00	0	\$0.00	0	
Bank Charges	\$0.00	0	\$0.00	0	
Additions	\$0.00	0	\$0.00	0	

Report Total **Net Activity:** (\$29,961.84)

Report Selection Criteria

	Start	End
Bank Accounts	WFC	WFC
Date Range	Custom	
Check Date	04/01/2013	04/30/2013
Document /Check Numbers	Start	End
Payee Code	Start	End

Report Type: Single Line
 Sort By: Doc/Item Type
 Includes Items posted from these source modules: PR AR
 Includes Items with status: Outstanding Cleared Voided
 Includes Items of the Activity Type: All: Check Deduction Bank Charge Deposit Addition
 Includes Item Notes: No
 Includes Bank Notes: No

Search For 1:
 Search For 2:
 Search For 3:
 And/Or:
 Search For 4:
 Search For 5:
 Search For 6:

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NUMBER</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	130430	LEGAL SERVICES APR13	7,044.51
BINGHAM McCUTCHEN LLP	2765119	HYATT THERMO LEGAL FEB13	35.63
METROPOLITAN WATER DISTRICT	40015	AREA OF ORIGIN LEGAL JAN13	34.91

TOTAL PENDING INVOICES FOR APRIL 2013

7,115.05

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
April 30, 2013**

BALANCE PER BANK AT 04/30/2013 - CHECKING ACCOUNT 286,268.63

286,268.63

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
14611	275.00		
14626	23.73		
14643	2,675.00		
14644	68.15		
14645	80.00		
14649	6,675.42		
14650	294.85		
	10,092.15		-

TOTAL OUTSTANDING CHECKS (10,092.15)

BALANCE PER GENERAL LEDGER 276,176.48

BALANCE PER GENERAL LEDGER AT 03/31/2013 283,512.21

CASH RECEIPTS FOR APRIL 2,007,011.35

CASH DISBURSEMENTS FOR APRIL

ACCOUNTS PAYABLE - CHECK HISTORY REPORT	(484,316.07)	
NET PAYROLL FOR APRIL	(29,961.84)	(514,277.91)

BANK CHARGES (69.17)

TRANSFERS FROM LAIF

TRANSFERS TO LAIF (1,500,000.00)

BALANCE PER GENERAL LEDGER AT 04/30/2013 276,176.48

REPORT PREPARED BY:


Cheryle Rasmussen

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF APRIL, 2013**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
DEPOSIT TO CHECKING ACCOUNT				
04/09/13	RIVERSIDE COUNTY	PROPERTY TAXES	1,203,878.50	1,203,878.50
04/29/13	STATE OF CALIF/DWR	BOND COVER REFUND	4,625.00	
04/29/13	STATE OF CALIF/DWR	BOND COVER REFUND	75,098.00	
04/29/13	STATE OF CALIF/DWR	BOND COVER REFUND	723,398.00	
04/29/13	SAN BERNARDINO COUNTY	GENERAL LEVY FY2012-13	11.85	803,132.85
TOTAL FOR APRIL, 2013			2,007,011.35	2,007,011.35

**SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2012-13
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TEN MONTHS ENDING ON APRIL 30, 2013**

FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME					
INCOME					
WATER SALES	2,650,000		2,650,000	1,830,863.47	30.91%
TAX REVENUE	1,900,000		1,900,000	1,275,331.66	32.88%
INTEREST	38,000		38,000	26,969.99	29.03%
PASS-THRU	0		0	0.00	0.00%
GRANTS	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	52,000		52,000	776.89	98.51%
TOTAL GENERAL FUND INCOME	4,640,000	0	4,640,000	3,133,942.01	32.46%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	1,800,000		1,800,000	877,503.60	51.25%
TOTAL COMMODITY PURCHASE	1,800,000	0	1,800,000	877,503.60	51.25%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	370,000		370,000	309,523.20	16.35%
PAYROLL TAXES	36,000		36,000	26,735.04	25.74%
WORKERS COMP INSURANCE	4,500		4,500	2,966.05	34.09%
RETIREMENT	120,000		120,000	97,953.13	18.37%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	67,000		67,000	49,796.28	25.68%
HEALTH INSURANCE	56,000		56,000	45,261.32	19.18%
DENTAL INSURANCE	5,800		5,800	5,248.71	9.51%
SGPWA STAFF MISC. MEDICAL	7,000		7,000	7,402.53	-5.75%
LONG TERM DISABILITY	3,000		3,000	2,587.67	13.74%
EMPLOYEE EDUCATION	2,000		2,000	795.00	60.25%
TOTAL SALARIES AND EMPLOYEE BENEFITS	671,300	0	671,300	548,268.93	18.33%

**SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2012-13
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TEN MONTHS ENDING ON APRIL 30, 2013**

FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	99,000		99,000	79,084.75	20.12%
DIRECTORS TRAVEL & EDUCATION	35,000		35,000	13,507.59	61.41%
DIRECTORS MISC. MEDICAL	21,000		21,000	11,593.30	44.79%
OFFICE EXPENDITURES					
OFFICE EXPENSE	11,000		11,000	8,314.67	24.41%
POSTAGE	1,000		1,000	600.99	39.90%
TELEPHONE	8,000		8,000	6,080.79	23.99%
UTILITIES	4,500		4,500	3,604.04	19.91%
SELF-INSURANCE EXPENDITURES					
COMPUTER, WEB SITE AND TELEPHONE SUPPORT & SERVICE	3,000		3,000	4,243.97	-41.47%
GENERAL MANAGER & STAFF TRAVEL	13,000		13,000	13,574.15	-4.42%
INSURANCE & BONDS	22,000		22,000	22,078.00	-0.35%
ACCOUNTING & AUDITING	20,000		20,000	19,940.00	0.30%
STATE WATER CONTRACT AUDIT	5,500		5,500	3,901.00	29.07%
OUTSIDE PROFESSIONAL SERVICES	10,000		10,000	0.00	100.00%
DUES & ASSESSMENTS	32,000		32,000	23,755.00	25.77%
BANK CHARGES	1,000		1,000	610.69	38.93%
MISCELLANEOUS EXPENSES	1,000		1,000	501.45	49.86%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	3,000		3,000	47.00	98.43%
VEHICLE REPAIR & MAINTENANCE	13,000		13,000	12,808.91	1.47%
MAINTENANCE & REPAIRS - BUILDING	15,000		15,000	8,699.80	42.00%
MAINTENANCE & REPAIRS - FIELD	25,000		25,000	31,753.55	-27.01%
CONTRACT OPERATIONS AND MAINTENANCE	175,000		175,000	78,524.70	55.13%
LEASE PAYMENTS - RECHARGE	0		0	0	0.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	3,600		3,600	3,071.55	14.68%
ELECTION EXPENSE	160,000		160,000	77,387.00	51.63%
TAX COLLECTION CHARGES	7,500		7,500	10,945.10	-45.93%
TOTAL ADMINISTRATIVE & PROFESSIONAL	689,100	0	689,100	434,628.00	36.93%

**SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2012-13
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TEN MONTHS ENDING ON APRIL 30, 2013**

FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
GENERAL ENGINEERING					
RECHARGE					
BEAMONT AVE RECHARGE FACILITY CEQA	172,000		172,000	102,915.11	40.17%
BARF SERVICE CONNECTION (MT. VIEW CONNEC.)	100,000		100,000	8,490.74	91.51%
BARF DESIGN PIPELINE	138,000		138,000	68,893.53	50.08%
BARF DESIGN RECHARGE FACILITY	183,000		183,000	140,042.63	23.47%
BANNING PIPELINE CEQA	30,000		30,000	0.00	100.00%
BANNING PIPELINE DESIGN	80,000		80,000	0.00	100.00%
STUDIES					
U.S. - Agreement #23100	150,000		150,000	163,858.39	-9.24%
VALUING RATE STUDY	22,000		22,000	0.00	100.00%
SUPPORT - CAPACITY FEE & COOPERATIVE AGREEMENTS	0		0	0.00	0.00%
EMERGING CONTAMINANTS TASK FORCE	5,000		5,000	2,110.00	57.80%
SALINITY ISSUES	0		0	1,807.58	0.00%
CALIMESA RECHARGE STUDY (Partial)	30,000		30,000	30,000.00	0.00%
WATER SUPPLY UPDATE	0	30,000	30,000	2,329.60	92.23%
OTHER PROJECTS					
NEW WATER BROKER	2,000		2,000	0.00	100.00%
STRATEGIC PLAN	2,000		2,000	0.00	100.00%
STRATEGIC PLAN IMPLEMENTATION	50,000		50,000	7,868.55	84.26%
WATER QUALITY MODELING (SAN TIMETEO)	5,000		5,000	0.00	100.00%
SUPPLEMENTAL FUNDING AGREEMENT FOR BDCP	133,000		133,000	111,164.00	16.42%
GENERAL AGENCY - CEQA ANALYSIS	4,000		4,000	0.00	100.00%
GENERAL AGENCY ENGINEERING AND GIS SERVICES	5,000		5,000	976.50	80.47%
TOTAL GENERAL ENGINEERING	1,111,000	30,000	1,141,000	640,456.63	43.87%

**SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2012-13**

**BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TEN MONTHS ENDING ON APRIL 30, 2013**

FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013						
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET	
GENERAL FUND - EXPENSES						
LEGAL SERVICES						
LEGAL SERVICES - GENERAL	150,000		150,000	63,015.38	57.99%	
TOTAL LEGAL SERVICES	150,000	0	150,000	63,015.38	57.99%	
CONSERVATION & EDUCATION						
SCHOOL EDUCATION PROGRAMS	10,000		10,000	6,999.95	30.00%	
ADULT EDUCATION PROGRAMS	15,000		15,000	4,550.00	69.67%	
VOLUNTEER RESOURCES INSTITUTE PARTNERSHIP	0		0	0.00	0.00%	
NON-PROFIT GEOGRAPHIC PUBLICATION	0		0	0.00	0.00%	
NON-PROFIT LETTER	0		0	0.00	0.00%	
PARTNERING MATCHING FUND	50,000		50,000	0.00	100.00%	
OTHER CONSERVATION AND/OR EDUCATION PROGRAMS	0		0	0.00	0.00%	
TOTAL CONSERVATION & EDUCATION	75,000	0	75,000	11,549.95	84.60%	
GENERAL FUND CAPITAL EXPENDITURES						
BUILDING	15,000	0	15,000	0.00	100.00%	
FURNITURE & OFFICE EQUIPMENT	5,000		5,000	0.00	100.00%	
TOTAL GENERAL FUND CAPITAL EXPENDITURES	20,000	0	20,000	0.00	100.00%	
TRANSFERS TO OTHER FUNDS						
		0	0	0.00		
TOTAL GENERAL FUND EXPENSES	4,516,400	30,000	4,546,400	2,575,422.49	43.35%	
GENERAL FUND NET INCOME YEAR TO DATE	123,600	-30,000	93,600	558,519.52		

**SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2012-13
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TEN MONTHS ENDING ON APRIL 30, 2013**

FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME					
INCOME					
TAX REVENUE	12,950,000		12,950,000	10,130,203.42	21.77%
INTEREST	55,000		55,000	57,677.51	-4.87%
GRANTS	0		0	0.00	0.00%
OTHER	1,810,000		1,810,000	1,604,610.00	11.35%
TOTAL DEBT SERVICE FUND INCOME	14,815,000	0	14,815,000	11,792,490.93	20.40%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	44,000		44,000	37,535.20	14.69%
PAYROLL TAXES	3,500		3,500	2,871.39	17.96%
BENEFITS	24,500		24,500	25,314.96	-3.33%
SWC CONTRACTOR DUES	30,000	6,000	36,000	36,292.71	-0.81%
STATE WATER CONTRACT PAYMENTS	12,310,000		12,310,000	11,709,218.00	4.88%
PURCHASED WATER	402,000		402,000	217,100.00	46.00%
EBX2 MITIGATION LAND PURCHASE	0	358,932	358,932	358,931.25	0.00%
STATE WATER PROJECT LEGAL SERVICES	5,000		5,000	2,758.73	44.83%
USGS - Agreement #23100	120,000		120,000	0.00	100.00%
CONTRACT OPERATIONS AND MAINTENANCE	240,000		240,000	80,901.43	66.29%
SWP ENGINEERING	150,000		150,000	63,216.58	57.86%
DEBT SERVICE UTILITIES	8,500		8,500	7,393.74	13.01%
TAX COLLECTION CHARGES	29,000		29,000	32,826.21	-13.19%
TOTAL DEBT SERVICE FUND EXPENSES	13,366,500	364,932	13,731,432	12,574,360.20	8.43%
DEBT SERVICE FUND NET INCOME YEAR TO DATE	1,448,500	-364,932	1,083,568	-781,869.27	

**SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2012-13
FOR THE NINE MONTHS ENDING MARCH 31, 2013**

	JUN 30, 12	SEP 30, 12	DEC 31, 12	MAR 31, 13	JUN 30, 13
RESTRICTED					
STATE WATER CONTRACT FUND	25,727,239	21,453,256	24,219,370	23,453,246	
UNRESTRICTED					
OPERATIONS	1,500,000	1,500,000	1,500,000	1,500,000	
NEW INFRASTRUCTURE	2,456,115	2,921,115	2,921,115	3,170,000	
Additions	465,000	0	248,885	218,768	
Expenditures					
Ending Balance	2,921,115	2,921,115	3,170,000	3,388,768	0
ADDITIONAL WATER	2,500,000	2,500,000	2,500,000	2,500,000	
Adjustments from Other Sources	1,752,761	1,505,807	1,452,289	1,500,000	
Ratepayer Contribution	670,258	734,546	800,652	821,792	
From Excess Rate Stabilization	33,032	32,144	33,053	10,570	
Expenditures					
Ending Balance	4,956,051	4,740,353	4,785,994	4,832,362	0
RATE STABILIZATION					
Taxpayer Contribution	0	0	0	0	
Previous Ratepayer Balance	150,000	150,000	150,000	150,000	
Ratepayer Contribution	33,032	32,144	33,053	10,570	
Excess Contribut.-To Addnl. Water	-33,032	-32,144	-33,053	-10,570	
Expenditures					
Ending Balance	150,000	150,000	150,000	150,000	0
REPLACEMENTS	1,300,000	1,300,000	1,300,000	1,300,000	
UNEXPECTED LEGAL SERVICES	250,000	250,000	250,000	250,000	
TOTAL UNRESTRICTED RESERVES	11,077,166	10,861,468	11,155,994	11,421,130	0
TOTAL RESERVES	36,804,405	32,314,724	35,375,364	34,874,376	0

CASH LOCATION

Petty Cash	100	100	100	100	
Checking Accounts	358,218	368,118	306,024	283,512	
Trust Account - Business Savings	365,423	365,608	365,756	365,891	
LAIF	28,623,715	24,121,035	24,140,520	20,757,173	
Local Agency M M Acct. BofH	4,456,948	4,459,863	7,562,964	10,467,700	
Investments					
Treasury Bills	0	0	0		
CD's	0	0	0		
Wells Fargo Securities	3,000,000	3,000,000	3,000,000	3,000,000	
TOTAL CASH	36,804,405	32,314,724	35,375,364	34,874,376	0

RESOLUTION NO. 2009-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY REVISING A POLICY FOR AGENCY RESERVES

(RESCINDING RESOLUTION NO. 2007-16)

WHEREAS, this Board is charged with responsibility for providing an imported water supply to customers located within the Agency's boundaries, for the construction, operation, maintenance, repair and replacement of facilities to transport and deliver that water to Agency customers, and for the collection and accumulation of revenues necessary to accomplish these purposes; and

WHEREAS, the implementation of Board policy over a period of many years has resulted in the accumulation of funds to be utilized for a variety of Agency activities and to protect the Agency's customers and taxpayers from the financial impacts of catastrophic events and from fluctuations in Agency expenses; and

WHEREAS, by separate action this Board has created a restricted fund for the deposit and separate accounting of Agency revenues which may be expended only for particular Agency purposes, entitled the "State Water Contract Fund" and

WHEREAS, in addition to the collection and deposit of money into the restricted account, this Board also wishes to provide for the creation of certain unrestricted reserve accounts, and to set forth in writing the Agency's policy regarding the accumulation of reserves, the purposes for which they may be expended, and the levels which the Agency should strive to maintain;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Gorgonio Pass Water Agency hereby provides for the deposit of revenue into the restricted fund, the creation of certain unrestricted reserve accounts, and the accumulation and administration of reserves in each, as follows:

1. Restricted Reserves.

(a) State Water Contract Fund. All revenue collected from taxes levied on real property within the Agency's boundaries to pay amounts due and owing to the State of California Department of Water Resources ("DWR") pursuant to the Agency's contract with the State ("State Water Contract") for participation in the State Water Resources Development System shall be deposited into the State Water Contract Fund. The revenues deposited into the State Water Contract Fund may be utilized only to pay the Agency's financial obligations on the State Water Contract. The Agency shall endeavor to maintain money in the State Water Contract Fund in an amount which is more than the total of the previous year's invoices from DWR, but not more than two and one half times the total of such invoices, so that a reserve may be maintained to absorb temporary increases in charges from DWR, help to stabilize Agency tax rates, and protect against economic conditions which could result in the failure of numerous Agency taxpayers to pay their taxes. The reserves maintained in the State Water

Contract Fund may be invested in the same manner as other Agency funds. Investment earnings thereon as determined by the Agency shall be credited to the State Water Contract Fund and shall be used only to pay State Water Contract obligations.

2. Unrestricted Reserves.

(a) Reserve for Operations. A "Reserve for Operations" is hereby created for the Agency, to which the Board may appropriate unrestricted Agency revenues. The Reserve for Operations may be utilized to pay the cost of operating the Agency's general system including unanticipated costs of operations. The Agency shall endeavor to maintain in the Reserve for Operations an amount sufficient to pay for six months of normal operations of the Agency excluding depreciation expense and payments to DWR not to exceed one year of normal operation, as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to the Reserve for Operations may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Operations may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

(b) Reserve for New Infrastructure. A "Reserve for New Infrastructure" is hereby created for the Agency's general account, to which the Board may appropriate unrestricted Agency revenues. The Reserve for New Infrastructure may be utilized to construct or procure new infrastructure for the Agency; expenditures include but are not limited to transmission and distribution capital assets, buildings, pumping equipment, technical equipment, furniture and fixtures and transportation equipment. The Agency shall endeavor to maintain the Reserve for New Infrastructure in an amount approximately equal to 20% of the original cost of the Agency's physical plant, as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to the Reserve for New Infrastructure may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for New Infrastructure may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

(c) Reserve for Additional Water. A "Reserve for Additional Water" is hereby created to which the Board may appropriate unrestricted Agency revenues. The Reserve for Additional Water may be utilized for the temporary purchase of additional water, to augment the Agency's annual allocation of water pursuant to Table A of the Agency's State Water Contract, and for costs associated with the banking or transfer of any water or water rights purchased by the Agency. The Agency shall endeavor to maintain the Reserve for Additional Water in an amount of at least \$2.5 million as of June 30, 2008, with a goal of increasing this amount at least \$250,000 per year thereafter. This reserve fund is to be augmented by income from the "new water" component of the water rate, to be set by the Board. Funds ^{15/17} this reserve from the water rates shall

not be used for any purpose other than to purchase new water or water rights. It is anticipated that other funds will also be added to this reserve. The funds initially appropriated to the Reserve for Additional Water (\$2.5 million) and funds from sources other than the water rate may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Additional Water may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

(d) Rate Stabilization Reserve. A "Rate Stabilization Reserve" is hereby created, to which the Board may appropriate unrestricted Agency revenues. The Rate Stabilization Reserve may be utilized to protect Agency ratepayers from temporary increases in the cost of providing water service, such as fluctuations in the cost of energy, for example. The Agency shall endeavor to maintain the Rate Stabilization Reserve in an amount equal to \$150,000, or approximately 150% of the maximum annual revenue shortfall year identified in the February 2, 2009 water rate study. This reserve fund is to be augmented by income from the rate stabilization component of the water rate, to be set by the Board. As the initial \$150,000 allocated to this fund as of February 2, 2009 is augmented by funds from water rates, these initial funds shall be allocated to other reserve funds as needed. Funds added to this reserve from the water rates shall not be used for any purpose other than stabilizing or subsidizing the water rate. However, if at any time the funds accumulated in this reserve fund from the rate stabilization component of the water rate reach the goal of \$150,000, additional funds earmarked for this reserve above \$150,000 shall be allocated to the reserve for new water until such time as the rate stabilization reserve fund is reduced below \$150,000. At that time, revenue from the rate stabilization fund portion of the water rate will again be allocated to the rate stabilization reserve fund until such time as it reaches \$150,000. Funds appropriated to the Rate Stabilization Reserve may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

(e) Reserve for Replacements. A "Reserve for Replacements" is hereby created for the Agency's general account, to which the Board may appropriate unrestricted Agency revenues. The Reserve for Replacements may be utilized to replace the Agency's physical plant, as needed. The Agency shall endeavor to maintain the Reserve for Replacements an amount approximately equal to the accumulated amount of depreciation of the Agency's physical plant (not including the State Water Project facilities), as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to the Reserve for Replacements may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Replacements may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

(f) Reserve for Unexpected Legal Expenses. A "Reserve for Unexpected Legal Expenses" is hereby created, to which the Board may appropriate unrestricted Agency revenues. The Reserve may be used to pay unexpected

legal expenses incurred by the Agency, such as for planned or unplanned litigation, pending litigation, threatened litigation, or other such legal expenses as may be incurred. The Agency shall endeavor to maintain in the Reserve at least \$150,000, not to exceed \$250,000. However, the funds appropriated to the Reserve for Unexpected Legal Expenses may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Unexpected Legal Expenses may be invested in the same manner as other Agency funds, and the earnings thereon shall be credited to the Agency's General Fund.

3. Additional Reserves. In addition to the reserves identified above, the Board may approve the creation of such additional accounts, whether temporary or permanent, as the Board deems necessary or appropriate, by amendment to this resolution or by simple motion. In such event, the Board will identify the purposes for which such additional accounts are created, provide guidance as to the amount which the Agency should endeavor to maintain in each such fund or account, and establish the limits and restrictions pertaining thereto.

4. Annual Reports. Each quarter the Agency's General Manager shall provide the Board with a report indicating the beginning and ending balance for each of the reserve funds or accounts created pursuant to this resolution and the purposes for which expenditures have been made there from, and shall make recommendations to replenish or augment fund or account balances as appropriate.

5. Concurrent Adoption of Water Rates Resolution. This Resolution revising the policy for the accumulation of the Agency Reserves is dependent on the concurrent adoption of Resolution No. 2009-3, which establishes wholesale water rates.

The foregoing resolution was adopted unopposed by voice vote at a regular meeting of the Board of Directors of the San Geronio Pass Water Agency on February 2, 2009 with all Directors present.

I certify that this is a true, full and correct copy Resolution 2009-02, approved by the Board of Directors of the San Geronio Pass Water Agency at its meeting held on February 2, 2009.



Jeffrey Davis
Secretary of the Board