

SAN GORGONIO PASS WATER AGENCY

1210 Beaumont Ave, Beaumont, CA 92223

Board Finance & Budget Workshop

Agenda

October 23, 2017, at 1:30 p.m.

1. Call to Order, Flag Salute

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 and possible recommendations for action at a future regular Board meeting)

- A. Ratification of Paid Invoices and Monthly Payroll for September, 2017 by Reviewing Check History Reports in Detail*
- B. Review of Pending Legal Invoices*
- C. Review of September, 2017 Bank Reconciliation*
- D. Review of Budget Report for September, 2017*
- E. Review of Cash Reconciliation Report for June 30, 2017*
- F. Review of Cash Reconciliation Report for September 30, 2017*
- G. Review of Reserve Allocation Report for June 30, 2017*
- H. Review of Reserve Allocation Report for September 30, 2017*
- I. Review of Investment Report for June 30, 2017
- J. Review of Investment Report for September 30, 2017
- K. Review of Procurement Policy*
- L. Review of Water Rate Components*

5. Announcements

- A. San Gorgonio Pass Regional Water Alliance, October 25, 2017, 5:00 pm, Banning City Council Chambers
- B. Regular Board Meeting, November 6, 2017, 1:30 pm
- C. Engineering Workshop, November 13, 2017, 1:30 pm

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 request for a disability-related modification or accommodation.

San Geronio Pass Water Agency
Check History Report
September 1 through September 30, 2017

ACCOUNTS PAYABLE

Date	Number	Name	Amount
09/05/2017	118574	ARMSTRONG & BROOKS ENGINEERS	22,323.75
09/05/2017	118575	BEAUMONT-CHERRY VALLEY WATER DISTRICT	472.60
09/05/2017	118576	BDL ALARMS, INC.	78.00
09/05/2017	118577	BEST BEST & KRIEGER	21,679.51
09/05/2017	118578	EADIE AND PAYNE LLP	11,275.00
09/05/2017	118579	STEPHEN J. LEHTONEN	290.23
09/05/2017	118580	CHERYLE M. RASMUSSEN	27.82
09/05/2017	118581	UNDERGROUND SERVICE ALERT	33.10
09/11/2017	118582	ACWA BENEFITS	759.58
09/11/2017	118583	ALBERT WEBB ASSOCIATES	2,228.00
09/11/2017	118584	AUTOMATION PRIDE	100.00
09/11/2017	118585	DAVID J. CASTALDO	2,910.00
09/11/2017	118586	EADIE AND PAYNE LLP	4,680.00
09/11/2017	118587	GOPHER PATROL	51.00
09/11/2017	118588	SOUTHERN CALIFORNIA NEWS GROUP	32.40
09/11/2017	118589	UNLIMITED SERVICES BUILDING MAINT.	295.00
09/11/2017	118590	WASTE MANAGEMENT INLAND EMPIRE	94.80
09/18/2017	118591	JEFFREY W. DAVIS	522.74
09/18/2017	118592	ERNST & YOUNG LLP	1,032.00
09/18/2017	118593	DAVID L. FENN	50.00
09/18/2017	118594	FRONTIER COMMUNICATIONS	1,212.90
09/18/2017	118595	PROVOST & PRITCHARD	8,340.00
09/18/2017	118596	THOMAS W. TODD, JR.	490.59
09/18/2017	118597	VISIONARY LOGICS	90.00
09/18/2017	118598	WELLS FARGO REMITTANCE CENTER	3,648.41
09/25/2017	118599	AT&T MOBILITY	263.08
09/25/2017	118600	BEAUMONT COPY & GRAPHICS	1,124.64
09/25/2017	118601	CITRUS MOTORS	33,666.21
09/25/2017	118602	DAVID TAUSSIG & ASSOCIATES, INC.	975.00
09/25/2017	118603	INCONTACT, INC.	152.23
09/25/2017	118604	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
09/25/2017	118605	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	290,322.57
09/25/2017	118606	SOUTHERN CALIFORNIA EDISON	161.21
09/25/2017	118607	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	146,099.40
09/29/2017	118608	STANDARD INSURANCE COMPANY	445.74
09/15/2017	587931	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,210.00
09/15/2017	560051	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,750.15
09/29/2017	537519	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,073.12
09/29/2017	592639	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	5,812.17
09/15/2017	900150	CALPERS RETIREMENT	5,974.63
09/18/2017	900151	CALPERS HEALTH	7,747.81
09/29/2017	900152	CALPERS RETIREMENT	5,880.54
09/29/2017	900153	DEPARTMENT OF WATER RESOURCES	9,406,137.00
TOTAL ACCOUNTS PAYABLE CHECKS			9,996,837.93

San Geronio Pass Water Agency
Check History Report
September 1 through September 30, 2017

PAYROLL

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
09/14/2017	801429	BLAIR M. BALL	698.04
09/14/2017	801430	JEFFREY W. DAVIS	4,782.42
09/14/2017	801431	KENNETH M. FALLS	3,535.77
09/14/2017	801432	CHERYLE M. RASMUSSEN	2,212.54
09/14/2017	801433	THOMAS W. TODD, JR.	3,546.72
09/28/2017	801434	JEFFREY W. DAVIS	5,192.36
09/28/2017	801435	KENNETH M. FALLS	2,702.58
09/28/2017	801436	DAVID L. FENN	1,167.90
09/28/2017	801437	STEPHEN J. LEHTONEN	1,167.90
09/28/2017	801438	CHERYLE M. RASMUSSEN	2,212.54
09/28/2017	801439	LEONARD C. STEPHENSON	1,167.90
09/28/2017	801440	THOMAS W. TODD, JR.	3,546.72
TOTAL PAYROLL			31,933.39
TOTAL DISBURSEMENTS FOR SEPTEMBER, 2017			10,028,771.32

SAN GORGONIO PASS WATER AGENCY
 New Vendors List
 October, 2017

Vendor - Name and Address	Expenditure Type
Beaumont Copy & Graphics 625 Beaumont Ave. Beaumont, CA 92223	Fiesta Recharge Facility
Citurs Motors - Ford 1375 Woodruff Way Ontario, CA 91761	Vehicle Purchase
Eadie and Payne LLP old address: 1839 W. Redlands Blvd; Redlands, CA 92373 P O Box 9360 Redlands, CA 92375 new address: 3880 Lemon St Suite 300; Riverside, CA 92501 P O Box 1529; Riverside, CA 92502-1529	Auditing Services
Woodard & Curran, Inc. Consultant physical address: 888 S. Figueroa, Suite 1700; Los Angeles, CA 90017 Billing address: P O Box 923122; Boston, MA 02298-31112	Grant Writers
Bartel Associates, LLC 411 Borel Avenue, Suite 101; San Mateo, CA 94402	Actuarial Service; GASB 68

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	170930	LEGAL SERVICES SEP17	12,058.70

TOTAL PENDING INVOICES FOR SEPTEMBER 2017

12,058.70

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
September 30, 2017**

BALANCE PER BANK AT 09/30/2017 - CHECKING ACCOUNT 3,116,758.53

LESS OUTSTANDING CHECKS

<u>CHECK NUMBER</u>	<u>AMOUNT</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
118504	734.00	118599	263.08
118579	290.23	118602	975.00
118585	2,910.00	11860	152.23
118595	8,340.00	118608	445.74
118596	490.59		
	<u>12,764.82</u>		<u>1,836.05</u>

TOTAL OUTSTANDING CHECKS (14,600.87)

BALANCE PER GENERAL LEDGER 3,102,157.66

BALANCE PER GENERAL LEDGER AT 08/31/2017 215,615.56

CASH RECEIPTS FOR SEPTEMBER 1,225,270.80

CASH DISBURSEMENTS FOR SEPTEMBER

ACCOUNTS PAYABLE - CHECK HISTORY REPORT (9,996,837.93)

NET PAYROLL FOR SEPTEMBER (31,933.39) (10,028,771.32)


BANK CHARGES (14.89)

TRANSFER FROM TVI 2,290,057.51

TRANSFER FROM LAIF 9,400,000.00

BALANCE PER GENERAL LEDGER AT 09/30/2017 3,102,157.66

REPORT PREPARED BY:



 Cheryl M. Stiff

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF SEPTEMBER 2017**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
DEPOSIT TO CHECKING ACCOUNT				
9/5/17	STATE OF CALIF/DWR	DAVIS-DOLWIG NET - 2016	37,373.00	37,373.00
9/11/17	CITY OF BANNING	WATER SALES	53,256.00	53,256.00
9/15/17	BCVWD	WATER SALES	365,501.00	365,501.00
9/18/17	YVWD	WATER SALES	34,431.87	34,431.87
9/26/17	CITY OF BANNING	WATER SALES	47,550.00	47,550.00
9/26/17	BCVWD	SITES RESERVOIR DEPOSIT #1	103,049.00	103,049.00
9/26/17	TVI	CD - BOND INTEREST	30,358.75	30,358.75
9/29/17	RIVERSIDE COUNTY	PROPERTY TAXES	584,109.93	584,109.93
9/29/17	TVI	CD - BOND INTEREST	9,698.76	9,698.76
TOTAL FOR SEPTEMBER, 2017			1,265,328.31	1,265,328.31

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Comparison:	75%
INCOME					
WATER SALES	5,500,000		5,500,000	1,129,413.63	79.47%
TAX REVENUE	2,350,000		2,350,000	192,348.83	91.81%
INTEREST	110,000		110,000	34,951.26	68.23%
DESIGNATED REVENUES	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	456,000		456,000	129,371.89	71.63%
TOTAL GENERAL FUND INCOME	8,416,000	0	8,416,000	1,486,085.61	82.34%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	6,230,000		6,230,000	673,149.12	89.20%
TOTAL COMMODITY PURCHASE	6,230,000	0	6,230,000	673,149.12	89.20%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	454,000		454,000	113,442.19	75.01%
PAYROLL TAXES	38,000		38,000	9,497.63	75.01%
RETIREMENT	123,000		123,000	48,561.87	60.52%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	25,000		25,000	7,466.57	70.13%
HEALTH INSURANCE	61,000		61,000	19,811.52	67.52%
DENTAL INSURANCE	4,500		4,500	1,430.08	68.22%
LIFE INSURANCE	1,300		1,300	440.50	66.12%
DISABILITY INSURANCE	4,700		4,700	1,179.79	74.90%
WORKERS COMP INSURANCE	3,400		3,400	0.00	100.00%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	2,915.99	70.84%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
TOTAL SALARIES AND EMPLOYEE BENEFITS	725,900	0	725,900	204,746.14	71.79%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	75%
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	108,000		108,000	18,208.03	83.14%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	1,708.00	88.61%
DIRECTORS MISC. MEDICAL	23,000		23,000	4,591.56	80.04%
OFFICE EXPENDITURES					
OFFICE EXPENSE	24,000		24,000	945.47	96.06%
POSTAGE	650		650	0.00	100.00%
TELEPHONE	11,000		11,000	2,678.96	75.65%
UTILITIES	5,000		5,000	785.71	84.29%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	10,000		10,000	650.08	93.50%
GENERAL MANAGER & STAFF TRAVEL	22,000		22,000	4,586.58	79.15%
INSURANCE & BONDS	23,000		23,000	0.00	100.00%
ACCOUNTING & AUDITING	21,000		21,000	20,600.00	1.90%
STATE WATER CONTRACT AUDIT	5,500		5,500	3,611.00	34.35%
DUES & ASSESSMENTS	31,500		31,500	1,127.00	96.42%
OUTSIDE PROFESSIONAL SERVICES	2,000		2,000	350.00	82.50%
BANK CHARGES	1,500		1,500	117.85	92.14%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	1,000		1,000	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	7,000		7,000	1,359.63	80.58%
MAINTENANCE & REPAIRS - BUILDING	15,000		15,000	2,397.40	84.02%
MAINTENANCE & REPAIRS - FIELD	4,500		4,500	56.30	98.75%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	0.00	100.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	5,000		5,000	5,368.12	-7.36%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	10,500		10,500	500.02	95.24%
TOTAL ADMINISTRATIVE & PROFESSIONAL	496,650	0	496,650	69,641.71	85.98%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	75%
GENERAL ENGINEERING					
GRANT WRITER	10,000		10,000	0.00	100.00%
NEW WATER					
PROGRAMATIC EIR	50,000		50,000	0.00	100.00%
UPDATED STUDY ON AVAILABLE SOURCES	5,000		5,000	14,830.06	-196.60%
SGMA SUPPORT	10,000		10,000	0.00	100.00%
STUDIES					
USGS	100,000		100,000	32,502.79	67.50%
WATER RATE NEXUS STUDY	40,000		40,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	20,000		20,000	3,025.00	84.88%
CAPACITY FEE NEXUS STUDY UPDATE	10,000		10,000	0.00	100.00%
WHEELING RATE STUDY	20,000		20,000	0.00	100.00%
OTHER PROJECTS					
BASIN MONITORING TASK FORCE	22,000		22,000	14,019.00	36.28%
GENERAL AGENCY - CEQA AND GIS SERVICES	15,000		15,000	0.00	100.00%
TOTAL GENERAL ENGINEERING	302,000	0	302,000	64,376.85	78.68%
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	200,000		200,000	58,708.86	70.65%
TOTAL LEGAL SERVICES	200,000	0	200,000	58,708.86	70.65%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	14,000		14,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	35,000		35,000	0.00	100.00%
TOTAL CONSERVATION & EDUCATION	54,000	0	54,000	0.00	100.00%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	75%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING & EQUIPMENT					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	10,000		10,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	37,000		37,000	33,666.21	9.01%
FIESTA RECHARGE FACILITY					
POST DESIGN	250,000		250,000	0.00	100.00%
CONSTRUCTION	2,500,000		2,500,000	27,676.39	98.89%
FINANCING	120,000		120,000	0.00	100.00%
INSIGATION	15,000		15,000	0.00	100.00%
LANDSCAPING/POWER/WATER	0		0	0.00	0.00%
BUNKER HILL CONJUNCTIVE USE PROJECT	0		0	0.00	0.00%
BCVWD TURNOUT EXPANSION					
DESIGN	35,000		35,000	0.00	100.00%
CONSTRUCTION	162,000		162,000	0.00	100.00%
POST DESIGN	30,000		30,000	0.00	100.00%
SITES RESERVOIR	270,000		270,000	0.00	100.00%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	3,439,000	0	3,439,000	61,342.60	98.22%
TRANSFERS TO OTHER FUNDS	0		0	0.00	
TOTAL GENERAL FUND EXPENSES	11,447,550	0	11,447,550	1,131,965.28	90.11%
WITHDRAWALS FROM RESERVES	3,155,000		3,155,000		
TOTAL TRANSFERS FROM RESERVES	3,155,000	0	3,155,000	0.00	
GENERAL FUND NET INCOME YEAR TO DATE	123,450	0	123,450	354,120.33	

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017

		FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME					Comparison:	75%
INCOME						
TAX REVENUE		21,053,359		21,053,359	1,217,491.52	94.22%
INTEREST		300,000		300,000	104,853.78	65.05%
GRANTS		0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER		2,827,882		2,827,882	37,723.66	98.67%
TOTAL DEBT SERVICE FUND INCOME		24,181,241	0	24,181,241	1,360,068.96	94.38%
DEBT SERVICE FUND - EXPENSES						
EXPENSES						
SALARIES		54,000		54,000	13,932.19	74.20%
ROLL TAXES		4,100		4,100	1,065.76	74.01%
RENTS		29,000		29,000	10,671.40	63.20%
SWC CONTRACTOR DUES		42,000		42,000	39,308.00	6.41%
STATE WATER CONTRACT PAYMENTS		17,563,554		17,563,554	10,433,675.00	40.59%
PURCHASED WATER		0		0	345.88	0.00%
STATE WATER PROJECT LEGAL SERVICES		0		0	0.00	0.00%
USGS		0		0	0.00	0.00%
CONTRACT OPERATIONS AND MAINTENANCE		180,000		180,000	0.00	100.00%
SWP ENGINEERING		75,000		75,000	0.00	100.00%
DEBT SERVICE UTILITIES		10,000		10,000	2,535.86	74.64%
TAX COLLECTION CHARGES		76,000		76,000	2,833.47	96.27%
TOTAL DEBT SERVICE FUND EXPENSES		18,033,654	0	18,033,654	10,504,367.56	41.75%
TRANSFERS FROM RESERVES				0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE		6,147,587	0	6,147,587	-9,144,298.60	

**SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2016-17
FOR THE TWELVE MONTHS ENDING ON JUNE 30, 2017**

DEBT SERVICE FUND - RESTRICTED

BEGINNING BALANCE - JULY 1, 2016		
RESERVE FOR STATE WATER PROJECT	<u>36,816,064</u>	
DEBT SERVICE ACTIVITY		
DEBT SERVICE DEPOSITS		
PROPERTY TAX - DEBT SERVICE DEPOSITS	20,720,156	
INTEREST INCOME	317,350	
DWR REFUNDS	3,347,862	
DEBT SERVICE DISBURSEMENTS	<u>(18,983,834)</u>	
ENDING RESTRICTED FUNDS BALANCE - - - JUN 30 2017	<u>42,217,597</u>	<u>42,217,597</u>

GENERAL FUND - UNRESTRICTED

BEGINNING BALANCE - JULY 1, 2016		
	<u>12,052,342</u>	
GENERAL FUND ACTIVITY		
GENERAL FUND DEPOSITS		
WATER SALES	4,150,800	
PROPERTY TAX - GENERAL PURPOSE DEPOSITS	2,275,491	
INTEREST INCOME	121,422	
OTHER INCOME	68,526	
CHANGE IN RECEIVABLES	50,043	
GENERAL FUND DISBURSEMENTS		
CHANGE IN LIABILITIES	828,561	
CHANGE IN CAPITAL ASSETS	(763,857)	
OPERATING EXPENDITURES	<u>(5,068,752)</u>	
ENDING UNRESTRICTED FUNDS BALANCE - - - JUN 30 2017	<u>13,714,574</u>	<u>13,714,574</u>

TOTAL CASH - - - JUN 30 2017

55,932,171

LOCATION OF CASH - - - JUN 30 2017

PETTY CASH	100
CASH IN CHECKING ACCOUNTS	156,128
WELLS FARGO MONEY MARKET SAVINGS	1,267,082
BANK OF HEMET LOCAL AGENCY MONEY MARKET ACCOUNT	509,816
LOCAL AGENCY INVESTMENT FUND	16,274,975
CALTRUST	19,789,070
TIME VALUE INVESTMENTS	17,935,000

TOTAL - - - JUN 30 2017

55,932,171

**SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2016-17
BY QUARTER**

	SEP 30, 16	DEC 31, 16	MAR 31, 17	JUN 30, 17
<u>DEBT SERVICE FUND - RESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2016				
RESERVE FOR STATE WATER PROJECT	36,816,064	36,816,064	36,816,064	36,816,064
DEBT SERVICE ACTIVITY				
DEBT SERVICE DEPOSITS				
PROPERTY TAX - D. S. DEPOSITS	1,149,380	5,487,206	11,484,800	20,720,156
INTEREST INCOME	78,171	132,536	235,457	317,350
DWR REFUNDS	64,097	1,837,144	1,852,757	3,347,862
DEBT SERVICE DISBURSEMENTS	(10,043,078)	(11,156,905)	(17,532,669)	(18,983,834)
<u>ENDING RESTRICTED FUNDS BALANCE</u>	<u>28,064,634</u>	<u>33,116,045</u>	<u>32,856,409</u>	<u>42,217,597</u>
<u>GENERAL FUND - UNRESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2016	12,052,342	12,052,342	12,052,342	12,052,342
GENERAL FUND ACTIVITY				
GENERAL FUND DEPOSITS				
WATER SALES	753,759	1,955,663	2,935,745	4,150,800
PROPERTY TAX - GENERAL DEPOSITS	183,329	795,498	1,366,429	2,275,491
INTEREST INCOME	23,350	49,550	89,575	121,422
OTHER INCOME	37,070	43,601	45,682	68,526
CHANGE IN RECEIVABLES	575,816	515,647	558,623	50,043
GENERAL FUND DISBURSEMENTS				
CHANGE IN LIABILITIES	(491,640)	(100,527)	(467,852)	828,561
CHANGE IN CAPITAL ASSETS	(76,550)	(141,973)	(627,116)	(763,857)
OPERATING EXPENDITURES	(844,907)	(2,321,979)	(3,121,375)	(5,068,752)
<u>ENDING UNRESTRICTED FUNDS BALANCE</u>	<u>12,212,569</u>	<u>12,847,821</u>	<u>12,832,053</u>	<u>13,714,574</u>
<u>TOTAL CASH - END OF QUARTER</u>	<u>40,277,203</u>	<u>45,963,866</u>	<u>45,688,463</u>	<u>55,932,171</u>
<u>CASH AND INVESTMENTS</u>				
PETTY CASH	100	100	100	100
CASH IN CHECKING ACCOUNTS	273,181	464,625	357,700	156,128
WELLS FARGO MM SAVINGS	1,016,238	966,576	116,845	1,267,082
BANK OF HEMET L.A.M.M.A.	509,244	509,435	509,625	509,816
LOCAL AGENCY INVESTMENT FUND	3,349,005	6,349,005	6,974,975	16,274,975
CALTRUST	17,129,435	19,674,125	19,729,217	19,789,070
TIME VALUE INVESTMENTS	18,000,000	18,000,000	18,000,000	17,935,000
<u>TOTAL - END OF QUARTER</u>	<u>40,277,203</u>	<u>45,963,866</u>	<u>45,688,463</u>	<u>55,932,171</u>

**SAN GORONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2017-18
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2017**

DEBT SERVICE FUND - RESTRICTED

BEGINNING BALANCE - JULY 1, 2017		
RESERVE FOR STATE WATER PROJECT	<u>42,217,597</u>	
DEBT SERVICE ACTIVITY		
DEBT SERVICE DEPOSITS		
PROPERTY TAX - DEBT SERVICE DEPOSITS	1,217,492	
INTEREST INCOME	104,854	
DWR REFUNDS	37,724	
DEBT SERVICE DISBURSEMENTS	(10,504,368)	
ENDING RESTRICTED FUNDS BALANCE - - - SEP 30 2017	<u>33,073,299</u>	<u>33,073,299</u>

GENERAL FUND - UNRESTRICTED

BEGINNING BALANCE - JULY 1, 2017	<u>13,714,574</u>	
GENERAL FUND ACTIVITY		
GENERAL FUND DEPOSITS		
WATER SALES	1,129,414	
PROPERTY TAX - GENERAL PURPOSE DEPOSITS	192,349	
INTEREST INCOME	34,951	
OTHER INCOME	129,372	
CHANGE IN RECEIVABLES	476,351	
GENERAL FUND DISBURSEMENTS		
CHANGE IN LIABILITIES	(755,156)	
CHANGE IN CAPITAL ASSETS	(61,343)	
OPERATING EXPENDITURES	(1,070,624)	
ENDING UNRESTRICTED FUNDS BALANCE - - - SEP 30 2017	<u>13,789,888</u>	<u>13,789,888</u>

<u>TOTAL CASH - - - SEP 30 2017</u>		<u>46,863,187</u>
--	--	-------------------

LOCATION OF CASH - - - SEP 30 2017

PETTY CASH	100
CASH IN CHECKING ACCOUNTS	3,102,158
WELLS FARGO MONEY MARKET SAVINGS	767,313
BANK OF HEMET LOCAL AGENCY MONEY MARKET ACCOUNT	510,007
LOCAL AGENCY INVESTMENT FUND	4,691,169
CALTRUST	19,857,440
TIME VALUE INVESTMENTS	17,935,000

<u>TOTAL - - - SEP 30 2017</u>	<u>46,863,187</u>
---------------------------------------	-------------------

**SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2017-18
BY QUARTER**

	SEP 30, 17	DEC 31, 17	MAR 31, 18	JUN 30, 18
<u>DEBT SERVICE FUND - RESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2017				
RESERVE FOR STATE WATER PROJECT	<u>42,217,597</u>			
DEBT SERVICE ACTIVITY				
DEBT SERVICE DEPOSITS				
PROPERTY TAX - D. S. DEPOSITS	1,217,492			
INTEREST INCOME	104,854			
DWR REFUNDS	37,724			
DEBT SERVICE DISBURSEMENTS	(10,504,368)			
<u>ENDING RESTRICTED FUNDS BALANCE</u>	<u>33,073,299</u>	-	-	-
<u>GENERAL FUND - UNRESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2016	<u>13,714,574</u>			
GENERAL FUND ACTIVITY				
GENERAL FUND DEPOSITS				
WATER SALES	1,129,414			
PROPERTY TAX - GENERAL DEPOSITS	192,349			
INTEREST INCOME	34,951			
OTHER INCOME	129,372			
CHANGE IN RECEIVABLES	476,351			
GENERAL FUND DISBURSEMENTS				
CHANGE IN LIABILITIES	(755,156)			
CHANGE IN CAPITAL ASSETS	(61,343)			
OPERATING EXPENDITURES	(1,070,624)			
<u>ENDING UNRESTRICTED FUNDS BALANCE</u>	<u>13,789,888</u>	-	-	-
<u>TOTAL CASH - END OF QUARTER</u>	<u>46,863,187</u>	-	-	-
<u>CASH AND INVESTMENTS</u>				
PETTY CASH	100			
CASH IN CHECKING ACCOUNTS	3,102,158			
WELLS FARGO MM SAVINGS	767,313			
BANK OF HEMET L.A.M.M.A.	510,007			
LOCAL AGENCY INVESTMENT FUND	4,691,169			
CALTRUST	19,857,440			
TIME VALUE INVESTMENTS	17,935,000			
<u>TOTAL - END OF QUARTER</u>	<u>46,863,187</u>	-	-	-

**SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2016-17
FOR THE TWELVE MONTHS ENDING JUNE 30, 2017**

	JUN 30, 16	SEP 30, 16	DEC 31, 16	MAR 31, 17	JUN 30, 17
RESTRICTED					
STATE WATER CONTRACT FUND	36,816,064	28,064,634	33,116,045	32,856,409	42,217,597
UNRESTRICTED					
OPERATIONS	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
NEW INFRASTRUCTURE	2,818,921	3,504,184	3,372,311	3,379,356	3,363,588
Additions or Adjustments	685,263	-131,873	7,045	-15,768	1,002,036
Expenditures		0			
Ending Balance	3,504,184	3,372,311	3,379,356	3,363,588	4,365,624
ADDITIONAL WATER	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Adjustments from Other Sources	1,700,000	2,000,000	2,000,000	2,000,000	2,000,000
Ratepayer - Balance Forward	1,126,838	1,126,838	1,126,838	1,378,976	1,441,414
Ratepayer - Current Contribution		0	252,138	62,438	96,536
Rate Stabilization - Balance Forward	413,420	413,420	413,420	539,489	573,435
Excess Rate Stabilization - Current		0	126,069	33,946	48,241
Expenditures		0			-360,677
Ending Balance	5,740,258	6,040,258	6,418,465	6,514,850	6,298,949
RATE STABILIZATION					
Taxpayer Contribution	0	0	0	0	
Previous Ratepayer Balance	150,000	150,000	150,000	150,000	150,000
Ratepayer Contribution		0	126,069	33,946	48,241
Excess Contribut.-To Addnl. Water		0	-126,069	-33,946	-48,241
Expenditures		0	0	0	
Ending Balance	150,000	150,000	150,000	150,000	150,000
REPLACEMENTS	1,000,000	1,000,000	1,250,000	1,250,000	1,250,000
UNEXPECTED LEGAL SERVICES	150,000	150,000	150,000	150,000	150,000
TOTAL UNRESTRICTED RESERVES	12,044,442	12,212,569	12,847,821	12,928,438	13,714,573
TOTAL RESERVES	48,860,506	40,277,203	45,963,866	45,784,847	55,932,171

CASH LOCATION

Petty Cash	100	100	100	100	100
Checking Accounts	73,792	273,181	464,625	357,700	156,128
Wells Fargo M.M. Savings	865,939	1,016,238	966,576	116,845	1,267,082
Local Agency M M Acct. BofH	509,052	509,244	509,435	509,625	509,816
LAIF	12,323,141	3,349,005	6,349,005	6,974,975	16,274,975
CalTRUST	17,088,482	17,129,435	19,674,125	19,729,217	19,789,070
Time Value Investments	18,000,000	18,000,000	18,000,000	18,000,000	17,935,000
TOTAL CASH	48,860,506	40,277,203	45,963,866	45,688,463	55,932,171

**SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2017-18
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2017**

	JUN 30, 17	SEP 30, 17	DEC 31, 17	MAR 31, 18	JUN 30, 18
RESTRICTED					
STATE WATER CONTRACT FUND	42,217,597	33,073,299			
UNRESTRICTED					
OPERATIONS	1,500,000	1,500,000			
NEW INFRASTRUCTURE	3,363,588	4,389,567			
Additions or Adjustments	1,002,036	-95,935			
Expenditures					
Ending Balance	4,365,624	4,293,632	0	0	0
ADDITIONAL WATER	2,500,000	2,500,000			
Adjustments from Other Sources	2,000,000	1,639,323			
Ratepayer - Balance Forward	1,537,950	1,537,950			
Ratepayer - Current Contribution		98,085			
Rate Stabilization - Balance Forward	621,676	621,856			
Excess Rate Stabilization - Current		49,042			
Expenditures	-360,677				
Ending Balance	6,298,949	6,446,256	0	0	0
RATE STABILIZATION					
Taxpayer Contribution	0	0			
Previous Ratepayer Balance	150,000	150,000			
Ratepayer Contribution		49,042			
Excess Contribut.-To Addnl. Water		-49,042			
Expenditures					
Ending Balance	150,000	150,000	0	0	0
REPLACEMENTS	1,250,000	1,250,000			
UNEXPECTED LEGAL SERVICES	150,000	150,000			
TOTAL UNRESTRICTED RESERVES	13,714,573	13,789,888	0	0	0
TOTAL RESERVES	55,932,171	46,863,187	0	0	0

CASH LOCATION

Petty Cash	100	100			
Checking Accounts	156,128	3,102,158			
Wells Fargo M.M. Savings	1,267,082	767,313			
Local Agency M M Acct. BofH	509,816	510,007			
LAIF	16,274,975	4,691,169			
CalTRUST	19,789,070	19,857,440			
Time Value Investments	17,935,000	17,935,000			
TOTAL CASH	55,932,171	46,863,187	0	0	0

SGPWA Procurement Policy

Revised October 6, 2014

Section 1. Purpose and Applicability:

The purpose of this policy is to define the Agency's policies and procedures applicable to bidding of construction for new improvements and the procurement of materials, supplies, equipment, and professional services as well as for public works, including maintenance, pursuant to the provisions of Public Contract Code Section 21510 et seq. pertaining to the Agency. This Policy does not apply to operating expenses such as payroll, utilities, employee benefits, water purchases or taxes.

Section 2. Authority of the General Manager to Execute Contracts

The General Manager is authorized to execute contracts as follows without prior approval from the Board. Except in the case of an emergency, as set forth in this policy, the General Manager's authority to enter into contracts without prior Board approval shall be limited to projects that have been budgeted by the Board.

A. Contracts for materials, supplies and equipment (including cooperative purchasing as set out in Section 4 below) up to \$20,000. For items where the cost exceeds \$10,000, the General Manager shall solicit at least three quotes (where possible) from qualified vendors and shall determine which vendor provides the best value, considering quality as well as price. If the item is not readily available or a specific type is required to fit with existing Agency's equipment, the General Manager shall note the justification for sole source acquisition as set out in this policy.

B. Contracts for professional services up to \$40,000. Professional services contracts by law do not require bidding. All professional service contracts in excess of \$40,000 shall be approved by the Board prior to execution. Any change or addition to the work to be performed under a professional services contract may be approved by the General Manager without prior Board approval in amounts up to 10% of the contract amount. In such a case, the General Manager shall inform the Board of this action at the earliest practicable time. Changes or additions to the work which constitute more than 10% of a contract amount must be approved by the Board prior to execution.

C. Contracts for maintenance or construction up to \$50,000. For contracts above \$20,000, the General Manager shall solicit at least two quotes for the work, if possible, from qualified vendors and shall determine which vendor provides the best value, considering quality as well as price. If at least two quotes are not received, the General Manager shall note the justification for sole source procurement as set forth in this policy.

D. Emergency contracts specified in this policy.

All contracts over \$15,000, along with their price, shall be reported to the Board at the earliest practicable time after the contract has been executed. The General Manager may not delegate his purchasing authority to any other employee.

Section 3. Improvements and Public Works Construction Estimated to Cost more than \$50,000

Where the improvement or unit of work is estimated by the General Manager to cost more than \$50,000, or the materials and supplies for use in any new construction will cost \$50,000 or more, the Agency shall comply with the following bidding procedures:

A. The work may be performed in one or more contracts and the call for bids shall state whether the work shall be performed in one unit or divided into parts.

B. The call for bids shall describe the project and shall invite and specify procedures for the submission of sealed bids for such project. The call for bids shall describe how to obtain information regarding the project in order to submit such a bid and shall specify the deadline for submission of bids and the time for their opening.

C. The Agency shall advertise the work by publishing the call for bids three times in a daily newspaper of general circulation printed and published within the Agency boundaries or two times in a weekly newspaper of general circulation printed and published within the Agency boundaries.

D. At the time set for the opening of bids, the General Manager shall open and review all bids and shall determine which is the lowest responsible bidder(s).

E. The contract(s) with the lowest responsible bidder(s) shall be approved by the Board prior to execution.

F. The Board shall require the successful bidder to file labor and materials and faithful performance bonds in the form as required by law.

G. Notwithstanding the bidding procedures set forth above, the Board may reject any and all bids and may perform the work by force account or by contracting in the open market or may acquire the materials and supplies in the open market.

H. In the event no bids are received, the Board may direct the General Manager to rebid the project or may proceed under Section (G) above.

I. Construction change orders may be approved by the General Manager without prior approval of the Board in amounts up to 10% of the contract amount. In such a case, the General Manager shall inform the Board of this action at the earliest practicable time. Change orders totaling more than 10% of a contract amount must be approved by the Board prior to execution.

Section 4. Exceptions

A. Emergency conditions. An emergency is defined as a breakdown in machinery or equipment resulting in the interruption of an essential service, or threat to public health, safety, or welfare. In the case of an emergency requiring the immediate purchase of supplies, materials, equipment or contractual services, the General Manager hereby is authorized to secure in the open market, without bidding, at the lowest obtainable price, any supplies, materials, equipment, or contractual services required, regardless of the

amount of the expenditure and to report such action to the Board at its next meeting, in compliance with Public Contract Code Section 22050.

B. Limited availability/ sole source. Occasionally, required supplies, material, equipment, or services are of a proprietary nature, or are otherwise of such specific design or construction, or are specifically desired for purposes of maintaining cost effective system consistency, as to be available from only one source. After reasonable efforts to find alternative suppliers, the General Manager may make or may recommend making the purchase from the sole source.

C. Cooperative purchasing. The Agency shall have the authority to join with other public jurisdictions in cooperative purchasing agreements or to buy directly from a vendor at a price established by competitive bidding by another public jurisdiction in substantial compliance with this policy, even if the Agency has not joined with that public agency in a formal agreement. The Agency also may purchase from the United States of America or any state, municipality or other public corporation or agency without following formal purchasing procedures as defined in this policy.

Section 5. Review

It is the intent of the Board of Directors to review this policy bi-annually, upon change in Agency management, and/or at any other time as determined in the discretion of the Board.

Adopted October 6, 2014 6-0 (Director Morris absent)

SAN GORGONIO PASS WATER AGENCY

Water Rate Components

From Water Rate Study by Taussig Associates February, 2009

OPERATIONAL EXPENSES

SGPWA Operations

Operations Manager Salary, 50%

Operations Manager Benefits, 50%

Administration

SGPWA Administrative Staff Salary, 5%

SGPWA Administrative Staff Benefits, 5%

EBX Operations

Operations Invoices from SBVMWD, 50%

Source of Supply

DWR - variable

SBVMWD - variable

Additional Water

DWR - Yuba Dry Year Program

RESERVE CONTRIBUTIONS

Rate Stabilization - \$11 per AF

Retailers

SGPWA

Reserve for New Water - \$22 per AF

Retailers

SGPWA