



Yucaipa Valley Water District

Notice and Agenda of a Board Workshop

Tuesday, June 12, 2012 at 4:00 p.m.

MEETING LOCATION: District Administration Building
12770 Second Street, Yucaipa

MEMBERS OF THE BOARD: Director Ian Cuthbertson, Division 1
Director Bruce Granlund, Division 2
Director Jay Bogh, Division 3
Director Lonni Granlund, Division 4
Director Hank Wochholz, Division 5

I. Call to Order

II. Public Comments At this time, members of the public may address the Board of Directors on matters within its jurisdiction; however, no action or significant discussion may take place on any item not on the meeting agenda.

III. Staff Report

IV. Presentations

- A. Overview of the Water Recycling Act of 2012 – Assembly Bill 2398 (Hueso) [\[Workshop Memorandum No. 12-115 - Page 3 of 73\]](#)

V. Operational Issues

- A. Overview of a Water Mainline Break on Colorado Street, Yucaipa [\[Workshop Memorandum No. 12-116 - Page 9 of 73\]](#)

VI. Development Issues

- A. Development Agreement for a Proposed Commercial Project Located at 15th Street and Yucaipa Boulevard [\[Workshop Memorandum No. 12-117 - Page 10 of 73\]](#)
- B. Formation of Community Facilities District No. 2012-1 (Singleton Heights) to Replace the Non-Formed Community Facilities District No. 2006-1 (Calimesa Springs) [\[Workshop Memorandum No. 12-118 - Page 12 of 73\]](#)
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Any person with a disability who requires accommodation in order to participate in this meeting should telephone Erin Anton at (909) 797-5117, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the workshop packet are available for public inspection during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting material is also be available on the District's website at www.yvwd.dst.ca.us

VII. Capital Improvement Projects

- A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [[Workshop Memorandum No. 12-119 - Page 13 of 73](#)]
- B. Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex [[Workshop Memorandum No. 12-120 - Page 18 of 73](#)]
- C. Status Report on the Construction of the Crow Street Pipeline Facilities [[Workshop Memorandum No. 12-121 - Page 22 of 73](#)]
- D. Status Report on the Construction of the Recycled Water Booster Facility at the Reservoir R-12.1 Complex [[Workshop Memorandum No. 12-122 - Page 23 of 73](#)]
- E. Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project [[Workshop Memorandum No. 12-123 - Page 24 of 73](#)]

VIII. Administrative Issues

- A. Unaudited Financial Report for the Period Ending May 31, 2012 [[Workshop Memorandum No. 12-124 - Page 26 of 73](#)]
- B. Operating Budget and Capital Improvement Program for Fiscal Year 2013 [[Workshop Memorandum No. 12-125 - Page 56 of 73](#)]
- C. Declaration and Identification of Bad Debts [[Workshop Memorandum No. 12-126 - Page 57 of 73](#)]
- D. Property Insurance Options for Fiscal Year 2013 [[Workshop Memorandum No. 12-127 - Page 58 of 73](#)]
- E. Regional Water Allocation Agreement for Water Imported by the San Geronio Pass Water Agency [[Workshop Memorandum No. 12-128 - Page 59 of 73](#)]

IX. Director Comments**X. Closed Session**

- A. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price
- B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 14356 - YVWD Employees Association
- C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit
- D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Confidential Employee Bargaining Unit
- E. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

XI. Adjournment



Date: June 12, 2012

Subject: Overview of the Water Recycling Act of 2012 – Assembly Bill 2398 (Hueso)

The Water Recycling Act of 2012 (Assembly Bill No. 2398 – Hueso) is sponsored by the California WaterReuse Association and other large recycled water purveyors.

Assembly Bill No. 2398 will significantly expand the development and use of safe and reliable recycled water in California and help to secure our state's fragile water supply, providing a solid foundation for California's future economic growth. This legislation would establish a system for regulating and permitting recycled water based on objective scientific review to both maximize its use and protect public health and the environment. Specifically the bill would:

- Remove recycled water from the definitions of waste in the Water Code and Health and Safety Code and distinguish recycled water by type and level of treatment.
- Create a separate Recycled Water section of the Water Code that establishes a clear permitting system specific to recycled water, specifies the permitting and enforcement mechanisms and process of the regulating agencies, and provide funding for those activities.
- Establish a California Department of Public Health permitting process for advanced treated purified water; the most highly treated recycled water.

The purpose of this workshop item is to provide an overview of the proposed legislation.



Improving the flow to use recycled water

Legislation seeks to streamline regulations to boost drinking water supply

Written by Michael Gardner

May 26, 2012

Every year California dumps enough wastewater into the ocean to fill Lake Oroville, one of the state's largest sources of drinking water. Even thirsty San Diego pours thousands of gallons of wastewater into the Pacific off Point Loma every day.

The reasons this supply-starved state wastes so much wastewater are both simple and substantial. There is a natural recoil to drinking water that has been flushed down the toilet, even after it's been cleaned. New plants and high-tech treatment can be cost prohibitive. Moreover, the state has enacted a Byzantine array of regulatory controls that critics say strangle agencies seeking permits to clean and send recaptured wastewater to taps.

And that's where legislation carried by Assemblyman Ben Hueso, D-San Diego, comes in.

"My bill has the impact of creating more storage across the state without big expensive dam projects," Hueso said.

Here's how:

- Wastewater would be regulated depending on the level of treatment. The goal is to make it easier, quicker and cheaper for districts to mingle the cleanest - called "advanced treated purified water" - with groundwater and reservoir supplies. The state Department of Public Health, after adopting updated standards, would take over the permitting



May 25, 2012

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Jay Decarolis, an operations manager at MWH Global, holds a micro filtration unit at the Advanced Water Purification Facility at the City of San Diego's North City Water Reclamation Plant on Thursday, May, 24, 2012.

responsibility from the state Water Resources Control Board and its affiliated regional agencies.

- Dozens of related regulations and codes would be redesigned to streamline permits. Agencies would have to pay more filing fees, but those supporting the bill said that's worth it because delays caused by wading through different regulatory processes are even more expensive.

The measure is likely to come up on the Assembly floor later this week, and is expected to also undergo significant modifications this summer before a compromise could be struck sending it to Gov. Jerry Brown, who has not taken a position.

San Diego Regional Chamber of Commerce officials were in the Capitol recently lobbying for various causes, including Hueso's measure.

Chamber President Ruben Barrales recognizes that creating tap water out of wastewater is expensive. "It costs a lot less than not having water," he reasoned. "It's insurance."

Water agencies are under mounting pressure to recycle more water as the state grows and supply shrinks. State law already requires districts to recycle 2.5 million acre-feet by 2030. That's enough to serve 5 million average Southern California homes for a year.

"We are pouring perfectly drinkable water into the ocean," Hueso said, referring to supplies that could be treated up to health standards.

A 2009 state report suggested that up to 1.4 million acre-feet of wastewater could be recirculated back to taps. And the nonpartisan Legislative Analyst has said returning wastewater to the general supply is one of the "least cost, highest gain" alternatives to increasing availability.

Nevertheless, Hueso's Assembly Bill 2398 has drawn fire from the vocal Russian River Watershed Protection Committee based in Northern California. Its members oppose provisions taking some permitting authority away from regional water quality boards. Also, there are complaints that required reporting of unauthorized discharges of some types of wastewater are too lax.

Several residents have also lodged protests. Howard Wilshire of Sebastopol, for example, wrote that more stringent standards and regulations are needed.

"In view of the rapidly growing body of scientific evidence of the drastic effects of poorly regulated discharges of toxic materials into our waterways on aquatic and human life, a proposal to reduce the standards for discharge of treated, but still contaminated, waters is not defensible," said Wilshire, a retired federal geologist.

Some environmentalists are wary given the complexity of more than 70 pages of Hueso's proposed changes to highly technical state law governing wastewater reclamation.

Jill Witkowski, legal clinic director for San Diego Coastkeeper, said “some of our partners have raised concerns about this bill that we are looking into.” The local group has not settled on a position, but “we are excited to see water recycling being addressed at the state level. It’s crucial from an environmental standpoint and water security standpoint to facilitate water recycling.”

Price also has been a nagging issue, beyond plant construction costs. But just like turning seawater into drinking water, the costs of capturing wastewater is coming down with technological advances, supporters say.

“As far as recycled water goes, it’s the most important bill in the last 20 years,” said Deven Upadhyay, a water resources manager for the Metropolitan Water District of Southern California.

Is toilet-to-tap losing its yuck factor?

The term “toilet to tap,” while fading, still dogs San Diego. It became a household slogan that derailed the city’s bid for a purification project in the 1990s.

“That was a political campaign designed to instill fear,” Hueso said.

The National Academy of Sciences in January issued a study touting water purification.

Actually, San Diegans already drink water cleansed of contaminants. Sewage, farm chemicals and industrial waste are routinely poured into the Colorado River and Sacramento-San Joaquin Delta systems feeding into San Diego. Water agencies then treat the water to meet public health standards.

“The legislation will not strip away any protections for public health,” said Dave Smith, managing director of WaterReuse California, which is sponsoring the measure,

The California champion of turning wastewater into drinking water is Orange County, where wastewater has been purified and mixed into groundwater for drinking water use since 2008. The commingled water is even delivered to Disneyland.

The Orange County Water District, which manages 350 square miles of a vast basin in the region, plans to enlarge its reclamation plant to handle 100 million gallons per day by the fall of 2014.

San Diego region projects may benefit

The legislation could be a boost for two major wastewater reclamation programs in San Diego.

The city of San Diego is operating an \$11.8 million demonstration plant at its North City facility in Sorrento Valley to convert small amounts of wastewater to tap water. None of the recycled water flows to taps — yet.

The plant goal is to produce 16 million gallons of purified water daily.

A just-released two-year study suggests that a successfully permitted expanded facility would save ratepayers and provide more reliable supplies. But hurdles, including an estimated \$3 billion price tag, remain.

Capitol officials suggest that the legislation's streamlined regulations could help speed up the city's progress as it moves from a pilot program to permanent use in the future. That alone could save the city \$200 million, according to Hueso's estimate.

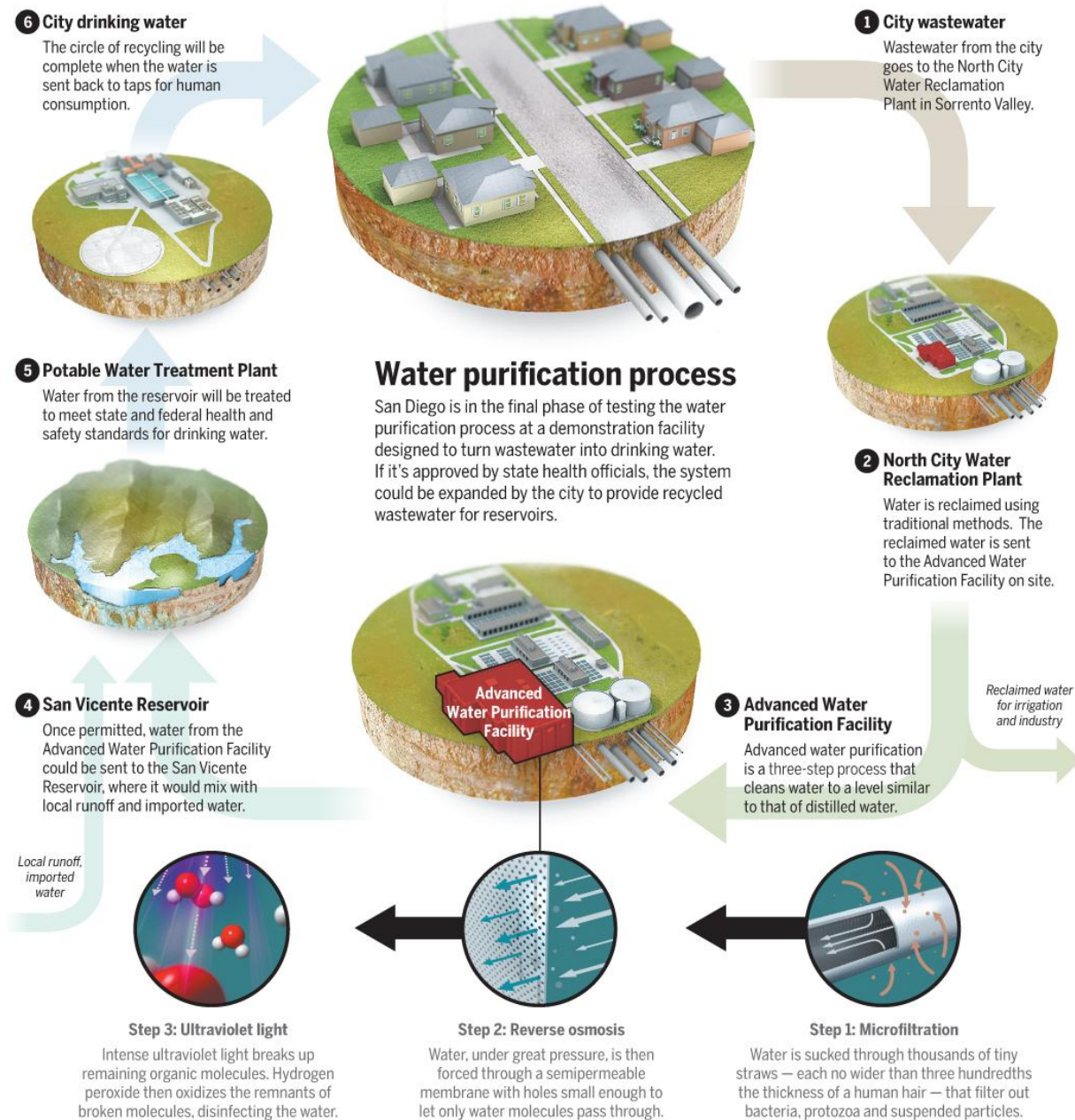
The city of San Diego proposes to build a 23-mile pipeline from the reclamation plant to carry the purified wastewater to San Vicente Reservoir, where it would blend with imported untreated water. It would then go through another round of cleansing before delivery.

The city's goal is to recycle 100 million gallons of wastewater per day. That is about how much is used by 850,000 residents. But even under the legislation none of the purified wastewater would go directly to taps. It would have to be first mixed with either reservoir supplies or in groundwater basins for six months.

Roger Bailey, the city of San Diego's public works director, has embraced the legislation, saying it "consolidates recycled water policy into a practical and usable regulatory framework."

In doing so, the legislation would "eliminate the need for costly, time-intensive and redundant regulatory hurdles" for the city when it applies for permanent permits, Bailey said. In addition, East County officials with the Helix Water District and Padre Dam Municipal Water District are eying the legislation as they work on a joint venture to purify wastewater and pipe about 5,000 acre-feet a year into nearby Lake Jennings.

Carlos Lugo, Helix's general manager, said the agencies hope the legislation knocks down some regulatory hurdles. Implementation of Hueso's bill would save the two districts \$1 million, he estimates.



Source: City of San Diego Public Utilities

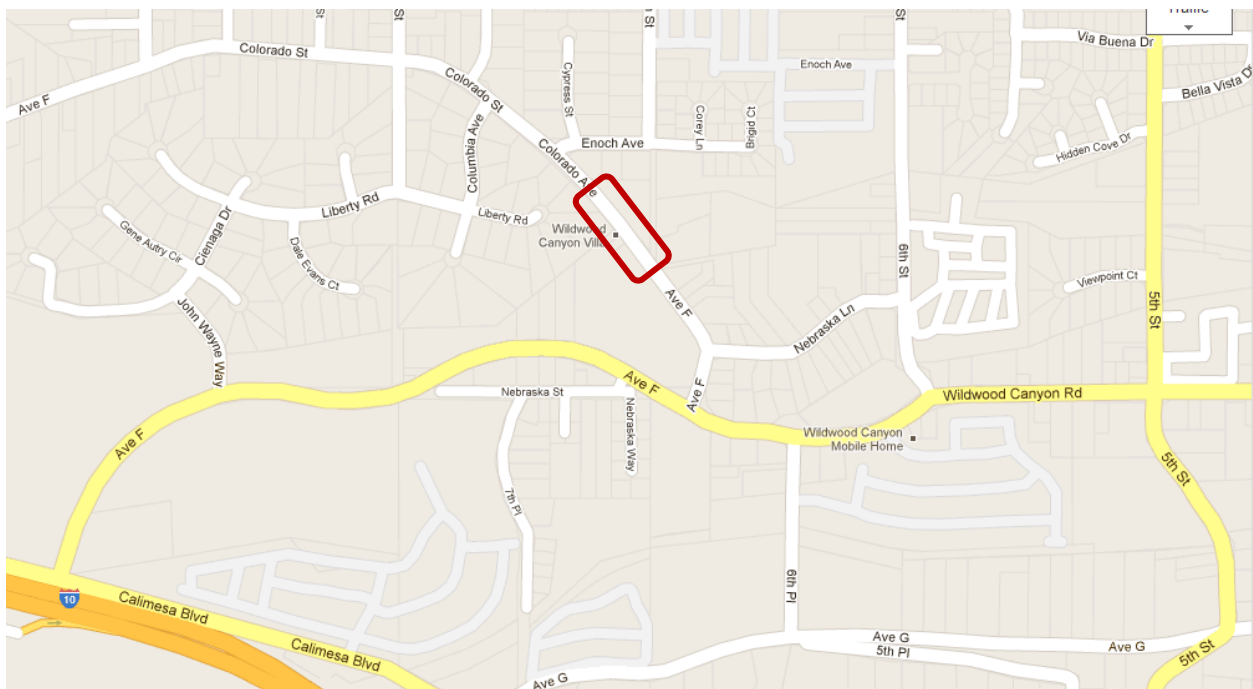
AARON STECKELBERG • U-T



Date: June 12, 2012

Subject: Overview of the Water Mainline Break on Colorado Street, Yucaipa

On Friday, June 1, 2012, the District staff responded to a water mainline break on Colorado Street, north of Wildwood Canyon Road. The District staff will be providing an overview of the mainline break at the board workshop.





Workshop Memorandum 12-117

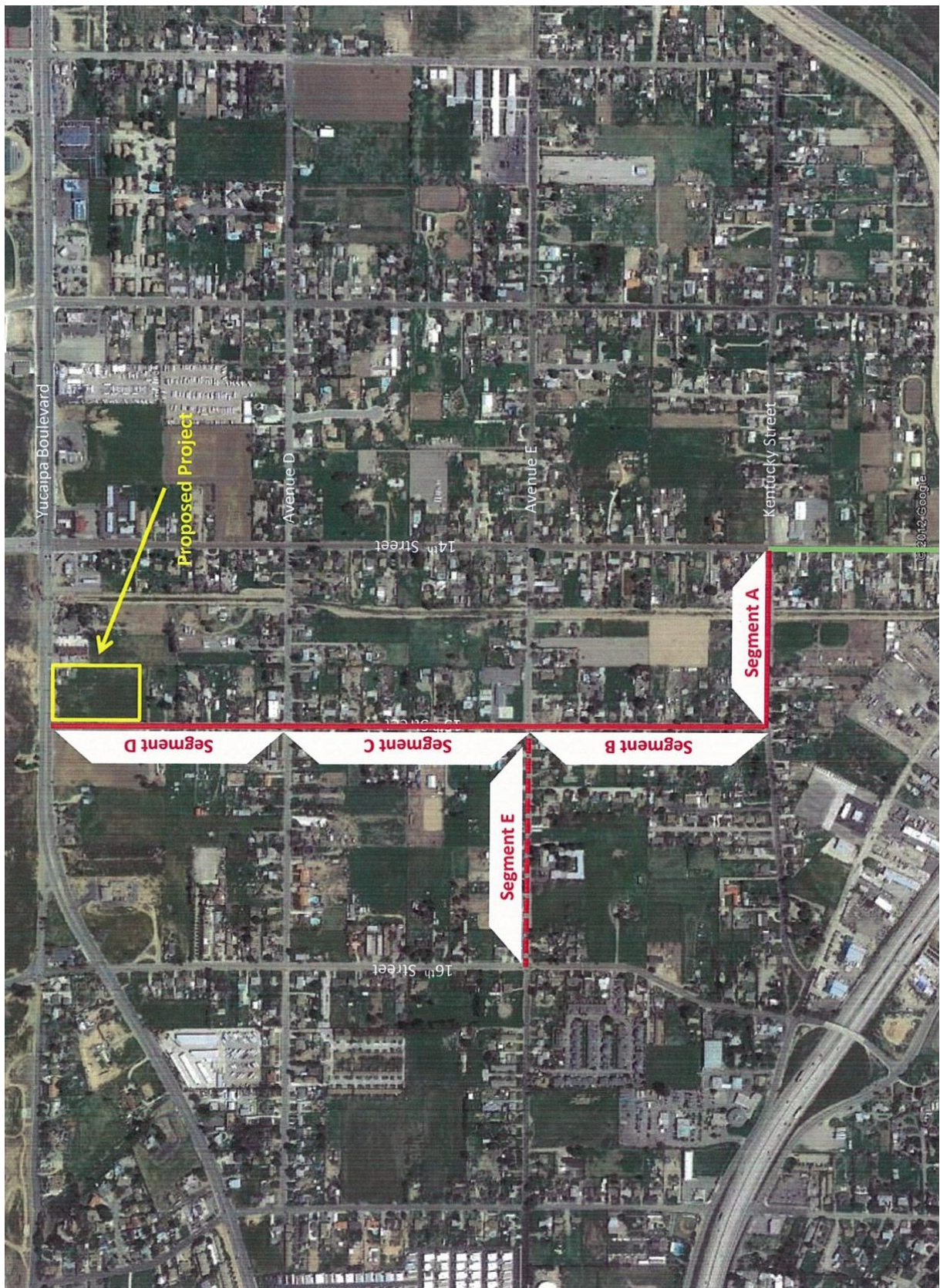
Date: June 12, 2012

Subject: Development Agreement for a Proposed Commercial Project Located at 15th Street and Yucaipa Boulevard

A development agreement is being prepared for a commercial project to be located on the southeast corner of Yucaipa Boulevard and 15th Street. Water service to the proposed project will be provided by Western Heights Mutual Water Company and sewer service will be provided by Yucaipa Valley Water District.

In order to provide sewer service to the proposed project, a sewer mainline extension will be required from the intersection of 14th Street and Kentucky Street to the intersection of Yucaipa Boulevard and 15th Street as shown on the attached map. The costs associated with this infrastructure will be shared by the District and the developer. Essentially, the District will be financially responsible for the design and construction of Segment A, Segment B and an optional Segment E. The developer will be financially responsible for the design and construction of Segment C and Segment D. The design and construction of these facilities will be administered by the District.

The purpose of this workshop agenda item is to review and discuss the project concept and financial contributions proposed by the District staff.





Date: June 12, 2012

Subject: Formation of Community Facilities District No. 2012-1 (Singleton Heights) to Replace the Non-Formed Community Facilities District No. 2006-1 (Calimesa Springs)

On September 6, 2006, the Board of Directors approved Resolution No. 21-2006 Approving a Joint Community Facilities Agreement for developments in the City of Calimesa. While the District approved the necessary agreements, the Community Facilities District was never established by the developer and the City of Calimesa.

The District staff has been working with the City of Calimesa and MasterCraft Homes to revise the prior Community Facilities District No. 2006-1 as Community Facilities District No. 2012-1. The new Community Facilities District would only include Tract No. 26811, the MasterCraft development currently under construction.

The purpose of this agenda item is to discuss the formation of Community Facilities District No. 2012-1.

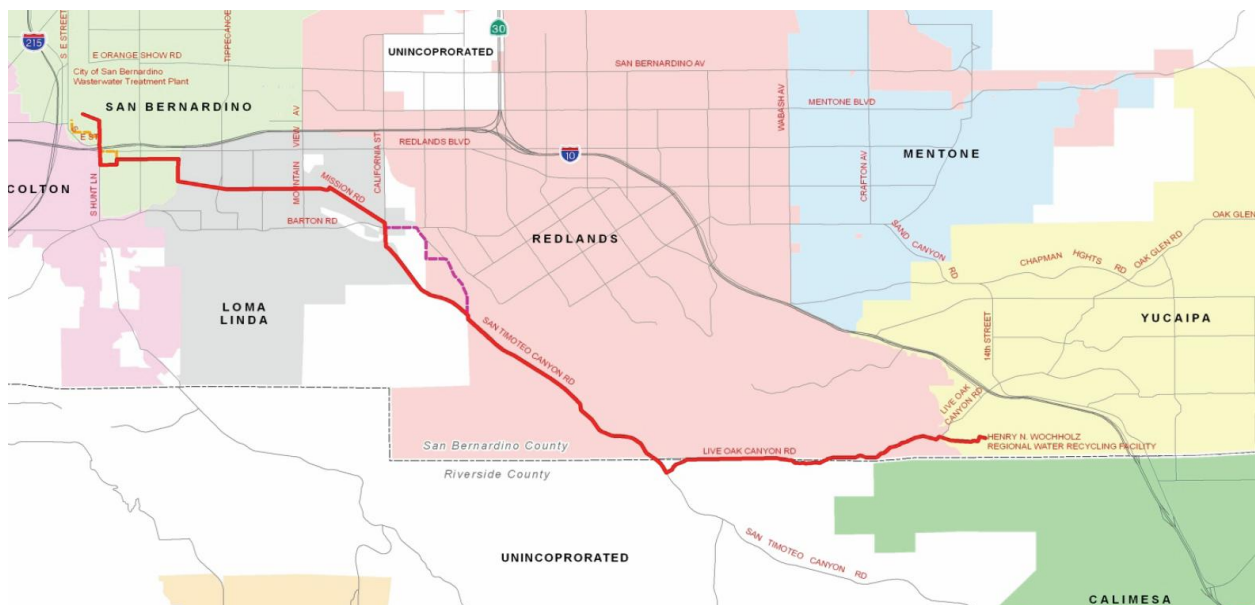
Date: June 12, 2012

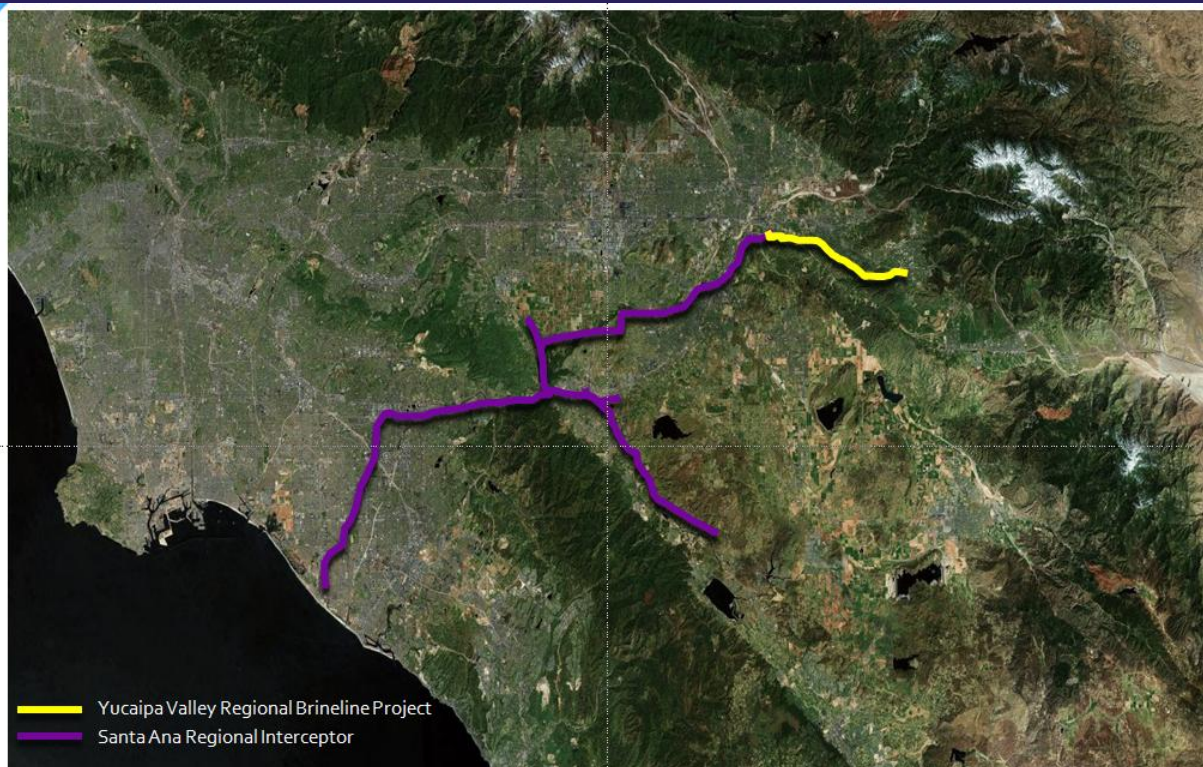
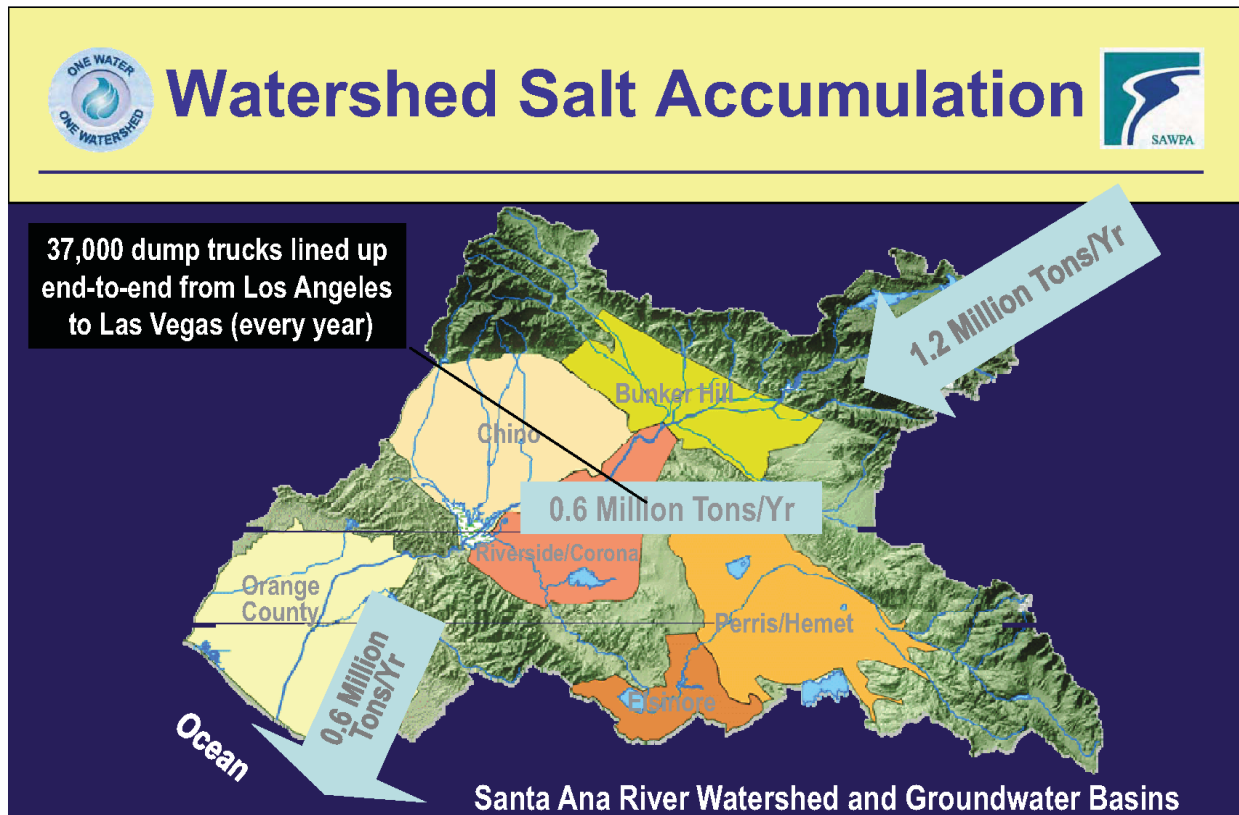
Subject: Status Report on the Construction of the Yucaipa Valley Regional Brinline

Yucaipa Valley Water District is in the process of constructing the Yucaipa Valley Regional Brinline in order to produce recycled water that complies with groundwater basin objectives as established by the Regional Water Quality Control Board. In order to comply with these limits, the District is required to add a reverse osmosis process to the wastewater treatment plant. This will enable the District to remove salts and minerals from depositing in to the groundwater basin. The proposed reverse osmosis system will produce salt water, referred to as “brine”, that must be sent to the Pacific Ocean so it does not impact any fresh water supplies downstream of the Yucaipa Valley.

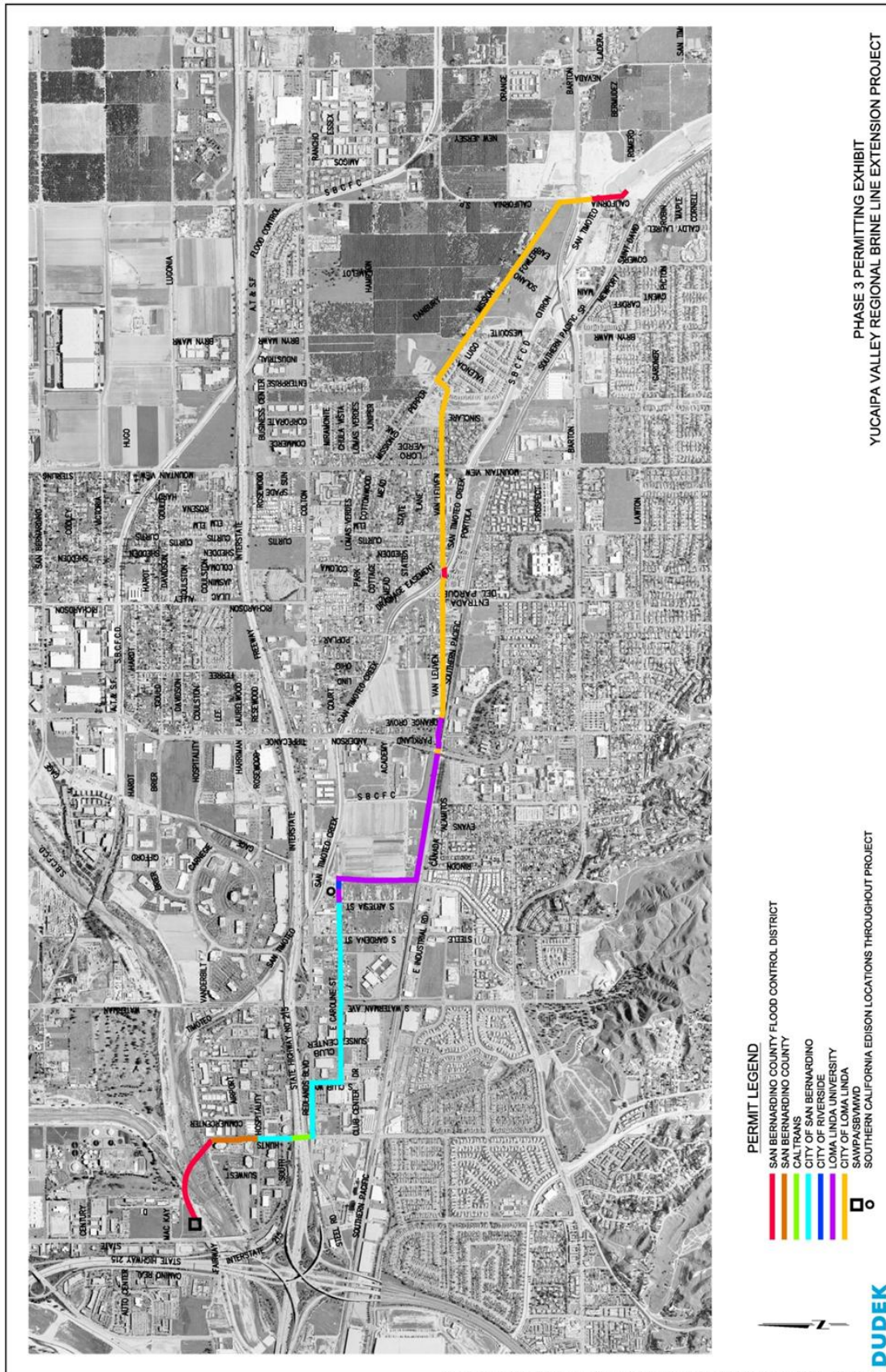
The Yucaipa Valley Regional Brinline Project consists of a 15-mile pipeline through which the District can safely and effectively dispose of the salt water produced. This pipeline will commence at the Wochholz Regional Water Recycling Facility and terminate at an existing brine disposal pipeline near the I-215 and I-10 Interchange. At this point the existing brinline extends another 73 miles traversing San Bernardino, Riverside and Orange counties to Orange County Sanitation District Wastewater Treatment Plant No. 2 in Huntington Beach, where the salt water is treated with domestic sewage and then sent to the ocean or reclaimed by Orange County Water District.

During this agenda item, the District staff will be providing an update of the construction status of the Yucaipa Valley Regional Brinline Project.





Yucaipa Valley Regional Water Supply Renewal Project





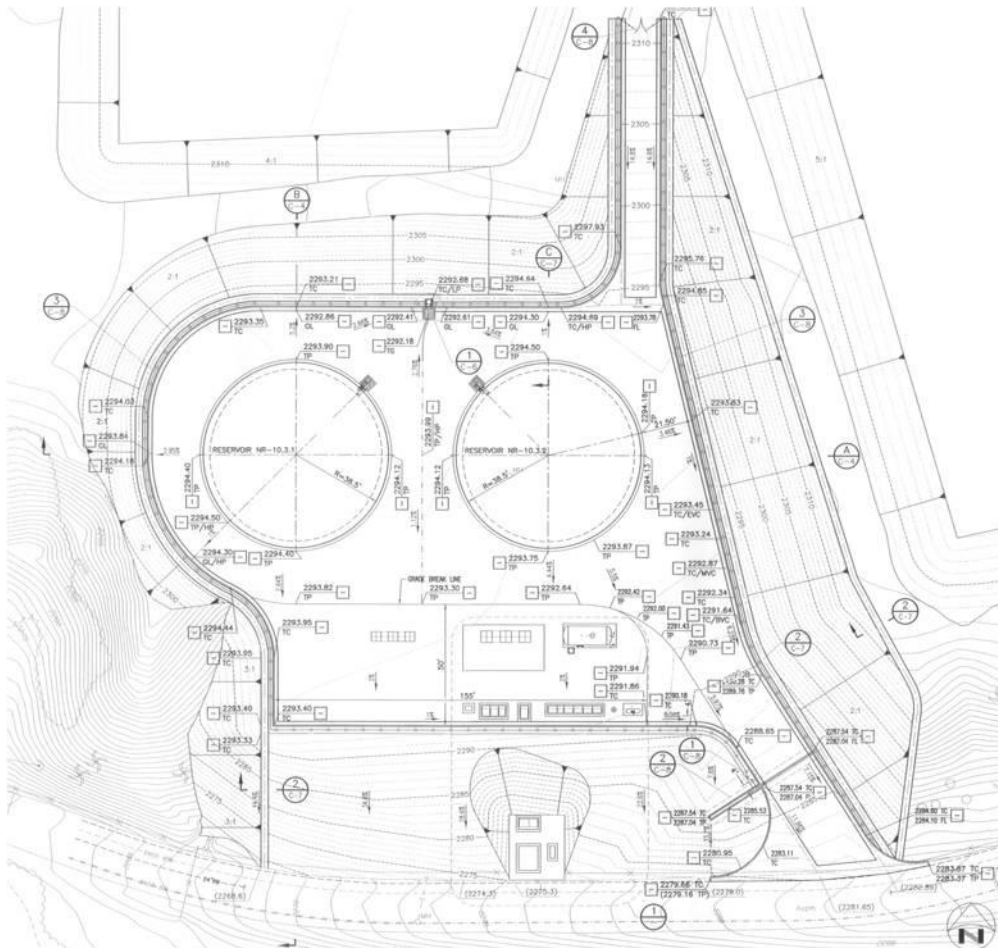


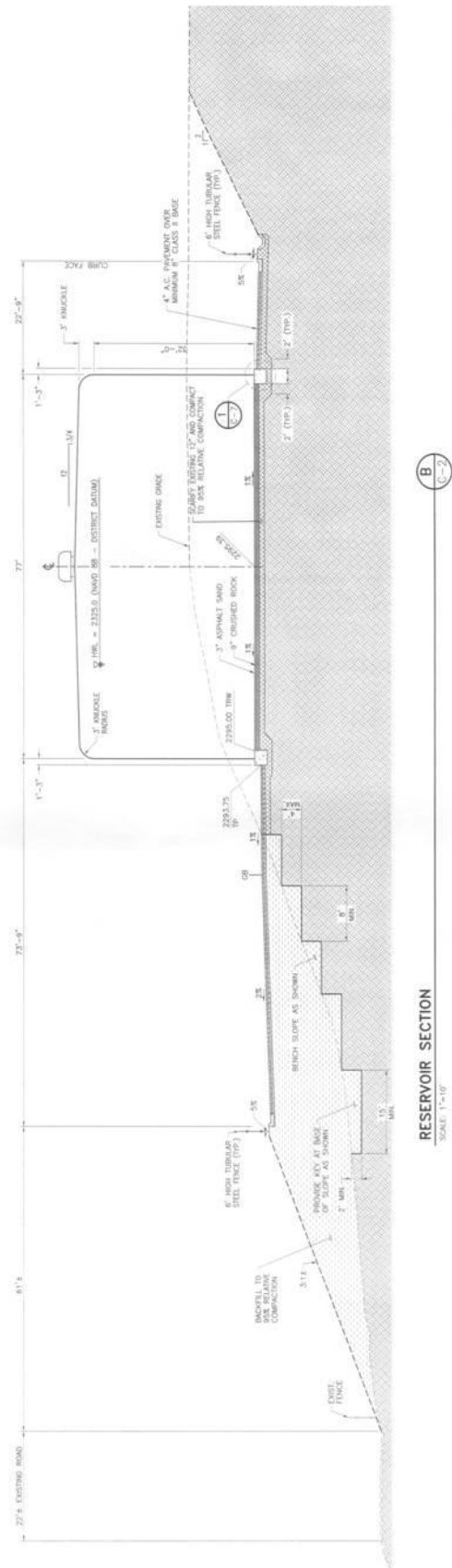
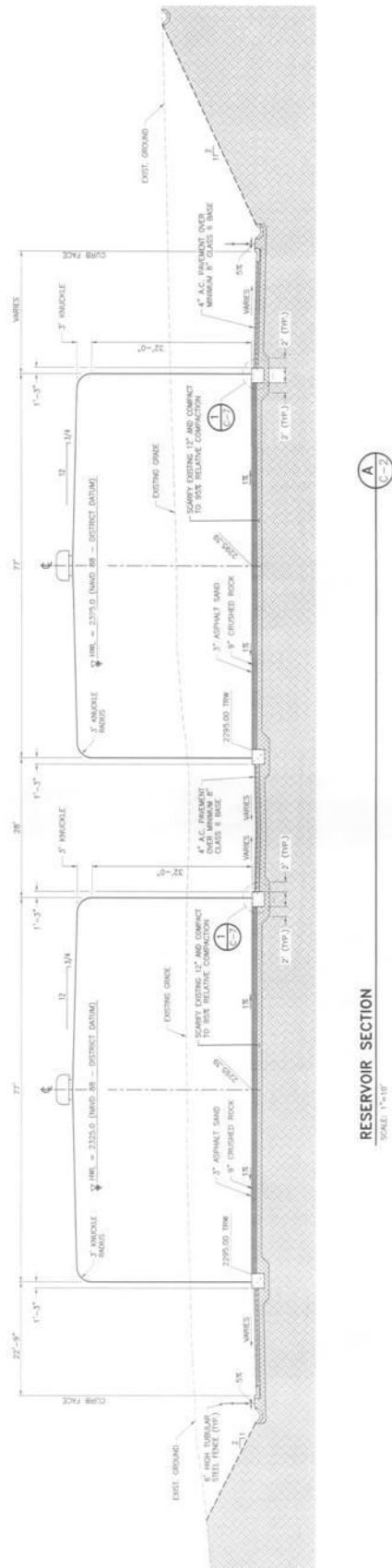
Date: June 12, 2012

Subject: Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex

Yucaipa Valley Water District is in the process of constructing several recycled water facilities to prepare the community for the next drought cycle. By connecting the available recycled water supply at the Wochholz Regional Water Recycling Facility to the existing recycled water system, the District will be able to immediately reduce our dependency on imported water by more than 1,000 acre feet per year. Overall, the aggressive use of recycled water is an important element in our water resource planning.

One of the projects planned for completion over the next year is the R-10 Reservoir Complex. This facility is located at the western end of County Line Road in the City of Calimesa. During this agenda item, the District staff will be providing an update of the status of this important project.









Date: June 12, 2012

Subject: Status Report on the Construction of the Crow Street Pipeline

The Yucaipa Valley Water District is in the process of constructing several recycled water facilities to prepare the community for the next drought cycle. By connecting the available recycled water supply at the Wochholz Regional Water Recycling Facility to the existing recycled water system, the District will be able to immediately reduce our dependency on imported water by more than 1,000 acre feet per year. Overall, the aggressive use of recycled water is an important element in our water resource planning.

One of the projects planned for completion over the next year is the Crow Street Pipeline. During this agenda item, the District staff will be providing an update of the status of this important project.



Date: June 12, 2012

Subject: Status Report on the Construction of the Recycled Water Booster Facility at the Reservoir R-12.1 Complex

The Yucaipa Valley Water District is in the process of constructing several recycled water facilities to prepare the community for the next drought cycle. By connecting the available recycled water supply at the Wochholz Regional Water Recycling Facility to the existing recycled water system, the District will be able to immediately reduce our dependency on imported water by more than 1,000 acre feet per year. Overall, the aggressive use of recycled water is an important element in our water resource planning.

One of the projects planned for completion over the next year is the Recycled Water Booster Facility located at the Reservoir R-12.1 Complex. During this agenda item, the District staff will be providing an update of the status of this important project.

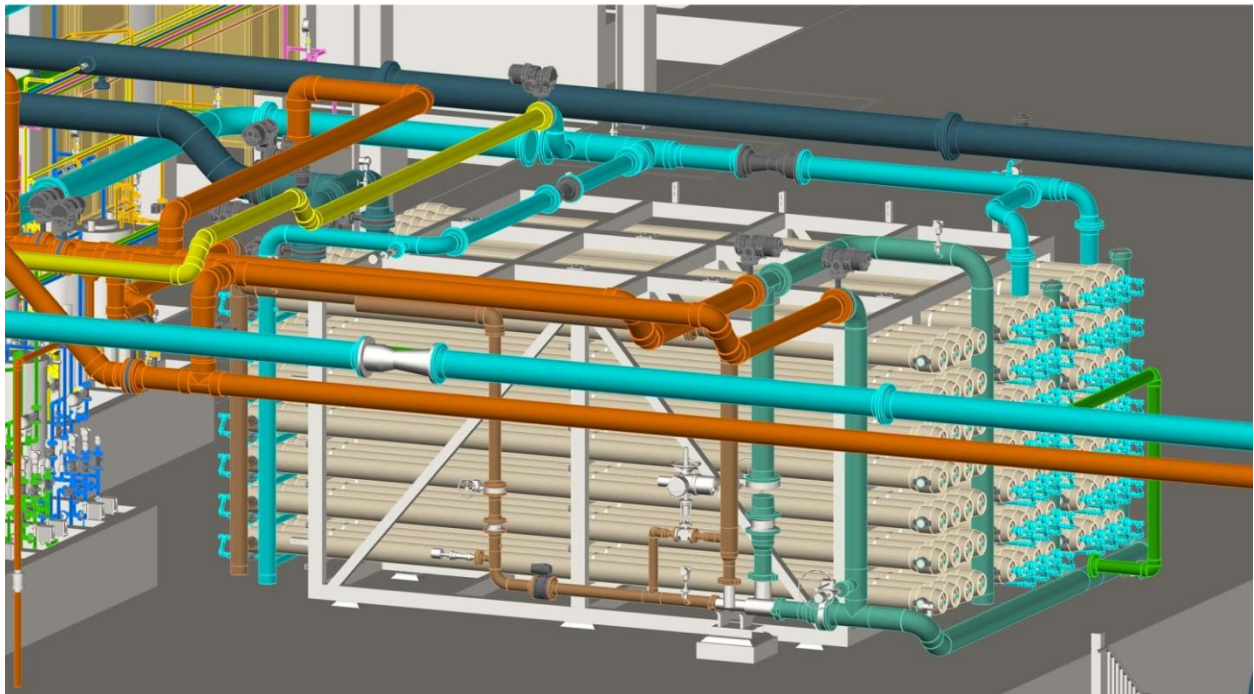


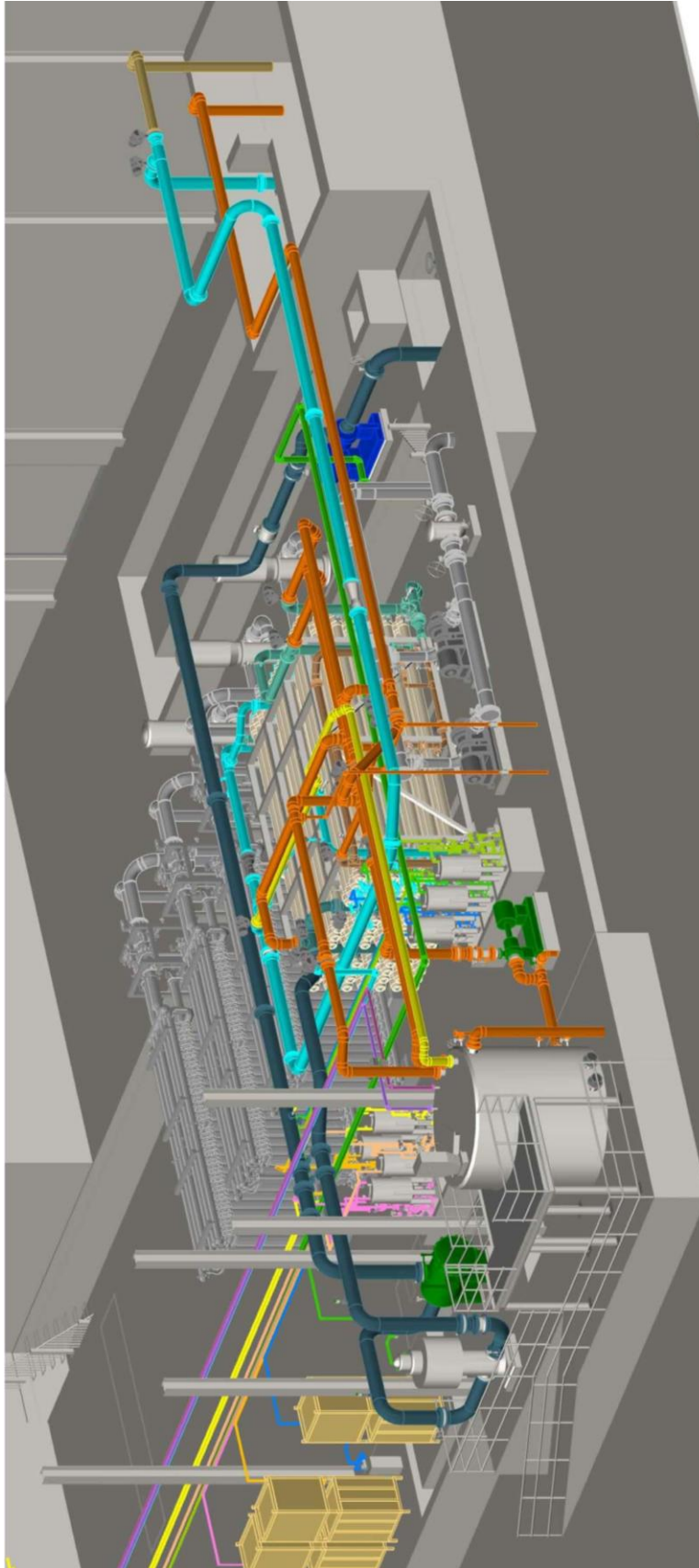
Date: June 12, 2012

Subject: Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project

Yucaipa Valley Water District is in the process of constructing the Yucaipa Valley Regional Brineline in order to produce recycled water that complies with groundwater basin objectives as established by the Regional Water Quality Control Board. In order to comply with these limits, the District is required to add a reverse osmosis process to the wastewater treatment plant. This will enable the District to remove salts and minerals from depositing in to the groundwater basin. The proposed reverse osmosis system will produce salt water, referred to as “brine”, that must be sent to the Pacific Ocean so it does not impact any fresh water supplies downstream of the Yucaipa Valley.

The first phase of the reverse osmosis equipment is being designed as part of the Wochholz Improved Salinity Effluent (WISE) Project. This project is currently scheduled for the completion of the construction phase by November 2012.







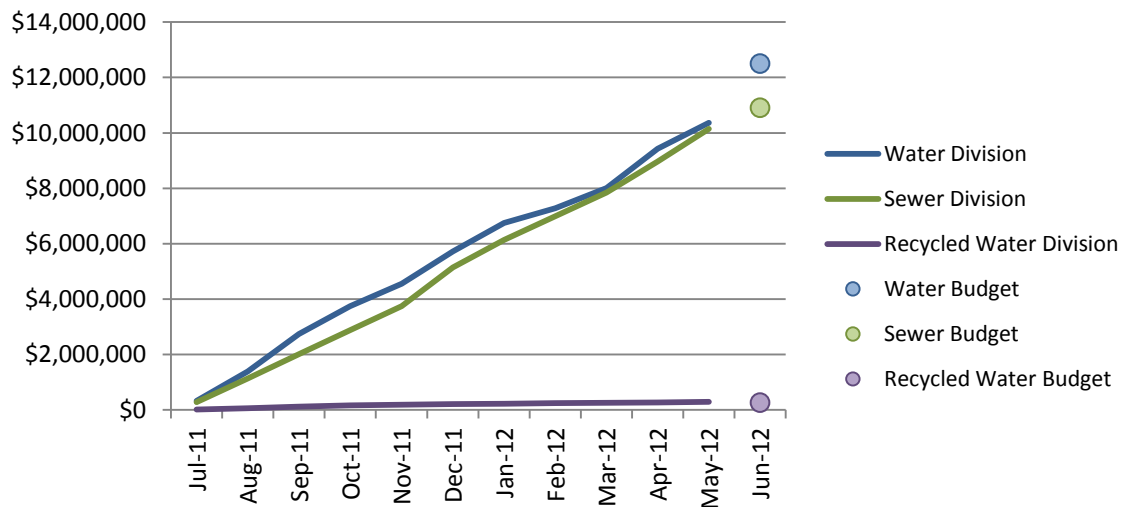
Workshop Memorandum 12-124

Date: June 12, 2012

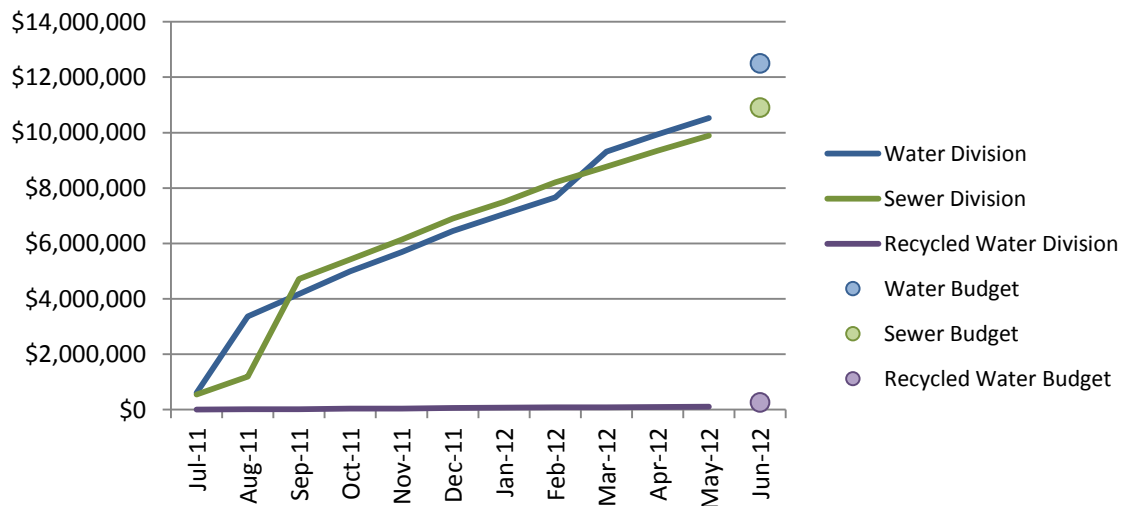
Subject: Unaudited Financial Report for the Period Ending May 31, 2012

The District staff has prepared the attached Unaudited Financial Report for the period ending on May 31, 2012. A graphical summary of the financial information is provided below and detailed information follows as part of the monthly unaudited financial report.

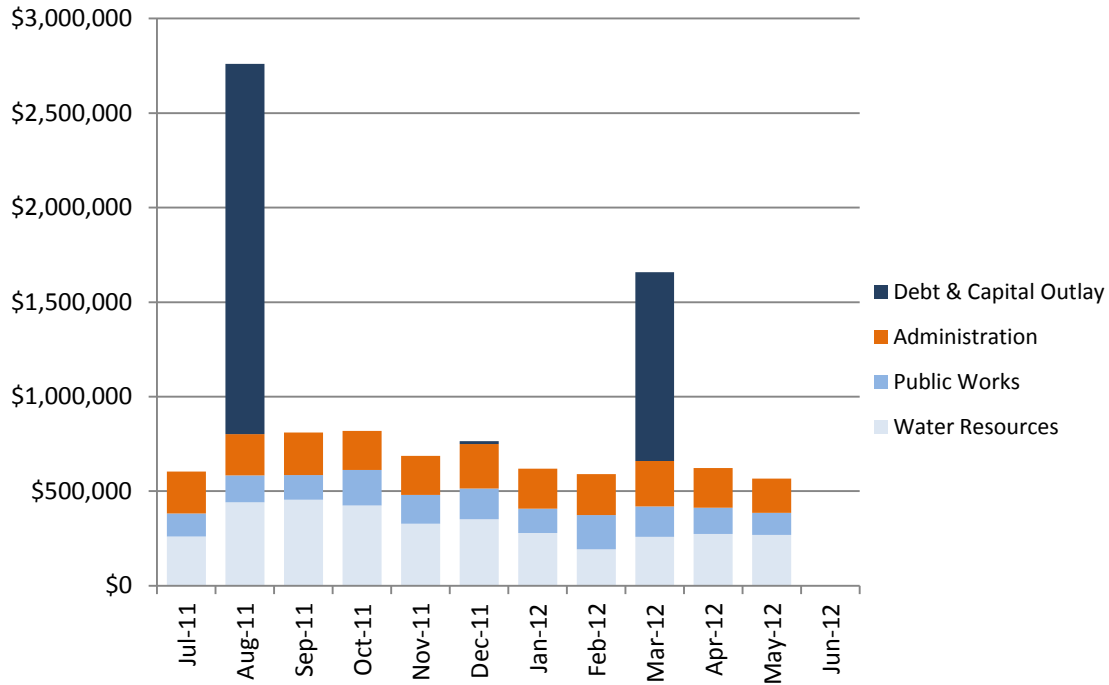
Fiscal Year 2012 YTD Revenues & Budget Targets



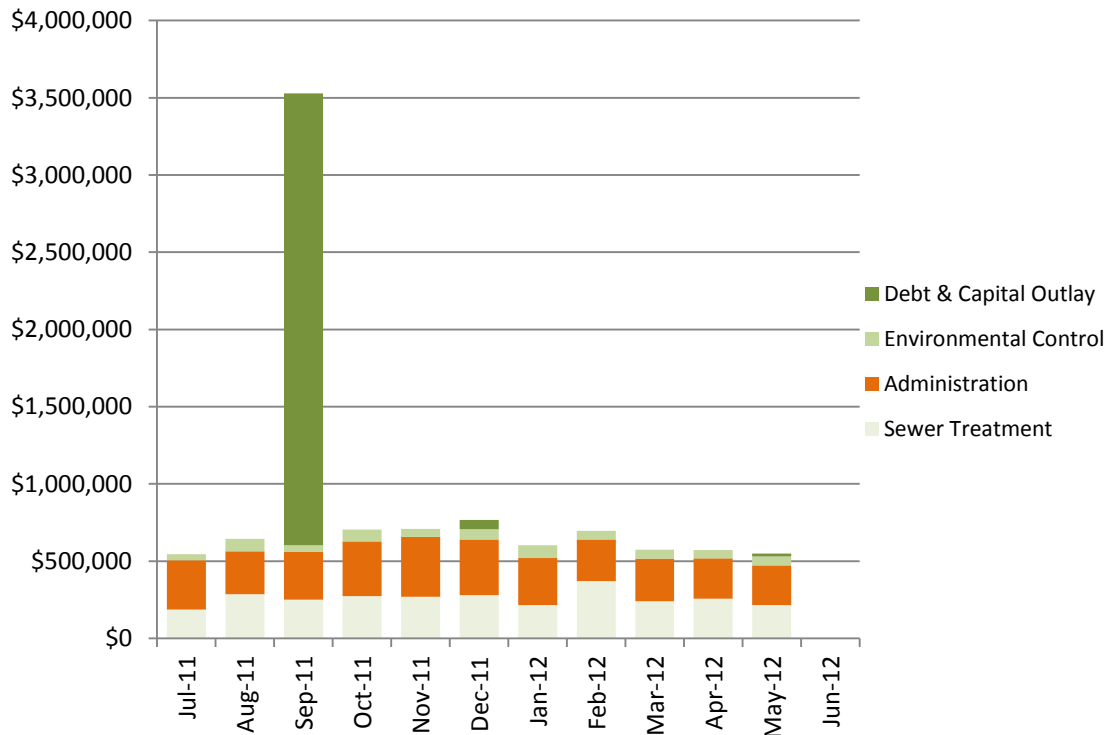
Fiscal Year 2012 YTD Expenses & Budget Targets



Water Division Monthly Expense Summary - FY 2012



Sewer Division Monthly Expense Summary - FY 2012





Yucaipa Valley Water District

Director Memorandum 12-0xx**Date:** June 21, 2012**Prepared By:** Vicky Elisalda, Controller
Peggy Little, Administrative Supervisor**Subject:** Unaudited Financial Report for the Period Ending on May 31, 2012**Recommendation:** That the Board receives and files the unaudited financial report as presented.

The following unaudited financial report has been prepared by the Administrative Department for your review. The report has been divided into six sections to clearly disseminate information pertaining to the financial status of the District. Please remember that the following financial information has not been audited.

Cash Fund Balance Report

The Cash Fund Balance Report provides a summary of how the total amount of funds maintained by financial institutions is distributed throughout the enterprise and non-enterprise funds of the District. A summary of the report is as follows:

Fund Source	Operating Funds	Restricted Funds	Total Funds
Water Division	\$754,957.83	\$6,233,265.66	\$6,988,223.49
Sewer Division	(\$5,178,904.52)	\$6,983,874.04	\$1,804,969.52
Recycled Water Division	<u>(\$3,253,358.35)</u>	<u>\$707,394.80</u>	<u>(\$2,545,963.55)</u>
Total	(\$7,677,305.04)	\$13,924,534.50	\$6,247,229.46

Most of the funds reflected in the Cash Fund Balance Report are designated for specific purposes and are therefore restricted, either by law or by District policy.

Check Register

The check register lists each check processed during the month of May 2012. The District processed 233 checks during the month of April for a total sum of \$1,973,901.13. All checks are reviewed by District staff for accuracy and completeness, and usually signed by the General Manager and one Director, but may be signed by two Directors.

The Controller will make any check, invoice or supporting documentation available for review to any board member upon request.

Financial Account Information

The District currently deposits all revenue received into the Deposit Checking account. The General Checking account is used as a sole processing account for all District checks and electronic payroll. The Investment Checking account is used for the purchase and redemption of US treasury notes and bills and for the transfer of LAIF funds. The US treasury notes and bills are booked at cost.

The LAIF investment account is a pooled money account administered by the State of California. Additional information on the LAIF account is provided below in the investment summary report.

Investment Summary

The investment summary report illustrates the District's investments in US treasury notes and bills in addition to the investments held by the Local Agency Investment Fund or LAIF. The yields for the treasury notes and bills are provided for each individual transaction. The historical annual yield for funds invested with LAIF is also provided.

Separate pooled money investment reports prepared by the State of California are maintained by the District and available for review.

Monthly Revenue Allocation

During the month of May 2012 the District received a sum total of \$1,592,750.77 in revenues from the following categories:

- A total of \$1,429,153.04 was received from 14,457 customers for utility bill payments. This is the total amount of utility bill payments received from water, sewer and recycled services.
- A total of \$2,362.75 was received for construction meter deposits, customer deposits and internet fee payments.
- A total of \$149,841.33 was received from miscellaneous water related activities (other than utility bill charges).
- A total of \$11,393.65 was received from miscellaneous sewer related activities (other than utility bill charges).
- A total of \$0.00 was received from miscellaneous recycled related activities (other than utility bill charges).
- The District received ARRA draw #22 in the amount of \$302,215 on May 24th.

Fiscal Year 2012 Budget Status

The revenue and expense budget status for the 2012 Fiscal Year is provided for your review.

Summary of Revenue Budget
As of May 31, 2012 (87% of Budget Cycle)

<u>Division</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Water	12,503,170	933,994	10,367,024	82.9
Sewer	10,908,600	866,809	9,564,801	87.7
Recycled Water	265,250	24,793	298,105	112.4
District Revenue	23,677,020	1,825,596	20,229,930	85.4

Summary of Water Budget
As of May 31, 2012 (87% of Budget Cycle)

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Water Resources	4,359,935	269,020	3,534,820	81.1
Public works	2,147,165	116,367	1,621,942	75.5
Administration	3,028,695	180,878	2,379,953	78.6
Long Term Debt	2,932,375	0	2,932,375	100.0
Asset Acquisition	35,000	0	39,222	112.1
TOTAL	12,503,170	566,265	10,508,312	84.0

Summary of Sewer Budget
As of May 31, 2012 (87% of Budget Cycle)

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Treatment	3,413,225	215,771	2,850,207	83.5
Administration	3,724,350	256,613	3,378,654	90.7
Environmental Control	824,775	57,961	666,119	80.8
Long Term Debt	2,946,250	19,710	2,943,379	99.9
Asset Acquisition	0	0	58,829	0.0
TOTAL	10,908,600	550,055	9,897,188	90.7

Summary of Recycled Water Budget
As of May 31, 2012 (87% of Budget Cycle)

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Administration	265,250	6,522	104,689	39.5
TOTAL	265,250	6,522	104,689	39.5
District Expenses	23,677,020	1,122,842	20,510,189	86.6

Investment Policy Disclosure

The District is currently compliant with the portfolio of its Investment Policy and State Law.

The District is using Sandy Gage with Merrill Lynch Wealth Management (Bank of America Corporation) for Treasury investments. The District expects to meet its expenditure requirements for the next six months.

Questions or Comments

If you have any questions about a particular budget account, please do not hesitate to contact the Controller directly. If you need additional information, the members of the Administrative Department would be happy to provide you with any detailed information you may desire.

Cash Fund Balance Report - May 2012

Water Division	GL#	Balance
Project Fund - Encumbered	02-10215	\$ 720,977.22
ID 1 Construction Funds	02-10216	\$ 293,145.85
ID 2 Construction Funds	02-10217	\$ 80,409.31
Depreciation Reserves	02-10310	\$ 2,595,529.43
Infrastructure Reserves	02-10311	\$ 364,774.00
Sustainability Fund	02-10313	\$ 139,075.92
Rate Stabilization Fund	02-10314	\$ 493,209.14
Imported Water Fund - MUNI	02-10315	\$ (580,738.06)
Imported Water Fund - SGPWA	02-10316	\$ 315,614.12
FCC - Debt Service YVRWFF Phase I	02-10401	\$ 44,306.51
FCC - Future YVRWFF Phase II & III	02-10403	\$ 121,600.98
FCC - Recycled System	02-10410	\$ 188,108.45
FCC - Booster Pumping Plants	02-10411	\$ 205,179.28
FCC - Pipeline Facilities	02-10412	\$ 462,712.06
FCC - Water Storage Reservoirs	02-10413	\$ 789,361.45
Operating Funds:		\$ 754,957.83
Total Water Division		\$ 6,988,223.49

Sewer Division	GL#	Balance
Project Fund - Encumbered	03-10215	\$ 751,424.20
Depreciation Reserves	03-10310	\$ 3,017,318.31
Infrastructure Reserves	03-10311	\$ 720,775.00
Rate Stabilization Fund	03-10314	\$ 1,464,313.38
FCC - Debt Service WWTP Expansion & Upgrade	03-10405	\$ 78,338.76
FCC - Future WWTP Expansion	03-10407	\$ 290,357.70
FCC - Sewer Interceptors	03-10415	\$ 144,764.70
FCC - Lift Stations	03-10416	\$ 71,436.73
FCC - Effluent Disposal Facilities	03-10417	\$ 93,940.56
FCC - Salt Mitigation Facilities	03-10418	\$ 351,204.70
Operating Funds:		\$ (5,178,904.52)
Total Wastewater Division		\$ 1,804,969.52

Recycled Water Division	GL#	Balance
Depreciation Reserves	04-10310	\$ 483,286.00
Infrastructure Reserves	04-10311	\$ 48,510.00
FCC - Recycled System	04-10410	\$ 14,948.78
FCC - Booster Pumping Plants	04-10411	\$ 16,085.99
FCC - Pipeline Facilities	04-10412	\$ 80,051.54
FCC - Water Storage Reservoirs	04-10413	\$ 64,512.49
Operating Funds:		\$ (3,253,358.35)
Total Recycled Water Division		\$ (2,545,963.55)

DISTRICT TOTAL \$ 6,247,229.46

Future Obligations	Due Date	Amount
2004A Bond Payment - Water Division	02/23/2013	\$ 978,462.50
SBVMWD - SARI Pipeline Capacity (FINAL Payment)	06/01/2012	\$ 19,710.00
2004A Bond Payment - Water Division	08/27/2012	\$ 1,952,562.50
SRF Payment - Sewer Division	09/10/2012	\$ 2,923,688.75

Check Register - May 2012

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
05/04/2012	15045	PAYROLL CHECK	2,137.91
05/04/2012	15046	PAYROLL CHECK	411.72
05/04/2012	15047	CA-PERS 457 Deferred Comp	13,284.33
05/04/2012	15048	CA-Franchise Tax Board	116.03
05/04/2012	15049	Public Employees' Retirement S	26,921.56
05/04/2012	15050	Hong Nelson	125.00
05/04/2012	15051	Katherine Kostelecky	500.00
05/04/2012	15052	United Student Aid Funds, Inc.	174.05
05/04/2012	15053	IBEW Local 1436	325.00
05/04/2012	15054	Franchise Tax Board	150.00
05/04/2012	15055	American Water Works Assoc.	309.50
05/04/2012	15056	Boot Barn #4	160.80
05/04/2012	15057	Rodd Greene	402.41
05/04/2012	15058	UnitedHealthcare of California	45,098.57
05/04/2012	15059	Standard Insurance Company	1,889.44
05/04/2012	15060	Western Dental Services, Inc.	212.25
05/04/2012	15061	Anthem Blue Cross L and H	344.30
05/04/2012	15062	Standard Insurance Company	2,799.53
05/04/2012	15063	Standard Insurance Vision Plan	471.48
05/04/2012	15064	MetLife Small Business Center	439.52
05/07/2012	15065	Atkinson, Andelson, Loya, Ruud	2,175.00
05/07/2012	15066	Robert Austin	1,431.24
05/07/2012	15067	CA-OCP HEALTH SERVICES	150.00
05/07/2012	15068	Ameripride Uniform Services	400.60
05/07/2012	15069	Central Communications	231.87
05/07/2012	15070	Crider Public Relations, Inc.	467.50
05/07/2012	15071	Crown Ace Hardware - Yucaipa	745.76
05/07/2012	15072	Dinosaur Tire Inc.	12.08
05/07/2012	15073	Environmental Systems Research	1,792.66
05/07/2012	15074	Fedex	26.77
05/07/2012	15075	Fox Occupational Medical Cente	50.00
05/07/2012	15076	House Of Quality, Parts Plus	1,049.99
05/07/2012	15077	InfoSend, Inc.	4,485.54
05/07/2012	15078	Konica Minolta Business Soluti	956.68
05/07/2012	15079	SCCI, Inc.	800.00
05/07/2012	15080	South Coast A.Q.M.D.	341.64
05/07/2012	15081	Sims Welding & Supply Co., Inc	119.18
05/07/2012	15082	The Gas Company	444.80
05/07/2012	15083	Underground Service Alert Of S	172.50
05/07/2012	15084	George F. Siddle	108.00
05/07/2012	15085	Verizon	1,082.01
05/07/2012	15086	Yucaipa Disposal, Inc.	1,262.31
05/07/2012	15087	Brenntag Pacific, Inc	6,496.36
05/07/2012	15088	Brithinee Electric	4,345.18
05/07/2012	15089	Burgeson's Heating & Air Cond.	343.00
05/07/2012	15090	Case Dealer Holding Co., LLC	50.23
05/07/2012	15091	Cemex Inc. USA	4,509.32
05/07/2012	15092	Center Electric	3,133.08
05/07/2012	15093	Cortech Engineering	6,089.03
05/07/2012	15094	Donegan Tree Service	1,600.00
05/07/2012	15095	Grainger	219.62
05/07/2012	15096	Alan L. Grubel Automotive Inc.	173.79
05/07/2012	15097	Hach Company	918.63
05/07/2012	15098	Harbor Freight Tools	602.77
05/07/2012	15099	Industrial Fabricators	840.00

Check Register - May 2012

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
05/07/2012	15100	Innerline Engineering	3,625.00
05/07/2012	15101	James John Brothers	13,879.50
05/07/2012	15102	Johnson Machinery Co.	1,134.56
05/07/2012	15103	JR Freeman Co. Inc.	181.00
05/07/2012	15104	Lowe's Companies, Inc.	277.59
05/07/2012	15105	Main's Lock Supply Inc.	55.95
05/07/2012	15106	McMaster-Carr Supply Co.	74.78
05/07/2012	15107	Merit Oil Company	2,069.73
05/07/2012	15108	Microflex Corp #774353	997.87
05/07/2012	15109	Nagem, Inc.	3,913.00
05/07/2012	15110	NCL Of Wisconsin Inc	562.83
05/07/2012	15111	Joseph G. Pollard Co., Inc.	764.75
05/07/2012	15112	Pro-Pipe & Supply, Inc.	117.41
05/07/2012	15113	Heritage Holdings	104.52
05/07/2012	15114	Q Versa, LLC	8,596.11
05/07/2012	15115	R & R Anderson Trucking	2,246.03
05/07/2012	15116	Red Alert Special Couriers	962.85
05/07/2012	15117	Rosemount Analytical, Inc.	689.55
05/07/2012	15118	Siemens Industry, Inc.	242.66
05/07/2012	15119	Sims Welding & Supply Co., Inc	32.10
05/07/2012	15120	Total-Western, Inc.	550.00
05/14/2012	15121	Aklufi & Wysocki	6,337.50
05/14/2012	15122	California Bank & Trust	56,553.50
05/14/2012	15123	Citizens Business Bank	3,700.00
05/14/2012	15124	Delta Partners, LLC	7,500.00
05/14/2012	15125	Doty Bros. Equipment Co.	28,500.00
05/14/2012	15126	Dudek & Associates, Inc	28,990.00
05/14/2012	15127	Krieger & Stewart	237,325.87
05/14/2012	15128	One Stop Landscape Supply Inc	24,492.50
05/14/2012	15129	Pascal & Ludwig Constructors I	70,300.00
05/14/2012	15130	Platinum Advisors, LLC	5,000.00
05/14/2012	15131	RMC Water and Environment	20,767.50
05/14/2012	15132	Canyon Springs Enterprises	299,794.00
05/14/2012	15133	Separation Processes, Inc.	10,608.71
05/14/2012	15134	Soboba Band of Luiseno Indians	11,885.25
05/14/2012	15135	W.A. Rasic Construction Co., I	508,981.49
05/14/2012	15136	State Water Resources Control	260.00
05/14/2012	15137	Mike Kostelecky	130.00
05/14/2012	15138	Richard Younce	50.00
05/14/2012	15139	Ralph C. Casas	56.00
05/14/2012	15140	Ameripride Uniform Services	479.90
05/14/2012	15141	AT&T Mobility	1,764.42
05/14/2012	15142	Corelogic, Inc.	300.00
05/14/2012	15143	Coverall North America, Inc.	1,021.00
05/14/2012	15144	First American Data Tree, LLC	79.10
05/14/2012	15145	Fedex	73.28
05/14/2012	15146	Incode Division-Tyler Technolo	17,860.52
05/14/2012	15147	NetComp Technologies, Inc.	2,160.00
05/14/2012	15148	Robert Allen Roberts	1,900.00
05/14/2012	15149	SB CNTY-Fire Protection Distri	2,742.00
05/14/2012	15150	San Geronio Pass Water Agency	460.41
05/14/2012	15151	Southern CA Emergency Medicine	75.00
05/14/2012	15152	Association of San Bernardino	34.00
05/14/2012	15153	The Counseling Team Internatio	720.00
05/14/2012	15154	The Gas Company	14.79

Check Register - May 2012

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
05/14/2012	15155	Armorcast Products Company	589.31
05/14/2012	15156	Edward S Babcock & Sons, Inc.	1,230.00
05/14/2012	15157	Brenntag Pacific, Inc	9,487.74
05/14/2012	15158	Cortech Engineering	9,246.71
05/14/2012	15159	David Sunden	379.75
05/14/2012	15160	Grainger	185.88
05/14/2012	15161	Industrial Fabricators	70.00
05/14/2012	15162	Inland Water Works Supply Co.	3,175.61
05/14/2012	15163	James John Brothers	6,960.00
05/14/2012	15164	JR Freeman Co. Inc.	95.62
05/14/2012	15165	VOID CHECK	0.00
05/14/2012	15166	Merit Oil Company	6,685.10
05/14/2012	15167	Optics Planet, Inc.	139.99
05/14/2012	15168	P & R Paper Supply Co., Inc.	89.94
05/14/2012	15169	Pro-Pipe & Supply, Inc.	136.46
05/14/2012	15170	Red Alert Special Couriers	42.93
05/14/2012	15171	Rosemount Analytical, Inc.	369.66
05/14/2012	15172	Siemens Industry, Inc.	865.95
05/14/2012	15173	Smart & Final Stores, LLC	411.83
05/14/2012	15174	Test America Laboratories, Inc	3,907.00
05/14/2012	15175	Tri County Pump Company	1,724.00
05/14/2012	15176	Matich Corp	2,029.38
05/18/2012	15177	PAYROLL CHECK	2,100.07
05/18/2012	15178	CA-PERS Supplemental Income 45	11,180.95
05/18/2012	15179	WALL, MICHELL&MATT	84.67
05/18/2012	15180	ROSENTHAL, RODNEY	84.17
05/18/2012	15181	PREFERED GROUP PROPE	31.39
05/18/2012	15182	COLDWELL BANKER	64.02
05/18/2012	15183	SMITH, JANNETTE	50.43
05/18/2012	15184	CONTINENTAL CORPORAT	111.95
05/18/2012	15185	BEAZER HOMES	45.24
05/18/2012	15186	COLLIER, KEITH AND C	77.99
05/18/2012	15187	PREFERRED GROUP PROP	57.23
05/18/2012	15188	PENNINGTON, PAM	39.43
05/18/2012	15189	NEWSOM, STEVE	90.87
05/18/2012	15190	SIAS, RALPH & MICHEL	39.43
05/18/2012	15191	LITTON LOAN SERVICIN	194.99
05/18/2012	15192	FAY, SAVOEUN	39.43
05/18/2012	15193	CA-Franchise Tax Board	116.03
05/18/2012	15194	Public Employees' Retirement S	26,823.56
05/18/2012	15195	Hong Nelson	125.00
05/18/2012	15196	Katherine Kostecky	500.00
05/18/2012	15197	United Student Aid Funds, Inc.	174.05
05/18/2012	15198	Franchise Tax Board	150.00
05/21/2012	15199	Atkinson, Andelson, Loya, Ruud	1,825.70
05/21/2012	15200	CA-OCP HEALTH SERVICES	90.00
05/21/2012	15201	Ameripride Uniform Services	414.67
05/21/2012	15202	Fedex	23.90
05/21/2012	15203	Incode Division-Tyler Technolo	350.00
05/21/2012	15204	InfoSend, Inc.	1,849.11
05/21/2012	15205	NetComp Technologies, Inc.	360.00
05/21/2012	15206	RFI	315.00
05/21/2012	15207	San Bdno. Valley Muni. Water D	19,710.00
05/21/2012	15208	South Coast A.Q.M.D.	683.28
05/21/2012	15209	Separation Processes, Inc.	5,266.57

Check Register - May 2012

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
05/21/2012	15210	Advance Refrigeration & Ice Sy	176.00
05/21/2012	15211	BofA Credit Card	645.52
05/21/2012	15212	Brenntag Pacific, Inc	14,991.71
05/21/2012	15213	CHJ Consultants	17,395.00
05/21/2012	15214	Clinical Laboratory of San Ber	1,693.00
05/21/2012	15215	Frost Company	3,460.00
05/21/2012	15216	G&G Environmental Compliance, I	4,822.16
05/21/2012	15217	Grainger	1,354.73
05/21/2012	15218	Graybar Electric Co., Inc.	48.56
05/21/2012	15219	Hub Construction Specialties I	371.90
05/21/2012	15220	Inland Water Works Supply Co.	1,325.66
05/21/2012	15221	Innerline Engineering	2,900.00
05/21/2012	15222	JR Freeman Co. Inc.	85.93
05/21/2012	15223	Match Corp	2,078.64
05/21/2012	15224	Merit Oil Company	2,525.43
05/21/2012	15225	Microflex Corp #774353	997.87
05/21/2012	15226	Pangahamo Materials, Inc.	1,200.00
05/21/2012	15227	Red Alert Special Couriers	1,288.79
05/21/2012	15228	Safeguard Business Systems Inc	755.15
05/21/2012	15229	Sterling Water Technologies LL	8,930.00
05/21/2012	15230	VOID CHECK	0.00
05/21/2012	15231	Test America Laboratories, Inc	2,239.00
05/21/2012	15232	Sunstate Equipment Co., LLC	1,849.00
05/29/2012	15233	American Family Life Assurance	2,733.33
05/29/2012	15234	Boot Barn #4	333.59
05/29/2012	15235	YVWD-Petty Cash	204.19
05/29/2012	15236	Gregory N. Godwin	150.00
05/29/2012	15237	SeaBright Insurance Company	11,784.00
05/29/2012	15238	ADS, LLC	2,634.00
05/29/2012	15239	Ameripride Uniform Services	423.50
05/29/2012	15240	City of Riverside	640.00
05/29/2012	15241	Kelly Services, Inc.	62.26
05/29/2012	15242	NetComp Technologies, Inc.	6,849.97
05/29/2012	15243	San Bdn. Valley Muni. Water D	10,290.00
05/29/2012	15244	SCE Rosemead	123,518.45
05/29/2012	15245	Verizon	1,956.92
05/29/2012	15246	Wumbus Corporation	1,088.63
05/29/2012	15247	Walter L. Ferar	975.09
05/29/2012	15248	All American Sewer Tools	623.97
05/29/2012	15249	Atlas Copco Compressors, LLC	6,869.56
05/29/2012	15250	Auto Care Clinic	478.49
05/29/2012	15251	BofA Credit Card	55.36
05/29/2012	15252	Brenntag Pacific, Inc	8,725.21
05/29/2012	15253	Burgeson's Heating & Air Cond.	1,275.11
05/29/2012	15254	Calolympic Glove & Safety Co.,	41.36
05/29/2012	15255	Cemex Inc. USA	1,907.31
05/29/2012	15256	Victor James Valenti	4,035.90
05/29/2012	15257	Dinosaur Tire Inc.	352.25
05/29/2012	15258	David Sunden	940.07
05/29/2012	15259	Grainger	1,920.62
05/29/2012	15260	Ham Radio Outlet, Inc.	63.56
05/29/2012	15261	Industrial Fabricators	140.00
05/29/2012	15262	Inland Water Works Supply Co.	1,189.15
05/29/2012	15263	James John Brothers	30,844.00
05/29/2012	15264	JR Freeman Co. Inc.	821.42

Check Register - May 2012

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
05/29/2012	15265	MBC Applied Environmental Scie	1,200.00
05/29/2012	15266	McCrometer, Inc.	1,091.90
05/29/2012	15267	Merit Oil Company	2,365.95
05/29/2012	15268	Nagem, Inc.	235.78
05/29/2012	15269	Oily's Automotive Service & Re	15.39
05/29/2012	15270	Polydyne Inc.	2,602.16
05/29/2012	15271	Pro-Pipe & Supply, Inc.	94.93
05/29/2012	15272	R & R Anderson Trucking	1,726.42
05/29/2012	15273	Siemens Industry, Inc.	900.58
05/29/2012	15274	Sterling Water Technologies LL	8,930.00
05/29/2012	15275	Troy Alarm, Inc.	120.00
05/29/2012	15276	HILLCREST CONTRACTIN	1,394.20
05/29/2012	15277	HCI INC.	1,375.44
<u>May 2012 Check Register Total</u>			<u>1,973,901.13</u>

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
4/30	rev retained in MM				(64.72)		(64.72)
4/30	TRF #1103 cleared short \$.01	0.01	(0.01)				0.00
	s/b \$222,908.11 cleared as .10						0.00
05/01/2012	Deposit	59,362.93					59,362.93
	Credit Card-4/30	403.92					403.92
	Credit Card-5/1	1,144.92					1,144.92
	Electronic	19,083.84					19,083.84
	Website-5/1	134.32					134.32
	Website-5/1	2,021.54					2,021.54
	Website-5/2	435.83					435.83
05/02/2012	Deposit	35,722.51					35,722.51
	Credit Card-5/1	707.95					707.95
	Credit Card-5/2	3,395.50					3,395.50
	Electronic	14,862.91					14,862.91
	Website-5/2	1,376.80					1,376.80
	Website-5/3	156.60					156.60
	ETS Fees	(705.51)					(705.51)
	ETS Fees	(587.04)					(587.04)
05/03/2012	Deposit	29,312.74					29,312.74
	Acct#11-06863-01 clear error	(60.20)					(60.20)
	Credit Card-5/2	41.18					41.18
	Credit Card-5/3	1,950.67					1,950.67
	Electronic	15,363.30					15,363.30
	Website-5/3	963.40					963.40
	Website-5/4	75.00					75.00
	Website-5/4	416.97					416.97
	ACH pmts	25,846.03					25,846.03
5/4/12-PR	Federal Taxes		(36,129.57)				(36,129.57)
5/4/12-PR	State Taxes		(6,453.64)				(6,453.64)
5/4/12-PR	PR Direct Deposit		(97,570.25)				(97,570.25)
5/4/12-PR	ING 457		(7,275.21)				(7,275.21)
	Cks #15045-15064		(96,273.40)				(96,273.40)
	TRF#1104- AP & PR	(243,702.07)	243,702.07				0.00
05/04/2012	Deposit	30,199.39					30,199.39
	Credit Card-5/3	223.91					223.91
	Credit Card-5/4	1,125.73					1,125.73
	Electronic	14,272.53					14,272.53
	Website-5/4	1,762.08					1,762.08
	Website-5/5	251.43					251.43
	Website-5/5	606.72					606.72
	Website-5/6	1,082.14					1,082.14
	Website-5/7	82.80					82.80
	Website-5/7	739.66					739.66
05/07/2012	Deposit	67,473.06					67,473.06
	Credit Card-5/4	250.50					250.50
	Credit Card-5/7	2,785.08					2,785.08
	Electronic	14,528.72					14,528.72
	Website-5/7	1,359.65					1,359.65
	Website-5/8	60.62					60.62
	Website-5/8	41.29					41.29
05/08/2012	Deposit	61,904.12					61,904.12
	Credit Card-5/7	441.70					441.70
	Credit Card-5/8	698.70					698.70
	Electronic	22,398.89					22,398.89
	Website-5/8	976.22					976.22
	Website-5/9	64.02					64.02
	Website-5/9	467.60					467.60

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
05/09/2012	Deposit	48,553.17					48,553.17
	Deposit-Riv Taxes	714.89					714.89
	Credit Card-5/8	653.94					653.94
	Credit Card-5/9	3,559.45					3,559.45
	Electronic	6,903.06					6,903.06
	Website-5/9	763.02					763.02
	Website-5/10	310.65					310.65
05/10/2012	Deposit	25,419.39					25,419.39
	Credit Card-5/9	976.58					976.58
	Credit Card-5/10	958.86					958.86
	Electronic	7,737.50					7,737.50
	Website-5/10	878.19					878.19
	Website-5/11	290.50					290.50
	ACH pmts	38,014.70					38,014.70
	Cks #15065-15120		(88,704.93)				(88,704.93)
	TRF#1105 - AP	(88,704.93)	88,704.93				0.00
05/11/2012	Deposit	33,655.26					33,655.26
	Deposit-M/C	18,325.67					18,325.67
	Deposit-M/C	10,760.80					10,760.80
	Credit Card-5/10	316.80					316.80
	Credit Card-5/11	1,093.87					1,093.87
	Electronic	9,117.89					9,117.89
	Website-5/11	1,133.48					1,133.48
	Website-5/12	30.00					30.00
	Website-5/12	422.40					422.40
	Website-5/13	675.32					675.32
	Website-5/14	66.68					66.68
	Website-5/14	200.94					200.94
05/14/2012	Deposit	47,357.79					47,357.79
	Credit Card-5/11	162.33					162.33
	Credit Card-5/14	4,744.08					4,744.08
	Electronic	9,703.34					9,703.34
	Website-5/14	1,407.09					1,407.09
	Website-5/15	85.00					85.00
	Website-5/15	260.63					260.63
05/15/2012	Deposit	51,534.64					51,534.64
	Deposit-SB Taxes	29,071.83					29,071.83
	Credit Card-5/14	258.11					258.11
	Credit Card-5/15	1,746.26					1,746.26
	Electronic	14,255.40					14,255.40
	Website-5/15	1,223.07					1,223.07
	Website-5/16	397.21					397.21
	ACH pmts	35,290.13					35,290.13
05/16/2012	Deposit	33,921.86					33,921.86
	Credit Card-5/15	681.81					681.81
	Credit Card-5/16	1,953.62					1,953.62
	Electronic	8,357.82					8,357.82
	Website-5/16	955.10					955.10
	Website-5/17	145.93					145.93
	Website-5/17	241.06					241.06
	TRF#1106-LAIF to Inv Ck			400,000.00		(400,000.00)	0.00
	TRF#1107-Inv Ck to Dep Ck	400,000.00		(400,000.00)			0.00

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
5/18/12-PR	Federal Taxes		(35,672.50)				(35,672.50)
5/18/12-PR	State Taxes		(6,452.32)				(6,452.32)
5/18/12-PR	PR Direct Deposit		(96,834.55)				(96,834.55)
5/18/12-PR	ING 457		(6,877.62)				(6,877.62)
	Cks #15121-15198		(1,440,920.50)				(1,440,920.50)
	TRF#1108- AP & PR	(1,586,757.49)	1,586,757.49				0.00
05/17/2012	Deposit	18,511.09					18,511.09
	Deposit-SB Taxes	10,703.14					10,703.14
	Deposit-Riv Taxes	176.32					176.32
	Credit Card-5/16	458.09					458.09
	Credit Card-5/17	663.05					663.05
	Electronic	9,198.70					9,198.70
	Website-5/17	732.29					732.29
	Website-5/18	239.96					239.96
05/18/2012	Deposit	26,905.88					26,905.88
	Deposit-Riv Taxes	3,061.13					3,061.13
	Credit Card-5/17	101.10					101.10
	Credit Card-5/18	803.05					803.05
	Electronic	12,499.52					12,499.52
	Website-5/18	1,280.01					1,280.01
	Website-5/19	1,116.51					1,116.51
	Website-5/20	722.47					722.47
	Website-5/21	300.00					300.00
	Website-5/21	360.78					360.78
05/21/2012	Deposit	36,220.71					36,220.71
	Deposit-M/C	7,352.12					7,352.12
	Credit Card-5/18	551.48					551.48
	Credit Card-5/21	1,915.90					1,915.90
	Electronic	10,779.18					10,779.18
	Website-5/21	714.02					714.02
	Website-5/21	470.44					470.44
	Website-5/22	223.45					223.45
	Website-5/22	301.43					301.43
	ACH pmts	19,881.35					19,881.35
05/22/2012	Deposit	32,491.80					32,491.80
	Credit Card-5/21	228.85					228.85
	Credit Card-5/22	2,015.66					2,015.66
	Electronic	15,845.42					15,845.42
	Website-5/22	1,235.57					1,235.57
	Website-5/23	385.35					385.35
	Website-5/23	296.43					296.43
05/23/2012	Deposit	47,374.57					47,374.57
	Credit Card-5/22	721.05					721.05
	Credit Card-5/23	2,836.55					2,836.55
	Electronic	8,363.45					8,363.45
	Website-5/23	6,996.26					6,996.26
	Website-5/24	90.08					90.08
	Website-5/24	219.38					219.38
	Cks #15199-15232		(102,022.28)				(102,022.28)
	TRF#1109- AP	(102,022.28)	102,022.28				0.00
05/24/2012	Deposit	20,849.66					20,849.66
	Deposit-Riv Taxes	48,102.28					48,102.28
	Credit Card-5/23	332.07					332.07
	Credit Card-5/24	1,512.66					1,512.66
	Electronic	5,446.04					5,446.04
	Website-5/24	856.91					856.91
	Website-5/25	574.80					574.80

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
05/25/2012	Deposit	28,983.19					28,983.19
	Credit Card-5/24	178.37					178.37
	Credit Card-5/25	1,310.91					1,310.91
	Electronic	11,543.18					11,543.18
	Website-5/25	1,282.58					1,282.58
	Website-5/26	1,002.62					1,002.62
	Website-5/27	103.65					103.65
	Website-5/27	523.55					523.55
	Website-5/28	810.26					810.26
	Website-5/29	70.00					70.00
	Website-5/29	397.21					397.21
	ACH pmts	56,377.74					56,377.74
5/24	ARRA - Draw #22		302,215.00				302,215.00
	TRF#1110-ARRA Draw#22	302,215.00	(302,215.00)				0.00
05/29/2012	Deposit	51,301.15					51,301.15
	Credit Card-5/25	581.63					581.63
	Credit Card-5/29	2,164.50					2,164.50
	Electronic	12,065.94					12,065.94
	Website-5/29	401.93					401.93
	Website-5/29	492.88					492.88
	Website-5/30	267.16					267.16
	Website-5/30	376.59					376.59
05/30/2012	Deposit	54,894.11					54,894.11
	Credit Card-5/29	894.71					894.71
	Credit Card-5/30	2,373.95					2,373.95
	Electronic	17,745.30					17,745.30
	Website-5/30	2,277.93					2,277.93
	Website-5/31	553.59					553.59
	Cks #15233-15277		(245,980.02)				(245,980.02)
	TRF#1111 AP	(245,980.02)	245,980.02				0.00
05/31/2012	Deposit	44,593.72					44,593.72
	Deposit-SB Taxes	31,921.09					31,921.09
	Deposit-M/C	1,045.71					1,045.71
	Credit Card-5/30	1,386.01					1,386.01
	Credit Card-5/31	909.35					909.35
	Electronic	8,234.55					8,234.55
	Website-5/31	693.35					693.35
	Website-5/31	750.66					750.66
	Website-6/1	437.38					437.38
	May '12 NSF's	(1,016.03)					(1,016.03)
5/31	retained in MM				64.72		64.72
	TOTALS	812,422.81	29,999.99	62,119.99	500,983.20	4,841,703.47	6,247,229.46

Investment Summary - May 2012

U.S. TREASURIES						
Quantity	Description	Cusip	Maturity Date	Yield	Cost of Purchase	Market Value
501,000	US Treasury Bill	912795Y96	August 23, 2012	0.028%	500,918.48	500,924.85
501,000	Total Values				500,918.48	500,924.85

Money Market Account Activity-Beginning Balance	64.72
May - Dividend/Interest	0.00
Income	0.00
Intra-Bank Transfers to/from Investment Checking	0.00
Fund Transfers	0.00
Cusip Maturity	0.00
Redemptions	0.00
Cusip Purchase	0.00
Purchases	0.00
Ending Balance - Money Market	64.72
US Treasury Securities Investment Principal	500,918.48
Total Assets	500,983.20

Investment Summary - May 2012

LOCAL AGENCY INVESTMENT FUND

PERIOD	TOTAL WITHDRAWAL AMOUNT	TOTAL DEPOSIT AMOUNT	ACCRUED INTEREST (QUARTERLY)	ENDING BALANCE
July 31, 2011	\$0.00	\$0.00	\$39.05	\$32,944.00
August 31, 2011	\$0.00	\$2,000,000.00	\$0.00	\$2,032,944.00
September 30, 2011	(\$2,000,000.00)	\$1,300,000.00	\$0.00	\$1,332,944.00
October 31, 2011	\$0.00	\$800,000.00	\$556.93	\$2,133,500.93
November 30, 2011	(\$1,000,000.00)	\$700,000.00	\$0.00	\$1,833,500.93
December 31, 2011	(\$300,000.00)	\$4,400,000.00	\$0.00	\$5,933,500.93
January 31, 2012	\$0.00	\$700,000.00	\$2,622.28	\$6,636,123.21
February 29, 2012	(\$1,400,000.00)	\$0.00	\$0.00	\$5,236,123.21
March 31, 2012	(\$300,000.00)	\$0.00	\$0.00	\$4,936,123.21
April 30, 2012	(\$500,000.00)	\$800,000.00	\$5,580.26	\$5,241,703.47
May 31, 2012	(\$400,000.00)	\$0.00	\$0.00	\$4,841,703.47
June 30, 2012	\$0.00	\$0.00	\$0.00	\$4,841,703.47

L.A.I.F. INCOME SUMMARY

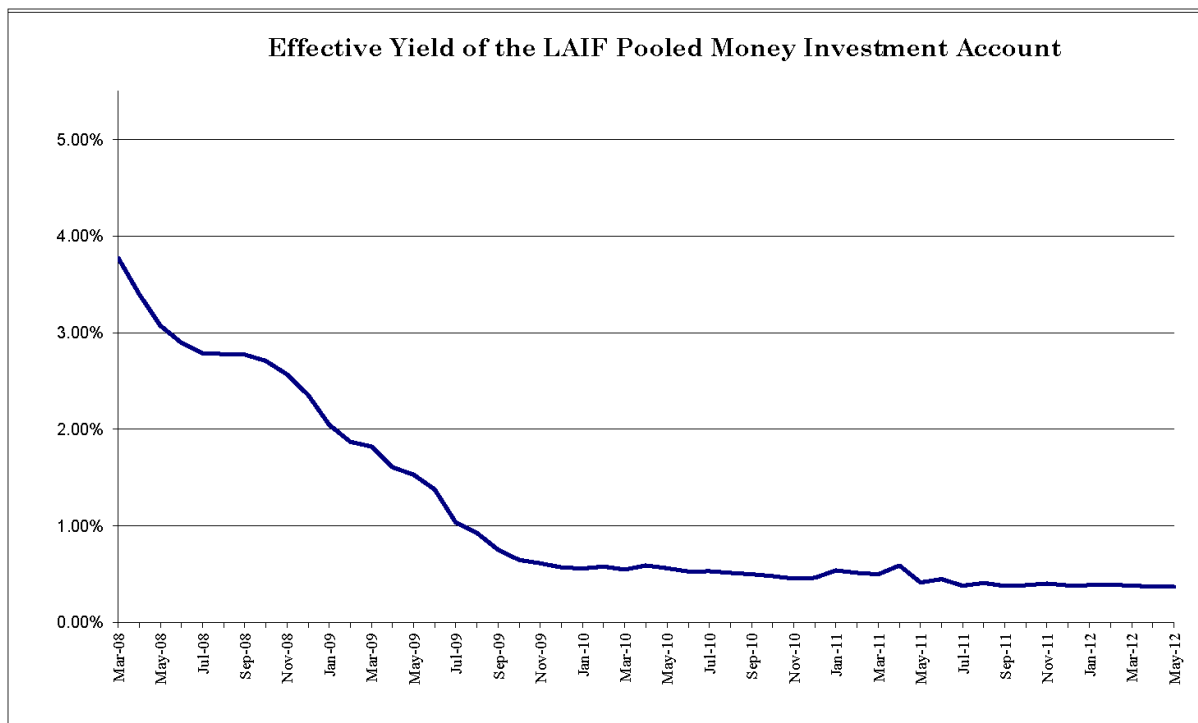
CURRENT QUARTER

FY YEAR-TO-DATE

INCOME RECEIVED

\$5,580.26

\$8,798.52



Daily Deposit Allocation - May 2012

DATE	DESCRIPTION	QTY	DEPOSIT CHECKING	AR Mail & Counter	AR Payment Centers	AR Credit Card	AR Electronic Rapid Pay	AR Web Site	AR ACH Auto Pay	AR TOTAL	AR Water Fees & Deposits	Water Allocation	Sewer Allocation	Recycled Allocation	RECAP TOTAL
05/01/2012	Mail & Counter	453	59,362.93	59,362.93		1,548.84				59,362.93					59,362.93
	Credit Cards	16	1,548.84							1,548.84					1,548.84
	Electronic	272	19,083.84				19,083.84			19,083.84					19,083.84
	Website	1	134.32					132.57		132.57	1.75				134.32
	Website - 25 fees	30	2,457.37					2,413.62		2,413.62	43.75				2,457.37
05/02/2012	Mail & Counter	486	35,722.51	35,722.51						35,722.51					35,722.51
	Credit Cards	34	4,103.45							4,103.45					4,103.45
	Electronic	241	14,862.91				14,862.91			14,862.91					14,862.91
	Website	16	1,533.40					1,505.40		1,505.40	28.00				1,533.40
05/03/2012	Mail & Counter	364	29,312.74	29,312.74						29,312.74					29,312.74
	AP clear error		(60.20)	(60.20)						(60.20)					(60.20)
	Credit Cards	17	1,991.85							1,991.85					1,991.85
	Electronic	234	15,363.30				15,363.30			15,363.30					15,363.30
	Website - 18 fees	19	1,455.37					1,423.87		1,423.87	31.50				1,455.37
05/04/2012	ACH payment	347	25,846.03						25,846.03	25,846.03					25,846.03
	Mail & Counter	333	30,199.39	30,199.39						30,199.39					30,199.39
	Credit Cards	14	1,349.64							1,349.64					1,349.64
	Electronic	223	14,272.53				14,272.53			14,272.53					14,272.53
	Website - 54 fees	59	4,524.83					4,430.33		4,430.33	94.50				4,524.83
05/07/2012	Mail & Counter	588	67,473.06	67,473.06						67,473.06					67,473.06
	Credit Cards	28	3,035.58							3,035.58					3,035.58
	Electronic	208	14,528.72				14,528.72			14,528.72					14,528.72
	Website	17	1,461.56					1,431.81		1,431.81	29.75				1,461.56
05/08/2012	Mail & Counter	324	61,904.12	61,904.12						61,904.12					61,904.12
	Credit Cards	16	1,140.40							1,140.40					1,140.40
	Electronic	247	22,398.89				22,398.89			22,398.89					22,398.89
	Website	15	1,507.84					1,481.59		1,481.59	26.25				1,507.84
05/09/2012	Mail & Counter	251	48,553.17	48,553.17						48,553.17					48,553.17
	Deposit-M/C	-	714.89							0.00		714.89			714.89
	Credit Cards	36	4,213.39							4,213.39					4,213.39
	Electronic	101	6,903.06				6,903.06			6,903.06					6,903.06
	Website	12	1,073.67					1,052.67		1,052.67	21.00				1,073.67
05/10/2012	Mail & Counter	168	25,419.39	25,419.39						25,419.39					25,419.39
	Credit Cards	13	1,935.44							1,935.44					1,935.44
	Electronic	101	7,737.50				7,737.50			7,737.50					7,737.50
	Website	16	1,168.69					1,140.69		1,140.69	28.00				1,168.69
05/11/2012	ACH payment	450	38,014.70						38,014.70	38,014.70					38,014.70
	Mail & Counter	187	33,655.26	32,155.26						32,155.26	1,500.00				33,655.26
	Deposit-M/C	-	18,325.67							0.00		18,311.12	14.55		18,325.67
	Deposit-M/C	-	10,760.80							0.00		25.00	10,735.80		10,760.80
	Credit Cards	6	1,410.67							1,410.67					1,410.67
	Electronic	130	9,117.89				9,117.89			9,117.89					9,117.89
	Website - 29 fees	30	2,528.82					2,478.07		2,478.07	50.75				2,528.82
05/14/2012	Mail & Counter	331	47,357.79	47,357.79						47,357.79					47,357.79
	Credit Cards	31	4,906.41							4,906.41					4,906.41
	Electronic	148	9,703.34				9,703.34			9,703.34					9,703.34
	Website	20	1,752.72					1,717.72		1,717.72	35.00				1,752.72
05/15/2012	Mail & Counter	482	51,534.64	51,534.64						51,534.64					51,534.64
	Deposit-M/C	-	29,071.83							0.00		29,071.83			29,071.83
	Credit Cards	21	2,004.37							2,004.37					2,004.37
	Electronic	210	14,255.40				14,255.40			14,255.40					14,255.40
	Website - 14 fees	19	1,620.28					1,595.78		1,595.78	24.50				1,620.28
	ACH payment	469	35,290.13						35,290.13	35,290.13					35,290.13
05/16/2012	Mail & Counter	316	33,921.86	33,921.86						33,921.86					33,921.86
	Credit Cards	30	2,635.43							2,635.43					2,635.43
	Electronic	115	8,357.82				8,357.82			8,357.82					8,357.82
	Website	19	1,342.09					1,308.84		1,308.84	33.25				1,342.09
05/17/2012	Mail & Counter	224	18,511.09	18,511.09						18,511.09					18,511.09
	Deposit-SB taxes	-	10,703.14							0.00		10,703.14			10,703.14

Daily Deposit Allocation - May 2012

DATE	DESCRIPTION	QTY	DEPOSIT CHECKING	AR Mail & Counter	AR Payment Centers	AR Credit Card	AR Electronic Rapid Pay	AR Web Site	AR ACH Auto Pay	AR TOTAL	AR Water Fees & Deposits	Water Allocation	Sewer Allocation	Recycled Allocation	RECAP TOTAL
	Deposit-Riv taxes	-	176.32			1,121.14				0.00		176.32			176.32
	Credit Cards	12	1,121.14							1,121.14					1,121.14
	Electronic	120	9,198.70				9,198.70			9,198.70					9,198.70
	Website	11	972.25					953.00		953.00	19.25				972.25
05/18/2012	Mail & Counter	226	26,905.88	26,905.88						26,905.88					26,905.88
	Deposit-Riv taxes	-	3,061.13							0.00		3,061.13			3,061.13
	Credit Cards	12	904.15			904.15				904.15					904.15
	Electronic	184	12,499.52				12,499.52			12,499.52					12,499.52
	Website	43	3,779.77					3,704.52		3,704.52	75.25				3,779.77
05/21/2012	Mail & Counter	478	36,220.71	36,220.71						36,220.71					36,220.71
	Deposit-M/C	-	7,352.12							0.00		7,352.12			7,352.12
	Credit Cards	21	2,467.38			2,467.38				2,467.38					2,467.38
	Electronic	158	10,779.18				10,779.18			10,779.18					10,779.18
	Website	10	714.02					696.52		696.52	17.50				714.02
	Website	11	995.32					976.07		976.07	19.25				995.32
	ACH payment	448	19,881.35						19,881.35	19,881.35					19,881.35
05/22/2012	Mail & Counter	378	32,491.80	32,491.80						32,491.80					32,491.80
	Credit Cards	23	2,244.51			2,244.51				2,244.51					2,244.51
	Electronic	221	15,845.42				15,845.42			15,845.42					15,845.42
	Website	18	1,917.35					1,885.85		1,885.85	31.50				1,917.35
05/23/2012	Mail & Counter	302	47,374.57	47,374.57						47,374.57					47,374.57
	Credit Cards	35	3,557.60			3,557.60				3,557.60					3,557.60
	Electronic	111	8,363.45				8,363.45			8,363.45					8,363.45
	Website	20	7,305.72					7,270.72		7,270.72	35.00				7,305.72
05/24/2012	Mail & Counter	224	20,849.66	20,849.66						20,849.66					20,849.66
	Deposit-Riv taxes	-	48,102.28							0.00		48,102.28			48,102.28
	Credit Cards	12	1,844.73			1,844.73				1,844.73					1,844.73
	Electronic	78	5,446.04				5,446.04			5,446.04					5,446.04
	Website	18	1,431.71					1,400.21		1,400.21	31.50				1,431.71
05/25/2012	Mail & Counter	213	28,983.19	28,983.19						28,983.19					28,983.19
	Credit Cards	15	1,489.28			1,489.28				1,489.28					1,489.28
	Electronic	167	11,543.18				11,543.18			11,543.18					11,543.18
	Website	43	4,189.87					4,114.62		4,114.62	75.25				4,189.87
	ACH payment	511	56,377.74						56,377.74	56,377.74					56,377.74
05/29/2012	Mail & Counter	499	51,301.15	51,301.15						51,301.15					51,301.15
	Credit Cards	29	2,746.13			2,746.13				2,746.13					2,746.13
	Electronic	179	12,065.94				12,065.94			12,065.94					12,065.94
	Website	5	401.93					393.18		393.18	8.75				401.93
	Website	12	1,136.63					1,115.63		1,115.63	21.00				1,136.63
05/30/2012	Mail & Counter	452	54,894.11	54,894.11						54,894.11					54,894.11
	Credit Cards	30	3,268.66			3,268.66				3,268.66					3,268.66
	Electronic	219	17,745.30				17,745.30			17,745.30					17,745.30
	Website	24	2,831.52					2,789.52		2,789.52	42.00				2,831.52
05/31/2012	Mail & Counter	195	44,593.72	44,593.72						44,593.72					44,593.72
	Deposit-SB taxes	-	31,921.09							0.00		31,921.09			31,921.09
	Deposit-M/C		1,045.71							0.00			643.30		1,045.71
	Credit Cards	15	2,295.36			2,295.36				2,295.36					2,295.36
	Electronic	115	8,234.55				8,234.55			8,234.55					8,234.55
	Website	8	693.35					679.35		679.35	14.00				693.35
	Website	14	1,188.04					1,163.54		1,163.54	24.50				1,188.04
ARRA Draw#22	\$302,215 (5/24)									0.00					0.00
May-12	Utility Pmt Cntr-448									0.00					0.00
	May 12' NSF's		(1,016.03)	(1,016.03)						(1,016.03)					(1,016.03)
TOTALS		14,457	1,592,790.77	851,584.79	32,391.72	52,714.41	268,306.48	49,255.69	175,409.95	1,429,153.04	2,362.75	149,841.33	11,393.65	0.00	1,592,790.77
TOTAL # AR PAYMENTS				7,026	448	466	3,782	510	2,225	14,457					
PERCENT OF TOTAL RECEIVED				48.60%	3.10%	3.22%	26.16%	3.53%	15.39%	100.00%					

FY 2012 - Water Revenue

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-40010	Sales - Water	6,000,000	1,799,636	1,415,643	915,153	273,384	479,820	4,883,636	81.39%
02-40011	Sales - Construction Water	31,000	5,720	4,986	1,705	420	1,644	14,475	46.69%
02-40012	Sales - Imported Water (SGPWA)	200,000	69,907	41,441	28,638	8,525	15,369	163,880	81.94%
02-40013	Sales - Imported Water (MUNI)	800,000	224,975	199,742	133,643	40,378	66,737	665,475	83.18%
02-40014	Sales Disc-Multi Units Usage Chrg.	(130,000)	(33,055)	(30,777)	(26,711)	(7,819)	(11,619)	(109,981)	84.60%
02-40015	Water Wholesale Revenue	60,000	10,639	29,316	8,515	3,077	4,247	55,794	92.99%
02-40016	Service Establishment Fee	100	0	75	150	25	25	275	275.00%
02-41000	Service Demand Charges	2,300,000	400,045	579,064	579,874	193,307	193,583	1,945,873	84.60%
02-41001	Fire Service Standby Fees	15,000	3,311	4,405	4,485	1,455	1,573	15,229	101.53%
02-41003	Construction Service Charge	10,000	1,562	2,003	1,789	690	865	6,909	69.09%
02-41005	Sales Disc-Multi Units Service Chrg.	(92,000)	(18,622)	(26,822)	(26,822)	(8,941)	(8,941)	(90,148)	97.99%
02-41010	Unauthorized Use of Water Charge	1,500	750	0	0	0	0	750	50.00%
02-41110	Meter/Lateral Installation	2,500	1,125	3,375	2,250	0	0	6,750	270.00%
02-41112	Fire Flow Measurements & Reports	1,900	450	450	75	75	150	1,200	63.16%
02-41113	Disconnect/Reconnect Fees	100,000	31,700	32,655	27,685	7,205	7,605	106,850	106.85%
02-41121	Delinquent Payment Charges	125,000	41,301	45,727	24,523	7,994	6,776	126,321	101.06%
02-41124	Bad Debt	0	0	0	0	0	0	0	
02-42123	Management & Accounting Fees	733,170	183,288	183,294	183,294	61,098	61,098	672,072	91.67%
02-43010	Interest Earned	10,000	327	1,162	1,745	3,348	0	6,582	65.82%
02-43110	Property Tax - Unsecured	100,000	0	48,194	(114)	(1,672)	(306)	46,102	46.10%
02-43120	Property Tax - Secured	2,050,000	0	423,213	353,855	812,479	96,097	1,685,644	82.23%
02-43130	Tax Collection - Prior	60,000	0	8,652	3,033	1,526	1,856	15,066	25.11%
02-43140	Other Taxes (including homeowners)	90,000	0	9,204	67,746	22,237	15,391	114,579	127.31%
02-49150	Revenue - Misc. Non-Operating	35,000	14,479	8,226	7,007	1,957	2,023	33,692	96.26%
	WATER OPERATING REVENUE	12,503,170	2,737,537	2,983,228	2,291,519	1,420,748	933,994	10,367,024	82.92%
02-82002	Grants (FEMA)	0	1,940	1,155	0	0	0	3,095	
02-89901	Facility Capacity Charges	0	0	130,087	33,114	0	0	163,201	
02-89902	Sustainability	0	0	10,453	12,978	0	0	23,431	
	TOTAL WATER REVENUE	12,503,170	2,739,477	3,124,922	2,337,611	1,420,748	933,994	10,556,751	

FY 2012 - Sewer Revenue

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-40016	Sales - Establish Service Fee	100	0	0	0	0	0	0	0.00%
03-41000	Sales - Sewer Charges	10,425,000	2,023,982	2,615,298	2,576,257	856,909	873,159	8,945,605	85.81%
03-41005	Sales Disc-Multi Units Service Chrg.	(200,000)	(39,379)	(51,072)	(51,017)	(16,975)	(17,006)	(175,449)	87.72%
03-41110	Meter/Lateral Installation	1,000	0	0	0	0	0	0	0.00%
03-41121	Penalty Late Charges	130,000	31,494	37,133	33,770	11,385	9,833	123,615	95.09%
03-41124	Bad Debt	0	0	0	0	0	0	0	
03-41131	Front Footage Fees	0	0	0	0	0	0	0	
03-42122	Revenue - other operating	1,000	180	360	0	180	180	900	90.00%
03-43010	Interest Earned	10,000	191	0	1,311	2,232	0	3,734	37.34%
03-43110	Property Tax - Unsecured	50,000	0	50,000	0	0	0	50,000	100.00%
03-43120	Property Tax - Secured	450,000	0	450,000	0	0	0	450,000	100.00%
03-43130	Tax Collection - Prior	15,000	0	7,500	0	0	0	7,500	50.00%
03-43140	Other Taxes (including homeowners)	1,500	0	1,500	0	0	0	1,500	100.00%
03-49150	Misc. Non-Oper Revenue	25,000	0	17,614	139,138	0	643	157,396	629.58%
	SEWER OPERATING REVENUE	10,908,600	2,016,468	3,128,334	2,699,459	853,731	866,809	9,564,801	87.68%
03-82001	Grants - EPA	0	0	0	1,524	5,516	0	7,040	
03-82003	Grants - ARRA	0	55,243	507,634	957,796	248,825	302,215	2,071,713	
03-82004	Grants - Prop 50	0	0	0	793,166	0	0	793,166	
03-89901	Facility Capacity Charges	0	0	157,839	79,058	17,264	10,556	264,717	
03-89905	Contrib Capital-Infrastructure	0	0	0	(54,835)	0	0	(54,835)	
	TOTAL SEWER REVENUE	10,908,600	2,071,711	3,793,806	4,476,168	1,125,336	1,179,580	12,646,602	

FY 2012 - Recycled Water Revenue

ACCOUNT#	Description	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
04-40010	Sales - Recycled Water	220,000	116,823	66,257	38,889	9,154	21,374	252,497	114.77%
04-40011	Sales - Construction Water	2,500	250	348	3	44	6	651	26.06%
04-41000	Sales - Service Demand Chrg.	27,500	5,632	9,233	9,350	3,085	3,104	30,404	110.56%
04-41003	Const. Water Minimum Chrg.	4,000	490	768	628	244	294	2,424	60.61%
04-41121	Penalty - Late Charge	500	42	22	52	22	15	153	30.61%
04-43010	Interest Earned	50	0	0	75	0	0	75	150.40%
04-43110	Property Tax - Unsecured	500	0	500	0	0	0	500	100.00%
04-43120	Property Tax - Secured	10,000	0	10,000	0	0	0	10,000	100.00%
04-43130	Property Tax - Prior	100	0	100	0	0	0	100	100.00%
04-43140	Other Taxes (including homeowners)	100	0	100	0	0	0	100	100.00%
04-49150	Misc. Non-Operating Revenue	0	0	1,200	0	0	0	1,200	
RECYCLED WATER OPERATING REVENUE		265,250	123,238	88,529	48,997	12,549	24,793	298,105	112.39%
04-82001	Grants-EPA #XP989384-01	0	0	0	41,462	291,075	0	332,536	
04-89901	Facility Capacity Charges	0	0	19,521	0	0	0	19,521	
TOTAL RECYCLED WATER REVENUE		265,250	123,238	108,049	90,459	303,623	24,793	650,162	

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-01-50010	Labor-Water Resources	635,700	135,462	159,449	140,150	47,201	47,175	529,438	83.28%
02-5-01-50011	Labor Credit	0	0	0	0	0	0	0	
02-5-01-50013	Benefits-Fica	48,630	11,207	12,901	11,708	3,919	3,913	43,649	89.76%
02-5-01-50014	Benefits-Life Insurance	3,420	761	762	767	256	256	2,802	81.94%
02-5-01-50016	Benefits-HealthDefrd Comp	90,175	25,822	27,531	26,928	8,553	9,513	98,406	109.13%
02-5-01-50017	Benefits-Disability Insurance	7,650	2,473	2,555	2,257	754	754	8,793	114.94%
02-5-01-50019	Benefits-Workers Compensation	33,700	3,500	9,052	(713)	1,877	2,519	16,235	48.17%
02-5-01-50021	Benefits-PERS	44,500	8,380	10,120	9,011	3,055	3,117	33,682	75.69%
02-5-01-50022	Benefits-PERS-Employer	85,885	16,216	19,531	17,391	5,896	6,016	65,049	75.74%
02-5-01-50023	Benefits-Uniforms	2,850	655	511	410	124	184	1,885	66.14%
02-5-01-50024	Benefits-Vacation & Sick Pay	20,000	1,470	1,787	2,420	858	875	7,410	37.05%
02-5-01-50025	Benefits-Boot Allowance	1,425	600	150	300	0	0	1,050	73.68%
02-5-01-51003	R&M - Structures	200,000	60,997	72,991	45,117	15,585	2,569	197,260	98.63%
02-5-01-51011	R&M - CLA Valves	15,000	0	7,563	0	176	788	8,527	56.85%
02-5-01-51140	General Supplies & Expenses	2,000	336	1,274	115	186	90	2,001	100.04%
02-5-01-51210	Utilities - Power Purchases	1,500,000	357,907	363,756	224,872	63,378	71,798	1,081,711	72.11%
02-5-01-51211	Utilities - Electricity & Fuel	4,000	860	1,118	1,058	344	330	3,710	92.75%
02-5-01-51316	Imported Water Purchases	1,000,000	312,375	242,810	105,388	56,971	65,000	782,543	78.25%
02-5-01-54019	Licenses & Permits	25,000	25,403	3,218	3,490	814	569	33,494	133.98%
02-5-01-54110	Laboratory Services	90,000	9,682	8,835	8,902	3,410	5,065	35,893	39.88%
02-5-01-57040	YV/RWFF Operating Expense	550,000	182,227	159,073	130,870	60,622	48,490	581,281	105.69%
	WATER RESOURCE TOTALS	4,359,935	1,156,332	1,105,047	730,441	273,979	269,020	3,534,820	81.08%
02-5-03-50010	Labor-Public Works	945,340	180,132	221,572	179,425	60,905	58,438	700,473	74.10%
02-5-03-50011	Labor Credit	0	(4,064)	(20,045)	13,061	0	(24,862)	(35,910)	
02-5-03-50013	Benefits-Fica	72,320	14,746	18,252	14,910	4,996	4,796	57,701	79.78%
02-5-03-50014	Benefits-Life Insurance	6,160	1,264	1,269	1,157	396	397	4,483	72.78%
02-5-03-50016	Benefits-HealthDefrd Comp	162,315	44,049	49,794	43,595	12,656	15,727	165,821	102.16%
02-5-03-50017	Benefits-Disability Insurance	11,345	3,872	3,784	2,897	975	949	12,477	109.98%
02-5-03-50019	Benefits-Workers Compensation	50,100	4,215	10,437	3,544	3,366	3,231	24,792	49.49%
02-5-03-50021	Benefits-PERS	66,175	11,269	13,684	11,599	3,949	3,808	44,279	66.91%
02-5-03-50022	Benefits-PERS Employer	127,715	21,816	26,352	22,386	7,622	7,350	85,525	66.97%
02-5-03-50023	Benefits-Uniforms	20,000	1,193	1,081	1,538	380	361	4,553	22.76%
02-5-03-50024	Benefits-Vacation & Sick Pay	5,130	193	966	1,160	393	400	3,113	60.68%
02-5-03-50025	Benefits-Boot Allowance	2,565	289	1,251	571	0	0	2,112	82.34%
02-5-03-51001	R & M - Vehicles & Equipment	170,000	34,942	49,022	67,244	16,653	11,714	179,575	105.63%
02-5-03-51011	R&M - Valves	10,000	0	(3,104)	(2,553)	0	941	(4,717)	-47.17%
02-5-03-51020	R&M - Pipelines	275,000	50,081	73,098	45,303	11,261	24,961	204,704	74.44%
02-5-03-51021	R&M - Service Lines	125,000	26,838	31,933	24,984	9,581	6,228	99,465	79.57%
02-5-03-51022	R&M - Fire Hydrants	25,000	(1,837)	8,428	10,958	589	428	18,567	74.27%
02-5-03-51030	R&M - Water Meters	70,000	8,637	20,684	27,771	5,410	2,502	65,004	92.86%
02-5-03-51092	Equipment Credits	0	(1,913)	(7,087)	(122)	0	(430)	(9,552)	
02-5-03-51140	General Supplies & Expenses	3,000	51	0	0	0	0	51	1.69%
	PUBLIC WORKS TOTALS	2,147,165	395,774	501,342	469,329	139,130	116,367	1,621,942	75.54%

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-06-50010	Labor-Administration	745,830	133,859	163,564	140,897	47,804	47,804	534,004	71.60%
02-5-06-50011	Labor Credit	0	0	(157)	(2,106)	0	(2,192)	(4,455)	
02-5-06-50012	Director Fees	15,000	2,249	4,559	4,011	(34)	1,398	12,183	81.22%
02-5-06-50013	Benefits-Fica	57,050	10,201	11,957	12,392	4,149	4,157	42,856	75.12%
02-5-06-50014	Benefits-Life Insurance	3,640	865	863	870	290	290	3,178	87.31%
02-5-06-50016	Benefits-HealthDefid Comp	95,870	33,853	38,482	36,458	11,624	12,760	133,178	138.91%
02-5-06-50017	Benefits-Disability Insurance	8,950	1,588	2,123	2,211	741	740	7,404	82.72%
02-5-06-50019	Benefits-Workers Compensation	39,530	1,800	3,925	(1,407)	592	593	5,503	13.92%
02-5-06-50021	Benefits-PERS	52,200	9,190	11,237	9,775	3,314	3,327	36,843	70.58%
02-5-06-50022	Benefits PERS Employer	138,550	17,787	21,688	18,866	6,397	6,422	71,159	51.36%
02-5-06-50023	Uniforms	3,030	496	462	371	114	121	1,563	51.58%
02-5-06-50024	Benefits-Vacation & Sick Pay	15,000	2,099	2,730	3,417	1,174	1,044	10,464	69.76%
02-5-06-50025	Benefits-Boots	1,515	150	296	150	0	484	1,079	71.25%
02-5-06-51003	R&M - Structures	20,000	7,472	(590)	8,436	312	56	15,686	78.43%
02-5-06-51091	Expense Credits (overhead)	0	(1,228)	(6,127)	852	0	(3,532)	(10,035)	
02-5-06-51120	Safety Equipment/Supplies	25,000	8,331	3,764	4,396	1,619	1,584	19,694	78.78%
02-5-06-51125	Petroleum Products	110,000	29,956	29,846	25,637	7,652	7,754	100,845	91.68%
02-5-06-51130	Office Supplies & Expenses	40,000	15,353	6,512	9,805	1,127	1,562	34,358	85.90%
02-5-06-51140	General Supplies & Expenses	30,000	845	6,795	7,114	3,989	172	18,916	63.05%
02-5-06-51211	Utilities - Electricity	26,000	6,869	6,703	4,647	1,486	1,566	21,271	81.81%
02-5-06-51213	Utilities - Natural Gas	5,000	115	1,000	1,078	179	0	2,371	47.42%
02-5-06-54002	Dues & Subscriptions	10,000	262	4,300	4,604	469	0	9,634	96.34%
02-5-06-54005	Computer Expenses	75,000	15,813	24,994	20,298	3,852	9,000	73,956	98.61%
02-5-06-54010	Postage	6,500	391	513	2,611	105	97	3,717	57.18%
02-5-06-54011	Printing & Publications	20,000	5,799	73	73	155	0	6,100	30.50%
02-5-06-54012	Education & Training	30,000	1,967	1,898	6,201	2,154	50	12,269	40.90%
02-5-06-54013	Utility Billing Expenses	135,000	33,408	32,353	30,895	9,369	3,492	109,516	81.12%
02-5-06-54014	Public Relations	25,000	1,233	1,212	2,536	756	0	5,737	22.95%
02-5-06-54015	Rents & Leases	3,500	999	393	664	204	0	2,260	64.56%
02-5-06-54016	Travel Related Expenses	7,500	77	84	3,075	123	0	3,359	44.78%
02-5-06-54017	Certifications & Renewals	6,000	460	1,250	1,416	2,160	370	5,656	94.27%
02-5-06-54020	Meeting Related Expenses	4,000	885	706	1,280	275	189	3,335	83.37%
02-5-06-54024	Utilities - Waste Disposal	2,500	476	476	503	181	0	1,636	65.43%
02-5-06-54025	Utilities - Telephone	35,000	7,257	7,370	7,486	1,415	2,210	25,737	73.53%
02-5-06-54104	Contractual Services	70,000	24,302	7,605	14,633	8,131	1,197	55,868	79.81%
02-5-06-54107	Legal	45,000	10,364	10,210	14,129	3,348	913	38,963	86.58%
02-5-06-54108	Audit & Accounting	16,000	14,750	1,123	0	0	0	15,873	99.20%
02-5-06-54109	Professional Fees	100,000	40,152	21,717	26,946	8,866	3,150	100,831	100.83%
02-5-06-55500	Depreciation Reserves	375,095	93,773	93,774	121,046	31,258	31,258	371,109	98.94%
02-5-06-56001	Infrastructure Replacement	397,935	99,486	99,483	99,483	33,161	33,161	364,774	91.67%
02-5-06-57030	Insurance	120,000	29,787	27,972	28,212	9,324	9,324	104,619	87.18%
02-5-06-57096	Regulatory Compliance	95,000	213	278	213	0	0	703	0.74%
02-5-06-57098	Beaumont Basin Watermaster	10,000	0	0	0	0	0	0	0.00%
02-5-06-57100	County Tax Collector Fees	7,500	371	2,520	945	2,117	283	6,236	83.15%
02-5-06-57199	Suspense	0	0	0	0	0	0	0	
	ADMINISTRATION TOTALS	3,028,695	664,074	649,933	675,116	203,951	180,878	2,379,953	78.58%

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-40-57001	Asset Acq. - Water Resources	0	0	0	0	0	0	0	
02-5-40-57003	Asset Acq. - Public works	0	0	0	0	0	0	0	
02-5-40-57006	Asset Acq. - Administration	35,000	23,451	15,771	0	0	0	39,222	112.06%
02-5-40-57201	Debt Srv-Series 2004A Princ.(25009)	920,000	920,000	0	0	0	0	920,000	100.00%
02-5-40-57402	Interest-Long-Term Debt Bonds	2,012,375	1,014,813	0	997,563	0	0	2,012,376	100.00%
	40 - Debt & Capital Outlay	2,967,375	1,958,263	15,771	997,563	0	0	2,971,597	100.14%
	TOTAL WATER EXPENSES	12,503,170	4,174,444	2,272,092	2,872,450	623,061	566,266	10,508,312	84.05%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-02-50010	Labor-VWW Treatment	899,200	177,500	228,823	196,005	65,294	66,454	734,075	81.64%
03-5-02-50013	Benefits-Fica	68,800	14,804	18,781	16,220	5,394	5,480	60,680	88.20%
03-5-02-50014	Benefits-Life Insurance	4,500	1,016	1,016	1,023	341	341	3,736	83.03%
03-5-02-50016	Benefits-Health\Defrd Comp	118,650	35,675	39,705	38,328	12,325	13,395	139,427	117.51%
03-5-02-50017	Benefits-Disability Insurance	10,800	3,285	3,682	3,087	1,027	1,040	12,122	112.24%
03-5-02-50019	Benefits-Workers Compensation	47,700	3,500	6,597	2,860	3,097	2,483	18,536	38.86%
03-5-02-50021	Benefits-PERS	62,950	11,863	14,732	12,712	4,321	4,415	48,042	76.32%
03-5-02-50022	Benefits-PERS Employer	121,500	22,962	28,432	24,533	8,339	8,521	92,788	76.37%
03-5-02-50023	Benefits-Uniforms	3,750	997	921	1,289	290	267	3,764	100.38%
03-5-02-50024	Benefits-Vacation & Sick Pay	15,000	1,283	1,849	1,174	567	573	5,446	36.31%
03-5-02-50025	Benefits-Boot Allowance	1,875	254	464	740	0	0	1,458	77.73%
03-5-02-51003	R&M - Structures	200,000	23,411	41,577	187,209	18,992	10,114	281,302	140.65%
03-5-02-51010	R&M - Automation Control	85,000	5,092	18,462	21,209	5,676	7,384	57,823	68.03%
03-5-02-51106	Chemicals	600,000	131,976	130,426	103,092	39,360	38,675	443,528	73.92%
03-5-02-51111	Propane	2,500	3,053	3,144	0	0	105	6,302	252.06%
03-5-02-51115	Laboratory Supplies	30,000	6,067	4,072	7,880	1,235	686	19,940	66.47%
03-5-02-51140	General Supplies & Expenses	1,000	147	0	86	0	0	234	23.35%
03-5-02-51210	Utilities - Power Purchases	690,000	186,288	166,986	94,247	61,927	41,382	550,830	79.83%
03-5-02-54110	Laboratory Services	120,000	20,849	27,523	21,564	3,641	7,597	81,173	67.64%
03-5-02-57031	Sludge Disposal	300,000	75,017	78,061	73,703	24,493	0	251,273	83.76%
03-5-02-57033	Brine Disposal	30,000	0	10,290	20,580	0	6,860	37,730	125.77%
	TREATMENT TOTALS	3,413,225	725,036	825,543	827,539	256,319	215,771	2,850,207	83.50%

FY 2012 Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-06-50010	Labor-Administration	708,050	121,149	150,854	130,003	44,089	44,081	490,177	69.23%
03-5-06-50012	Directors Fees	15,000	2,249	4,559	4,011	(34)	1,398	12,183	81.22%
03-5-06-50013	Benefits-Fica	54,170	9,163	10,921	11,509	3,846	3,848	39,287	72.52%
03-5-06-50014	Benefits-Life Insurance	3,500	867	864	871	290	290	3,183	90.93%
03-5-06-50016	Benefits-HealthDefrd Comp	92,075	33,167	37,780	35,932	10,758	12,585	130,222	141.43%
03-5-06-50017	Benefits-Disability Insurance	8,500	1,974	2,000	2,096	701	700	7,471	87.89%
03-5-06-50019	Benefits-Workers Compensation	37,530	3,200	6,342	3,361	2,173	2,197	17,273	46.02%
03-5-06-50021	Benefits-PERS	49,570	8,464	10,347	9,013	3,054	3,061	33,940	68.47%
03-5-06-50022	Benefits PERS Employer	95,660	16,383	19,970	17,394	5,895	5,908	65,550	68.52%
03-5-06-50023	Benefits-Uniforms	2,910	281	304	324	68	82	1,059	36.40%
03-5-06-50024	Benefits-Vacation & Sick Pay	10,000	2,099	2,730	3,417	1,174	1,044	10,464	104.64%
03-5-06-50025	Benefits-Boot Allowance	1,455	0	0	0	0	0	0	0.00%
03-5-06-51120	Safety Equipment/Supplies	7,500	5,704	82	2,564	71	544	8,965	119.54%
03-5-06-51125	Petroleum Products	17,500	3,000	3,682	4,091	1,000	1,000	12,773	72.99%
03-5-06-51130	Office Supplies	5,000	1,176	200	388	525	411	2,700	54.00%
03-5-06-51140	General Supplies & Expenses	7,500	129	5,513	3,902	3,499	160	13,203	176.05%
03-5-06-54002	Dues & Subscriptions	10,000	476	4,639	4,711	469	0	10,294	102.94%
03-5-06-54003	Management & Admin Services	733,170	183,288	183,294	183,294	61,098	61,098	672,072	91.67%
03-5-06-54005	Computer Expenses	70,000	9,296	24,240	19,072	4,122	9,180	65,910	94.16%
03-5-06-54011	Printing & Publications	7,500	5,799	73	73	155	0	6,100	81.33%
03-5-06-54012	Education & Training	20,000	1,775	550	5,647	2,085	855	10,911	54.56%
03-5-06-54014	Public Relations	8,000	897	1,007	2,500	756	0	5,159	64.49%
03-5-06-54016	Travel Related Expenses	8,500	1,052	2,405	3,091	291	381	7,221	84.95%
03-5-06-54017	Certifications & Renewals	5,500	365	480	1,464	0	260	2,569	46.71%
03-5-06-54019	Licenses & Permits	42,500	4,109	39,787	1,977	114	0	45,987	108.20%
03-5-06-54020	Meeting Related Expenses	2,500	808	656	1,282	170	214	3,131	125.23%
03-5-06-54024	Utilities - Waste Disposal	12,500	2,850	2,835	2,835	945	0	9,465	75.72%
03-5-06-54025	Utilities - Telephone	16,500	4,523	4,911	4,848	1,595	953	16,829	102.00%
03-5-06-54030	Drinking Water	1,000	217	189	224	49	56	735	73.50%
03-5-06-54104	Contractual Services	30,000	13,848	3,561	8,516	1,239	422	27,586	91.95%
03-5-06-54107	Legal	45,000	10,461	12,160	13,706	2,990	913	40,230	89.40%
03-5-06-54108	Audit & Accounting	16,000	14,750	1,123	0	0	0	15,873	99.20%
03-5-06-54109	Professional Fees	300,000	115,525	212,102	64,224	6,966	2,850	401,666	133.89%
03-5-06-55500	Depreciation Reserves	327,260	81,812	81,816	81,816	27,272	27,272	299,988	91.67%
	Infrastructure Replacement	786,300	196,575	196,575	196,575	65,525	65,525	720,775	91.67%
03-5-06-56001	Insurance	115,000	28,379	27,972	28,967	9,324	9,324	103,966	90.40%
03-5-06-57030	Regulatory Compliance	50,000	21,447	42,278	13	0	0	63,738	127.48%
03-5-06-57100	County Tax Collection Fees	1,200	0	0	0	0	0	0	0.00%
	ADMINISTRATION TOTALS	3,724,350	907,255	1,098,801	853,711	262,274	256,613	3,378,654	90.72%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-07-50010	Labor-Environmental Control	213,570	42,577	52,019	42,019	11,231	10,822	158,668	74.29%
03-5-07-50011	Labor Credit	0	0	(302)	0	0	0	(302)	
03-5-07-50013	Benefits-Fica	16,340	3,364	4,105	3,289	849	817	12,423	76.03%
03-5-07-50014	Benefits-Life Insurance	1,400	254	254	256	85	85	934	66.70%
03-5-07-50016	Benefits-Health\Defrd Comp	37,020	10,118	10,827	10,374	4,452	3,827	39,598	106.98%
03-5-07-50017	Benefits-Disability Insurance	2,565	737	865	645	(481)	179	1,945	75.85%
03-5-07-50019	Benefits-Workers Compensation	11,320	2,000	4,396	1,068	792	762	9,018	79.67%
03-5-07-50021	Benefits-PERS	14,950	2,483	3,044	2,511	644	614	9,296	62.18%
03-5-07-50022	Benefits-PERS Employer	28,855	4,806	5,875	4,846	1,242	1,185	17,955	62.23%
03-5-07-50023	Benefits-Uniforms	1,170	354	337	345	83	76	1,194	102.08%
03-5-07-50024	Benefits-Vacation & Sick Pay	6,000	0	0	0	0	0	0	0.00%
03-5-07-50025	Benefits-Boot Allowance	585	300	0	0	0	0	300	51.28%
03-5-07-51003	R&M - Structures	320,000	76,469	64,254	83,780	22,141	30,048	276,692	86.47%
03-5-07-51140	General Supplies & Expenses	1,000	0	709	1,321	30	0	2,060	206.02%
03-5-07-51241	Lift Station #1	70,000	15,271	16,987	23,780	2,835	2,729	61,602	88.00%
03-5-07-51242	Lift Station #2	12,000	1,731	3,161	2,198	717	712	8,519	70.99%
03-5-07-51243	Lift Station #3	7,500	651	497	769	149	175	2,240	29.87%
03-5-07-51244	Lift Station #4	20,000	1,324	4,031	3,062	991	979	10,387	51.94%
03-5-07-51245	Lift Station #5	5,000	193	262	243	78	83	859	17.18%
03-5-07-51248	Lift Station #8	3,000	100	140	129	42	45	456	15.19%
03-5-07-54109	Professional Fees	50,000	0	26,568	13,178	7,346	4,822	51,915	103.83%
03-5-07-54110	Laboratory Services	2,500	0	0	358	0	0	358	14.32%
ENVIRONMENTAL CONTROL TOTAL		824,775	162,731	198,029	194,172	53,227	57,961	666,119	80.76%
03-5-40-57002	Asset Acq. - Treatment		0	0	0	0	0	0	
03-5-40-57006	Asset Acq. - Administration		0	0	0	0	0	0	
03-5-40-57007	Asset Acq. - Environmental Control		0	58,829	0	0	0	58,829	
03-5-40-57009	Plant Support (03-13105 Sari Line)	19,710	0	0	0	0	19,710	19,710	100.00%
03-5-40-57202	Debt Service - Principal	1,909,500	1,907,783	0	0	0	0	1,907,783	99.91%
03-5-40-57403	Debt Service - Interest	1,017,040	1,015,886	0	0	0	0	1,015,886	99.89%
Debt & Capital Outlay		2,946,250	2,923,669	58,829	0	0	19,710	3,002,207	101.90%
TOTAL SEWER EXPENSES		10,908,600	4,718,691	2,181,201	1,875,421	571,819	550,055	9,897,187	90.73%

FY 2012 - Recycled Water Expenses

ACCOUNT#	Description	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
04-5-06-50010	Labor-Recycled Water	76,900	0	0	0	0	0	0	0.00%
04-5-06-50012	Director Fees	2,500	0	0	0	2,500	0	2,500	100.00%
04-5-06-50013	Benefits-FICA	6,655	0	0	0	0	0	0	0.00%
04-5-06-50014	Benefits-Life Insurance	440	0	0	0	0	0	0	0.00%
04-5-06-50016	Benefits-Health & Def Comp	8,890	1,110	1,111	1,111	402	402	4,137	46.53%
04-5-06-50017	Benefits-Disability Insurance	1,085	0	0	0	0	0	0	0.00%
04-5-06-50019	Benefits-Workers Compensation	4,610	0	0	0	0	0	0	0.00%
04-5-06-50021	Benefits-PERS Employee	6,090	0	0	0	0	0	0	0.00%
04-5-06-50022	Benefits-PERS Employer	9,250	0	0	0	0	0	0	0.00%
04-5-06-50023	Benefits-Uniforms	360	0	0	0	0	0	0	0.00%
04-5-06-50024	Benefits-Vacation & Sick Pay	1,250	0	0	0	0	0	0	0.00%
04-5-06-50025	Benefits-Boots	150	0	0	0	0	0	0	0.00%
04-5-06-51003	R & M-Structures	25,000	500	7,046	0	0	0	7,546	30.18%
04-5-06-51020	R & M-Pipelines	5,000	0	0	0	0	0	0	0.00%
04-5-06-51021	R & M-Service Lines	5,000	0	0	0	0	0	0	0.00%
04-5-06-51022	R & M-Fire Hydrants	1,000	0	0	0	0	0	0	0.00%
04-5-06-51030	R & M-Meters	500	0	0	0	0	0	0	0.00%
04-5-06-51140	General Supplies & Expenses	250	0	0	0	0	0	0	0.00%
04-5-06-54002	Dues & Subscriptions	750	0	0	748	3,041	0	3,788	505.09%
04-5-06-54005	Computer Expense	1,000	1,167	1,711	0	0	620	3,498	349.78%
04-5-06-54011	Printing & Publications	250	0	0	0	0	0	0	0.00%
04-5-06-54012	Education & Training	2,500	0	2,620	240	0	350	3,210	128.39%
04-5-06-54014	Public Relations	5,000	1,101	984	1,048	156	0	3,289	65.79%
04-5-06-54016	Travel Related Expenses	1,500	0	664	343	339	0	1,346	89.72%
04-5-06-54017	Certifications & Renewals	250	0	0	0	0	0	0	0.00%
04-5-06-54019	Licenses & Permits	2,500	0	0	1,323	0	0	1,323	52.92%
04-5-06-54020	Meeting Related Expenses	500	0	309	35	0	77	422	84.38%
04-5-06-54025	Telephone	500	169	169	167	56	0	561	112.12%
04-5-06-54010	Contractual Services	1,750	0	0	1,605	0	0	1,605	91.71%
04-5-06-54107	Legal	2,000	0	0	0	0	0	0	0.00%
04-5-06-54109	Professional Fees	10,000	1,813	6,355	7,505	0	0	15,673	156.73%
04-5-06-54110	Laboratory Services	1,000	0	0	0	0	0	0	0.00%
04-5-06-55500	Depreciation	7,900	1,986	1,986	1,986	662	662	7,282	92.18%
	Infrastructure Replacement	52,920	13,230	13,230	13,230	4,410	4,410	48,510	91.67%
04-5-06-57030	Regulatory Compliance	20,000	0	0	0	0	0	0	0.00%
	TOTAL RECYCLED WATER EXPENSES	265,250	21,077	36,185	29,340	11,565	6,522	104,689	39.47%



Date: June 12, 2012

Subject: Operating Budget and Capital Improvement Program for Fiscal Year 2013

On June 4, 2012, the District staff presented a proposed operating budget for Fiscal Year 2013. This balanced budget provided a reduction in revenue and expenses that was about \$300,000 less than the prior fiscal year.

The purpose of this agenda item will be to receive comments on the draft operating budget and provide an overview of the capital improvement program for Fiscal Year 2013.

Date: June 12, 2012

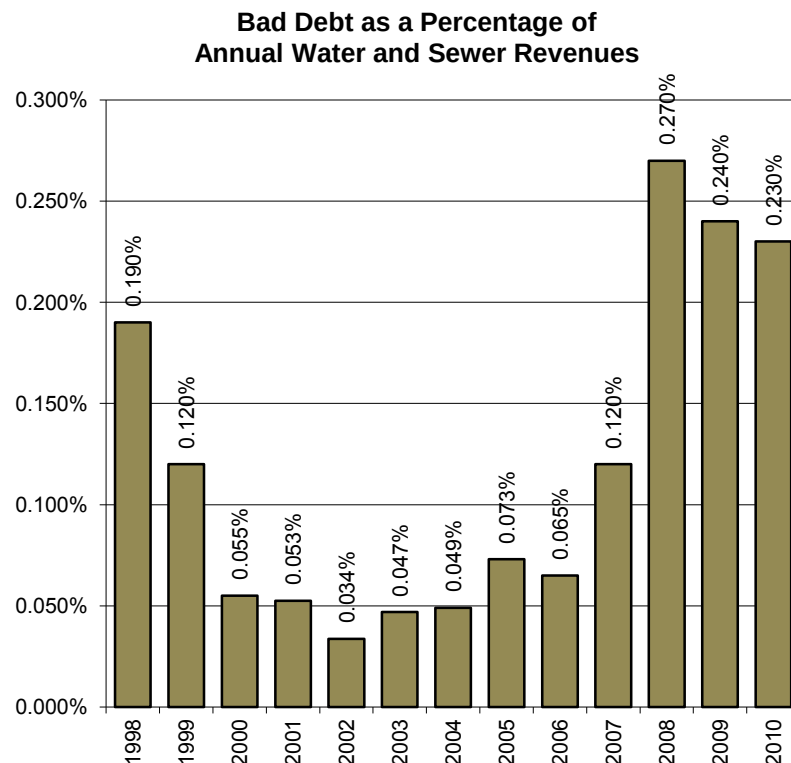
Subject: Declaration and Identification of Bad Debts

The District actively pursues delinquent accounts, and in most cases is able to collect delinquent fees through a combination of shutting off the services provided, sending accounts to a collection agency, placing a lien on the property involved, and/or pursuing the claims through legal actions such as small claims court. In some cases, the District is unable to collect the money owed the District. Included in this amount of \$40,057.17 are two uncollectible miscellaneous invoices that total \$6,248.80. These two uncollectible invoices were a result of an accident that broke a fire hydrant and a water service installation balance on a HUD home. During the calendar year 2010, we continued to experience many foreclosures. The amount of foreclosures is \$28,691.78 which includes \$7,066.98 sewer only customers and \$21,624.80 water/sewer customers. This leaves account balances of \$11,365.39 that was not collected in the normal process.

As a proper accounting procedure, this bad debt must be accounted for on our financial statements; otherwise the debt remains as a liability on the District's annual audit.

District staff has compiled the list of uncollectible accounts for calendar year 2010, which amounts to \$40,057.17. Of this total, 85% of the bad debts are due to home foreclosures, and this trend will hopefully start to decline for calendar year 2011.

Overall, the total amount of bad debt represents a loss of 0.23% for calendar year 2010 based on total water and sewer revenues.





Workshop Memorandum 12-127

Date: June 12, 2012

Subject: Property Insurance Options for Fiscal Year 2013

The Yucaipa Valley Water District's current property, liability, automobile, and equipment breakdown insurance coverage expires on June 30, 2012. The Yucaipa Valley Water District utilizes the Rural Special Districts Custom Insurance Program which is administered through Glatfelter Insurance Services. The program provides property and casualty coverage underwritten by American Alternative Insurance Co. and equipment breakdown coverage underwritten by Hartford Steam Boiler Inspection and Insurance Company.

The District has obtained pricing of \$193,367 for the property, liability and automobile coverage (an increase of \$791 from the current premium) and a cost of \$29,228 for the equipment breakdown coverage (a decrease of \$1,977 from the current premium) for a total annual cost for of \$222,595. This is a decrease of \$1,175 from the current premium.

Also attached is a proposal submitted from Alteris Insurance Services for the same coverage for \$203,128.37 or an annual savings of \$19,466.63 over the Glatfelter proposal.

The District insurance broker will be available to present an in depth analysis of the two insurance proposals and answer questions regarding the policy coverage and costs and each insurance company's history at the Board Workshop on Tuesday, June 12th.

Financial Consideration

The cost for property, liability, and automobile insurance will be equally split between the water and wastewater operating budget for Fiscal Year 2013.



Date: June 12, 2012

Subject: Regional Water Allocation Agreement for Water Imported by the San Geronio Pass Water Agency

The water retail agencies in the Pass Area have been discussing the attached allocation plan for water imported by the San Geronio Pass Water Agency.

The purpose of this agenda item is to discuss the plan in preparation for consideration at the board meeting on June 20, 2012.

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REGIONAL WATER ALLOCATION AGREEMENT FOR WATER IMPORTED BY THE SAN GORGONIO PASS WATER AGENCY

This Agreement, by and between, the San Gorgonio Pass Water Agency, a State Water Contractor (hereinafter referred to as "SGPWA"); the City of Banning, a California municipal corporation; Banning Heights Mutual Water Company, a California mutual water company; Beaumont Cherry Valley Water District, a California irrigation district; Cabazon Water District, a California water district; High Valley Water District, a California water district; South Mesa Mutual Water Company, a California mutual water company; and Yucaipa Valley Water District, a California county water district; each individually referred to or collectively referred to in this Agreement as "Party" or "Parties".

The term Water Retailers refers to the following Parties to this Agreement: City of Banning; Banning Heights Mutual Water Company; Beaumont Cherry Valley Water District; Cabazon Water District; High Valley Water District; South Mesa Mutual Water Company; and Yucaipa Valley Water District.

RECITALS

- A. California's water law and policy, Article X, Section 2 of the California Constitution requires that all uses of the State's water be both reasonable and beneficial. Specifically, this section of the Constitution states in part, "It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use of unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare.
- B. On November 16, 1962 the State of California, acting by and through the Department of Water Resources, and the San Gorgonio Pass Water Agency entered into a Water Supply Contract pursuant to the provisions of the California Water Resources Development Bond Act and the State Central Valley Project Act and other applicable laws.
- C. The Water Supply Contract between the Department of Water Resources and the San Gorgonio Pass Water Agency has been amended eighteen times, with the latest amendment dated December 26, 2007. The Water Supply Contract provides a Maximum Annual Table "A" Allocation of 17,300 acre feet per year of imported water from the State Water Project to the San Gorgonio Pass Water Agency.
- D. The San Gorgonio Pass Water Agency Law codified as Chapter 101 of the California Water Code specifically provides for the San Gorgonio Pass Water Agency to "...sell water under the control of the agency to cities, and to other public corporations and public agencies within the agency...for use within said agency without any preference...".
- E. The Urban Water Management Planning Act (California Water Code Section 10610 et. seq.) requires California's urban water suppliers to ensure adequate water supplies are

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available to meet existing and future water demands. Every urban water supplier that either provides over 3,000 acre-feet of water annually or serves more than 3,000 or more connections is required to assess the reliability of its water sources over a 20-year planning horizon considering normal, dry, and multiple dry years. Therefore, the implementation of reliable and prudent long-term water resource management plans require Water Retailers within the service area of the San Geronio Pass Water Agency, regardless of size or number of customers, to be able to anticipate a given quantity of imported water to meet the water demands within the service area of each retail water customer.

- F. The Parties recognize that an Agreement allocating imported water from the San Geronio Pass Water Agency will: (1) provide certainty for Water Retailers thereby enabling better water resource planning in the future; (2) support the ability for each Water Retailer to establish community specific policies and goals based on uniform and consistent rules pertaining to the delivery of imported water; (3) promote improved water management since an imported water allocation will enable each Water Retailer to implement and directly benefit from specific policies related to sustainability, dual plumbing and conjunctive use; and (4) improve coordination and confidence between the Water Retailers and the San Geronio Pass Water Agency.

AGREEMENT

1. **Allocation of Water from the State Water Project.** The Parties acknowledge that the following provision of the San Geronio Pass Water Agency Law, codified as Chapter 101, Section 15.5 of the Appendix to the California Water Code, is integrated within this Agreement to ensure the allocation of imported water is consistent with the intent of the Legislature. "It is the intent of the Legislature that, in allocating water received from the State Water Project pursuant to this act, the highest priority shall be given to eliminating groundwater overdraft conditions within any agency or district receiving the water."
2. **Boundaries of the Parties.** The service area of the San Geronio Pass Water Agency encompasses a portion or the entire service area of each Water Retailer that is a Party to this Agreement.
 - 2.1. The Parties agree to utilize that portion of the sphere of influence of each Water Retailer within the boundary of the San Geronio Pass Water Agency as the basis of the imported water allocation methodology provided herein. The Sphere of Influence boundary is utilized since this boundary line represents the reasonable planning boundary of each Water Retailer's legal boundary and designates the Water Retailer's ultimate service area.
 - 2.2. The Parties acknowledge that the Local Agency Formation Commission of Riverside County will periodically review the Sphere of Influence of each Water Retailer and adjust these boundaries based on factors such as current and future land use, current and future need and capacity for service, municipal service reviews, and any relevant communities of interest. Any such change in the Sphere of Influence shall also change the baseline allocation of water as provided in Section 4.5.

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- 2.3. The Sphere of Influence boundary area for each Water Retailer within the boundary of the San Gorgonio Pass Water Agency is as follows:

Table 1 - Boundary Summary		
Water Retailer	Sphere of Influence Boundary Area (Acres)	Percentage of Area for Each Water Retailer
Banning Heights Mutual Water Company	876	1.2%
South Mesa Mutual Water Company	974	1.4%
High Valley Water District	5,287	7.4%
Cabazon Water District	7,990	11.1%
Yucaipa Valley Water District	17,388	24.2%
City of Banning	19,644	27.3%
Beaumont Cherry Valley Water District	19,693	27.4%
Morongo Band of Mission Indians	34,611	Not Applicable
Unincorporated Riverside County	34,043	Not Applicable
Unincorporated San Bernardino County	1,910	Not Applicable
SGPWA Service Area	142,416	100.0%
Total Area of Water Retailers	71,852	

Source: San Gorgonio Pass Water Agency Supplemental Water Supply Planning Study, Albert A. Webb Associates, October 2009.

3. **State Water Project Reliability.** For planning purposes, the availability of water from the State Water Project is based on a long-term average reliability. The California Department of Water Resources routinely prepares a *State Water Project Delivery Reliability Report* to describe current and future deliveries from the State Water Project.
- 3.1. The Water Retailers understand the annual fluctuations in the availability of water deliveries from the State Water Project and further acknowledge that these fluctuations will create variations in the actual quantity of water available to the region from the State Water Project.
- 3.2. The Parties agree that any increase or decrease of the reliability of the State Water Project will be reflected in the annual allocation of imported water available to each Water Retailer.
- 3.3. Prior to the completion of the East Branch Extension of the State Water Project, the San Gorgonio Pass Water Agency and the California Department of Water Resources agreed to a reduction in the Maximum Annual Table "A" Allocation of 17,300 acre feet. In the future, the San Gorgonio Pass Water Agency agrees not

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to reduce the current Maximum Table "A" Allocation of 17,300 acre feet without prior consent from the Water Retailers.

4. **Baseline Water Resource Allocation.** The San Gorgonio Pass Water Agency maintains a contract with the California Department of Water Resources for a Maximum Table "A" Allocation of 17,300 acre feet per year from the State Water Project.

- 4.1. The Parties agree to use the Sphere of Influence of each Water Retailer in the service area of the San Gorgonio Pass Water Agency to calculate the Baseline Water Resource Allocation as follows:

Table 2 - Baseline Water Resource Allocation		
Water Retailer	Percentage of Area for Each Water Retailer (Table 1)	Baseline Water Resource Allocation (Acre Feet)
Banning Heights Mutual Water Company	1.2%	211
South Mesa Mutual Water Company	1.4%	235
High Valley Water District	7.4%	1,273
Cabazon Water District	11.1%	1,924
Yucaipa Valley Water District	24.2%	4,187
City of Banning	27.3%	4,730
Beaumont Cherry Valley Water District	27.4%	4,742
Morongo Band of Mission Indians	Not Applicable	Not Applicable
Unincorporated Riverside County	Not Applicable	Not Applicable
Unincorporated San Bernardino County	Not Applicable	Not Applicable
Maximum SGPWA Table "A" Allocation		17,300

- 4.2. The Baseline Water Resource Allocation for each Water Retailer represents the maximum quantity of imported water from the San Gorgonio Pass Water Agency that each Water Retailer shall use for planning purposes unless augmented with additional imported water supplies as provided herein. Using the quantity of imported water allocated as the Baseline Water Resource Allocation for planning purposes will insure that the Water Retailers do not oversubscribe the Maximum Table "A" Allocation of 17,300 acre feet provided by contract to the San Gorgonio Pass Water Agency.
- 4.3. The purchase of any additional water supplies or rights by the San Gorgonio Pass Water Agency shall be automatically added to the existing Maximum Table "A" Allocation amount of 17,300 acre feet and distributed to the Water Retailers resulting in an increase of the Baseline Water Resource Allocation for all Water Retailers based on the Percentage of Area for Each Water Retailer. The quantity, quality and reliability of additional water supplies purchased by the San

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Gorgonio Pass Water Agency shall be combined with the existing Maximum Table "A" Allocation of 17,300 acre feet in a manner that benefits or impacts all Parties equally without preference.

- 4.4. No portion of the Baseline Water Resource Allocation can be sold, traded, exchanged or transferred between the Parties except as provided below.
 - 4.5. The Parties acknowledge that any adjustment of the Sphere of Influence boundary of any Water Retailer after the effective date of this Agreement will result in a recalculation of the Baseline Water Resource Allocation.
 - 4.5.1. Any proposed administrative action by the Local Agency Formation Commission that will change the Sphere of Influence boundary of any Water Retailer shall be distributed to the Parties 60 days prior to the scheduled action by the Local Agency Formation Commission.
 - 4.5.2. A merger or consolidation of a Party to this Agreement will result in an adjustment to the Sphere of Influence boundary that will necessitate a recalculation of the Baseline Water Resource Allocation.
 - 4.6. The Baseline Water Resource Allocation will not be amended to provide any portion of the existing Maximum Table "A" Allocation of 17,300 acre feet from the State Water Project to any existing retail water agency, new retail water agency, or other entity not a Party to this Agreement.
 - 4.6.1. The San Gorgonio Pass Water Agency agrees that a retail water agency, or other entity not a Party to this Agreement shall be required to purchase a sufficient quantity of physical water rights and complete pipeline improvements to the existing conveyance and delivery system(s) such that no Party to this Agreement is damaged, impacted, or subordinated with respect to additional expenses, water conveyance, water supply, water quality, or other any other matter under the authority, ability and discretion of the San Gorgonio Pass Water Agency.
 - 4.7. Any improvement to the capital assets owned, operated or controlled by the San Gorgonio Pass Water Agency or the California Department of Water Resources that provides additional imported water resources or improves reliability will be reflected in the Baseline Water Resource Allocation and distributed to the Parties.
 - 4.8. The San Gorgonio Pass Water Agency will only provide imported water to Water Retailers and no other entity within or outside of the boundary of the San Gorgonio Pass Water Agency.
5. **Adjusted Baseline Water Resource Allocation.** The Baseline Water Resource Allocation amount allocated to each Water Retailer can be further adjusted at any time as follows:
- 5.1. Purchase of Additional Sources of Supply. Each Water Retailer may elect, at the sole and absolute discretion of each entity, to purchase additional imported water

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sources of supply that will be added to the Baseline Water Resource Allocation amount.

- 5.1.1. The purchase of additional imported water source of supply or water rights by a Water Retailer(s) shall increase the amount of imported water delivered above the Baseline Water Resource Allocation amount to the specific Water Retailer(s) purchasing the additional supply or rights. The additional source of supply will be added to the quantity of water used for planning purposes and identified as a separate quantity of imported water from the Baseline Water Resource Allocation.
- 5.1.2. The quantity, quality and reliability of any water purchased as an additional source of supply shall be identified independently from the Baseline Water Resource Allocation such that any degradation of water quality, reliability or other parameter shall not impact any other Party to this Agreement. The additional source of supply will be considered to be generally equivalent to the quantity and quality of imported water delivered as part of the Maximum Table "A" Allocation of 17,300 acre feet if the supply originates from the same location and conveyed using the same facilities. In this case, the quantity, quality and reliability shall be considered equal to the Baseline Water Resource Allocation.
- 5.1.3. A Water Retailer shall not be restricted from using funds collected by the San Geronio Pass Water Agency as a component of the imported water rate for the purchase of additional water supplies and rights at any time.
- 5.1.4. No portion of the annual amount of water delivered as the Adjusted Baseline Water Resource Allocation can be sold, traded, exchanged or transferred between the Parties except as provided below.

- 6. **Annual Water Resource Allocation.** The Annual Water Resource Allocation is the total amount of water available to each Water Retailer from the Baseline Water Resource Allocation and the Adjusted Baseline Water Resource Allocation each year based on the actual and independent availability of the specific source of supply.
 - 6.1. The Parties acknowledge that the annual amount of imported water available from all sources of supply are variable based on factors such as seasonality, climatic changes, precipitation, snowpack, and drought. These changes will cause variability in the amount of water available to each Water Retailer on an annual basis.
 - 6.2. The amount of water available from the State Water Project is adjusted throughout each water year based on notices issued by the California Department of Water Resources. Any notice issued by the California Department of Water Resources that changes the Maximum Table "A" Allocation amount shall be effective on the date of issuance of the notice from the Department of Water Resources.
 - 6.3. Baseline Water Resource Allocation. The Annual Water Resource Allocation for water available from the Baseline Water Resource Allocation shall generally be

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based upon the availability of imported water from the State Water Project as determined by the California Department of Water Resources.

6.3.1. The Baseline Water Resource Allocation for each Water Retailer shall also be adjusted throughout the water year based on notices issued by the California Department of Water Resources and shall include other water quantities provided to the San Geronio Pass Water Agency such as the Turn-Back Water Pool Program and the Article 21 Program. These programs will be allocated on the same percentage basis as provided in Section 4 above (Baseline Water Resource Allocation).

6.4. Adjusted Baseline Water Resource Allocation. The Annual Water Resource Allocation for imported water allocated from the Adjusted Baseline Water Resource Allocation shall be based upon the availability of each specific source of supply.

7. **Unused Annual Water Resource Allocation.** In the event a Water Retailer is unable to make use of their specific Annual Water Resource Allocation as provided herein, then the amount of unused imported water shall be reallocated proportionally to the other Water Retailers using the total amount of water allotted to each Water Retailer pursuant to the Adjusted Baseline Water Resource Allocation amount.
8. **Prohibitions to Exchange, Transfer or Sale (Secondary Market).** The Parties agree that any water made available to the San Geronio Pass Water Agency pursuant to this Agreement shall be used by the Water Retailer within their respective Sphere of Influence and not assigned, exchanged, transferred or sold to create or support a secondary water market, speculation, or similar activity for any public or private entity, developer, investor, agricultural interest or speculator.
9. **Excess Conveyance Capacity in State Water Project Facilities.** During times of water shortages, there will be excess pipeline conveyance capacity in the State Water Project. The Parties agree to cooperate and maximize the use and availability of excess State Water Project conveyance facilities to augment the water supplies within the service area of the San Geronio Pass Water Agency based on the rate schedule utilized for routine deliveries of imported water.

General Provisions

10. **General Provisions.** The following General Provisions have been incorporated herein:
 - 10.1. Effective Date. This Agreement shall become effective and binding upon the Parties on the first day of the month following the approval of the Agreement by Water Retailers with a collective total combined land area of more than 75% of the 71,852 acres within the Sphere of Influence boundary of the Water Retailers as provided in Table 1.

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- 10.2. Termination. This Agreement shall terminate immediately upon a vote of the Parties consisting of a collective total combined land area of more than 75% of the total acreage at the time of termination within the Sphere of Influence of all Water Retailers in the service area of the San Geronio Pass Water Agency.
- 10.2.1. The Baseline Water Resource Allocation of Water Retailers electing not to execute this Agreement shall be maintained pursuant to the methodology provided in Section 4. The Annual Water Resource Allocation for a Party electing not to execute the Agreement shall be considered unused and distributed to the Parties pursuant to Section 7.
- 10.3. Notices. All notices and demands which any Party is required or desires to give to the others pursuant to this Agreement shall be given in writing by certified mail, return receipt requested with appropriate postage paid, by personal delivery, by facsimile or by private overnight courier service to the business address of the other Party.
- 10.4. Entire Agreement. This Agreement, together with all Exhibits and documents referred to herein, constitutes the entire Agreement among the Parties with respect to the subject matter hereof, and supersede all prior understandings or agreements.
- 10.5. Amendments. This Agreement may be modified or amended only by agreement of those Parties that form a consensus of more than 66% of the total amount of water allotted to each Water Retailer pursuant to the Adjusted Baseline Water Resource Allocation amount.
- 10.6. No Assignments. This Agreement and the rights, duties and benefits given in it, may not be assigned.
- 10.7. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be impaired or invalidated, and the Parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.
- 10.8. Governing Law. This Agreement shall be governed by the laws of the State of California.
- 10.9. Attorneys' Fees. Each Party shall bear its own attorneys' fees and expenses in the preparation and review of this Agreement. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the Parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated herein, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its actual attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded by the court.

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- 10.10. Successors and Assigns; No Assignment. This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns.
- 10.11. Covenants, Conditions or Remedies. The waiver by one Party of the performance of any covenant, condition or promise, or of the time for performing any act, under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party. The exercise of any remedy provided in this Agreement shall not be a waiver of any consistent remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other consistent remedies unless they are expressly excluded.
- 10.12. Exhibits. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement whether or not actually attached. The following exhibits are attached to this Agreement:
- Exhibit "A" - San Gorgonio Pass Water Agency Aerial Boundary Map.
 - Exhibit "B" - San Gorgonio Pass Water Agency Map of Major Water Retailers.
- 10.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
- 10.14. Legal Advice. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any party based upon preparation of the document, or any attribution of such party as the sole source of the language in question.

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SAN GORGONIO PASS WATER AGENCY

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, San Gorgonio Pass Water Agency

BEAUMONT CHERRY VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Beaumont Cherry Valley Water District

CITY OF BANNING

By: _____
Mayor

Attest:

City Clerk

Approved as to form:

Counsel, City of Banning

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YUCAIPA VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Yucaipa Valley Water District

CABAZON WATER DISTRICT

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Cabazon Water District

HIGH VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, High Valley Water District

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SOUTH MESA MUTUAL WATER COMPANY

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, South Mesa Mutual Water Company

BANNING HEIGHTS MUTUAL WATER COMPANY

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Banning Heights Mutual Water Company

Exhibit "A"

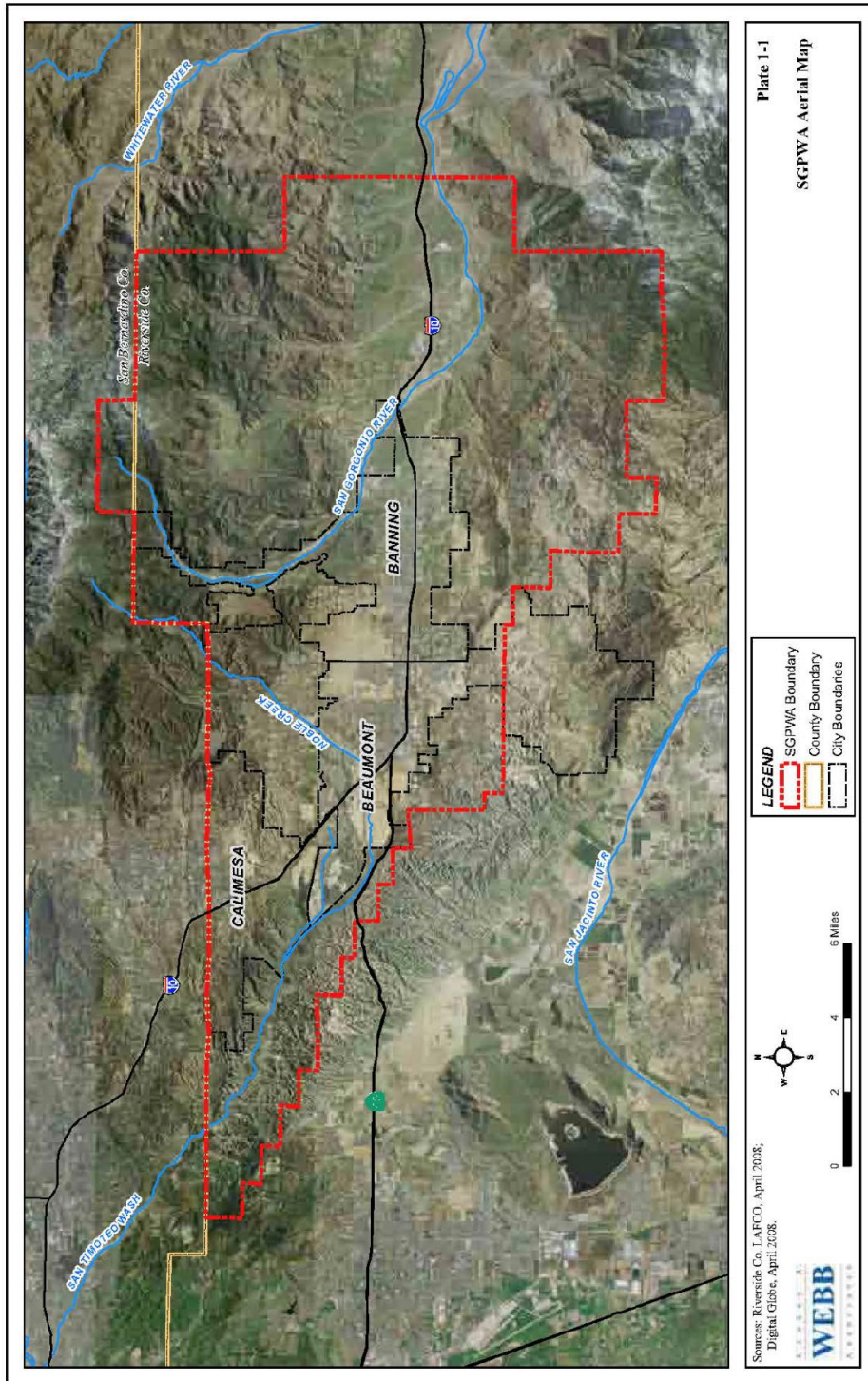


Exhibit "B"

