



# Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

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## Notice and Agenda of a Regular Meeting of the Board of Directors

Tuesday, August 1, 2017 at 6:00 p.m.

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- I. **CALL TO ORDER** - Pledge of Allegiance
- II. **ROLL CALL**
- III. **PUBLIC COMMENTS** - At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting.
- IV. **CONSENT CALENDAR** - All consent calendar matters are routine and will be acted upon in one motion. There will be no discussion of these items unless board members, administrative staff, or members of the public request specific items to be discussed and/or removed prior to the vote for approval.
  - A. Minutes of Meetings
    - 1. Regular Board Meeting - July 18, 2017
    - 2. Board Workshop - July 25, 2017
- V. **STAFF REPORT**
- VI. **DISCUSSION ITEMS**
  - A. Receipt and Acknowledgement of the *Auditor's Communication with Those Charged with Governance* [[Director Memorandum No. 17-065 - Page 12 of 76](#)]  
RECOMMENDED ACTION: That the Board receives the annual planning letter from Vavrinek, Trine, Day & Co., LLP.
  - B. Presentation of the Unaudited Financial Report for the Period Ending on June 30, 2017 [[Director Memorandum No. 17-066 - Page 32 of 76](#)]  
RECOMMENDED ACTION: That the Board receives and files the unaudited financial report for the period ending on June 30, 2017.
  - C. Consideration of Resolution No. 2017-20 Updating the Methodology used to Calculate Employee Benefit, Administrative Overhead, and Surcharge Factors for Cost Recovery of Certain Services Provided by the District [[Director Memorandum No. 17-067 - Page 61 of 76](#)]  
RECOMMENDED ACTION: That the Board adopts Resolution No. 2017-20.
- VII. **BOARD REPORTS & DIRECTOR COMMENTS**

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Any person who requires accommodation to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the meeting packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at [www.yvwd.dst.ca.us](http://www.yvwd.dst.ca.us)

## VIII. CLOSED SESSION

- A. Conference with Legal Counsel Existing Litigation Government Code, Section 54956.9(d)  
- Robinson Ranch vs Yucaipa Valley Water District;  
San Bernardino Superior Court Case No. CIVDS 1712116
- B. Conference with Labor Negotiator (Government Code 54957.6)  
District Negotiator: Joseph Zoba, General Manager, and Allison Edmisten, Chief Financial Officer  
Employee Organization: IBEW Local Union 1436-YVWD Employees Association
- C. Conference with Real Property Negotiator(s) (Government Code 54956.8)  
Property: Assessor's Parcel Number: 301-201-20  
Agency Negotiator: Joseph Zoba, General Manager  
Negotiating Parties: Abraham Issa  
Under Negotiation: Terms of Payment and Price

## IX. ANNOUNCEMENTS

- A. August 8, 2017 at 4:00 p.m. - Board Workshop
- B. August 15, 2017 at 6:00 p.m. - Regular Board Meeting
- C. August 29, 2017 at 4:00 p.m. - Board Workshop
- D. September 5, 2017 at 6:00 p.m. - Regular Board Meeting
- E. September 12, 2017 at 4:00 p.m. - Board Workshop
- F. September 19, 2017 at 6:00 p.m. - Regular Board Meeting
- G. September 26, 2017 at 4:00 p.m. - Board Workshop
- H. October 3, 2017 at 6:00 p.m. - Regular Board Meeting
- I. October 10, 2017 at 4:00 p.m. - Board Workshop
- J. October 17, 2017 at 6:00 p.m. - Regular Board Meeting
- K. October 31, 2017 at 4:00 p.m. - Board Workshop
- L. November 7, 2017 at 6:00 p.m. - Regular Board Meeting
- M. November 14, 2017 at 4:00 p.m. - Board Workshop
- N. November 21, 2017 at 6:00 p.m. - Regular Board Meeting
- O. November 28, 2017 at 4:00 p.m. - Board Workshop
- P. December 5, 2017 at 6:00 p.m. - Regular Board Meeting
- Q. December 12, 2017 at 4:00 p.m. - Board Workshop
- R. December 19, 2017 at 6:00 p.m. - Regular Board Meeting
- S. **December 26, 2017 at 4:00 p.m. - Board Workshop - Cancelled**
- T. **January 2, 2018 at 6:00 p.m. - Regular Board Meeting - Cancelled**
- U. January 9, 2018 at 4:00 p.m. - Board Workshop

## X. ADJOURNMENT

# Consent Calendar



Yucaipa Valley Water District

# MINUTES OF A REGULAR BOARD MEETING

July 18, 2017 at 6:00 P.M.

**Directors Present:**

Jay Bogh, President  
Bruce Granlund, Vice President  
Lonni Granlund, Director  
Chris Mann, Director  
Tom Shalhoub, Director

**Staff Present:**

Allison Edmisten, Chief Financial Officer  
Jennifer Ares, Water Resource Manager  
John Wrobel, Regulatory and Environmental Control  
Manager  
Matthew Porras, Management Analyst  
Kathryn Hallberg, Management Analyst

**Directors Absent:**

None

**Consulting Staff Present:**

David Wysocki, Legal Counsel

**Registered Guests and Others Present:**

Linda Shelton, Customer  
Bruce Rodriguez, Customer  
Leonard Stephenson, San Gorgonio Pass Water Agency  
David Armstrong, General Manager, South Mesa Mutual Water Company

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Jay Bogh at 6:00 p.m. at the Administrative Office Building, 12770 Second Street, Yucaipa, California.

CALL TO ORDER

Director Jay Bogh led the pledge of allegiance.

FLAG SALUTE

The roll was called with, Director Jay Bogh, Director Bruce Granlund, Director Lonni Granlund, Director Chris Mann, and Director Tom Shalhoub present.

ROLL CALL

None

PUBLIC COMMENTS

Director Chris Mann moved to approve the consent calendar and Director Tom Shalhoub seconded the motion.

CONSENT CALENDAR

- A. Minutes of Meetings
  - 1. Regular Board Meeting – June 20, 2017
  - 2. Board Workshop – July 11, 2017
- B. Payments of Bills
  - 1. Approve/Ratify Invoices for Board Awarded Contracts
  - 2. Ratify General Expenses for June 2017

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

None

STAFF REPORT

DISCUSSION ITEMS:

Following a staff presentation by Water Resource Manager Jennifer Ares, Director Chris Mann moved and Director Tom Shalhoub seconded a motion to authorize the General Manager to enter into a contract with Dudek for a sum not to exceed \$10,775.

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

DM 17-059  
CONSIDERATION OF A  
CONTRACT WITH  
DUDEK FOR  
TECHNICAL  
ASSISTANCE TO  
OBTAIN  
GROUNDWATER  
LEVEL MONITORING  
EQUIPMENT AT  
SEVEN LOCATION IN  
THE YUCAIPA BASIN

Following a staff presentation by Management Analyst Kathryn Hallberg, Director Lonni Granlund moved and Director Bruce Granlund seconded a motion to approve Change Order No. 1 for a contract reduction of \$14,000 and authorize the filing of the Notice of Completion and release of the retention of \$13,995.00 thirty-five days after the recorded date.

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

DM 17-060  
NOTICE OF  
COMPLETION FOR  
THE CONTRACT WITH  
TSR CONSTRUCTION  
FOR RWB-12.4  
RECYCLED WATER  
BOOSTER STATION  
SITE IMPROVEMENTS

Following a staff presentation by Management Analyst Matthew Porras, Director Chris Mann moved and Director Tom Shalhoub seconded a motion to authorize the filing of the Notice of Completion and release of the retention of \$30,928.85 thirty-five days after the recorded date.

DM 17-061  
NOTICE OF  
COMPLETION FOR  
THE CONTRACT WITH  
BORDEN  
EXCAVATING FOR  
THE CONSTRUCTION  
OF AN 8-INCH AND 30-  
INCH WATER  
PIPELINES IN ACACIA  
AVENUE AND FIRST  
STREET

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

Following a staff presentation by Regulatory and Environmental Control Manager John Wrobel, Director Bruce Granlund moved and Director Lonni Granlund seconded a motion to authorize the General Manager to execute a contract with G&G Environmental Compliance for a sum not to exceed \$38,600.

DM 17-062  
CONSIDERATION OF A  
PROPOSAL FROM  
G&G  
ENVIRONMENTAL  
COMPLIANCE TO  
UPDATE THE  
YUCAIPA VALLEY  
WATER DISTRICT'S  
PRETREATMENT  
LOCAL LIMITS

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

Following a staff presentation by Water Resource Manager Jennifer Ares, Director Bruce Granlund moved and Director Lonni Granlund seconded a motion to appoint Jennifer Ares as the Primary Representative and Joseph Zoba as the Alternate Representative to the San Timoteo Groundwater Sustainability Agency; and Joseph Zoba as the Primary Representative and Jennifer Area as the Alternate Representative to the Yucaipa Groundwater Sustainability Agency.

DM 17-063  
ASSIGNMENT OF  
APPOINTEES TO  
REPRESENT THE  
YUCAIPA VALLEY  
WATER DISTRICT AT  
THE SAN TIMOTEO  
AND YUCAIPA  
GROUNDWATER  
SUSTAINABILITY  
AGENCY

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Tom Shalhoub - Yes

Following a staff presentation by Chief Financial Officer Allison Edmisten, Director Lonni Granlund moved and Director Bruce Granlund seconded a motion to adopt Resolution 2017-19 for San Bernardino County and Resolution 2017-18 for Riverside County authorizing the posting of delinquent charges to the property tax rolls. Note: Resolution No. 2017-17 was changed to Resolution No. 2017-19 to reflect the correct sequence of resolutions on file.

DM 17-064  
AUTHORIZATION TO  
POST DELINQUENT  
ACCOUNTS TO THE  
PROPERTY TAX  
ROLLS OF SAN  
BERNARDINO  
COUNTY AND  
RIVERSIDE COUNTY

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Bruce Granlund - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes
- Director Tom Shalhoub - Yes

- Director Chris Mann reported on the Yucaipa City Council meeting on June 26, 2017; the tour of the Yucaipa Valley Regional Water Filtration Facility on June 27, 2017; the Government Relations Committee meeting on June 28, 2017; the City of Yucaipa Breakfast meeting on July 6, 2017; and the San Bernardino County Association of Special Districts meeting on July 17, 2017.
- Director Tom Shalhoub reported on the San Gorgonio Pass Water Agency meeting on July 10, 2017; the San Bernardino Valley Municipal Water District meeting on July 10, 2017; the San Bernardino Municipal Valley Municipal Water District meeting on July 12, 2017; and the Marilyn Kanton Memorial on July 15, 2017.
- Director Bruce Granlund reported on the San Bernardino County Association of Special Districts meeting July 17, 2017.

BOARD REPORTS &  
DIRECTOR  
COMMENTS

Director Jay Bogh called attention to the announcements listed on the agenda.

ANNOUNCEMENTS

None

CLOSED SESSION

The meeting was adjourned at 6:18 p.m.

ADJOURNMENT

Respectfully submitted,

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Joseph B. Zoba, Secretary

(Seal)

# MINUTES OF A BOARD WORKSHOP

July 25, 2017 at 4:00 P.M.

Directors Present:

Jay Bogh, President  
Bruce Granlund, Vice President  
Chris Mann, Director

Staff Present:

Joseph Zoba, General Manager  
Allison Edmisten, Chief Financial Officer  
Jennifer Ares, Water Resource Manager  
Mike Kostelecky, Operations Manager

Directors Absent:

Lonni Granlund, Director  
Tom Shalhoub, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

Linda Shelton, Customer

I. Call to Order - 4:00 p.m.

II. Public Comments:

- Linda Shelton asked for information about the payment to UC Regents in the past couple of months. The District staff responded that the payment was for a UC Job Fair to identify candidates for the Integrated Operator Internship Program.

III. Staff Report:

- General Manager Joseph Zoba discussed the following topics:
  - The San Gorgonio Pass Water Alliance meeting scheduled for July 26, 2017 will include a presentation from the San Gorgonio Pass Water Agency about the future cost of imported water.
  - The District staff will be adding an agenda item to the next board meeting about the *Auditor's Communication with those Charged with Governance* from Vavrinek, Trine, Day & Co regarding the financial audit.
  - The District experienced another leak in the Oak Hills area on Selrocco Drive on Saturday, July 22, 2017.
  - A closed session will be conducted at this meeting.
- Operations Manager Mike Kostelecky discussed the following topics:
  - The District staff has received direction from the State Water Resources Control Board to complete additional lead sampling at Park View Middle School at sample location No. 1.

IV. Policy Issues

- A. Application for Four (4) Additional Imported Water Service Connections with the San Gorgonio Pass Water Agency [Workshop Memorandum No. 17-108] - General Manager Joseph Zoba provided information about the additional connection points to be requested for approval by the San Gorgonio Pass Water Agency.



- V. Administrative Issues
- A. Presentation of the Unaudited Financial Report for the Period Ending on June 30, 2017 [Workshop Memorandum No. 17-109] - Chief Financial Officer Allison Edmisten provided an overview of the Unaudited Financial Report.
  - B. Review of Draft Resolution No. 2017-20 Updating the Methodology used to Calculate Employee Benefit, Administrative Overhead, and Surcharge Factors for Cost Recovery of Certain Services Provided by the District [Workshop Memorandum No. 17-110] - Chief Financial Officer Allison Edmisten provided an overview of the benefit, overhead and surcharge calculations.
  - C. Status Report on the Disposal of Surplus Vehicles and Equipment [Workshop Memorandum No. 17-111] - General Manager Joseph Zoba provided an overview of the recent auction results for surplus District vehicles.
- VI. Director Comments - None
- VII. Closed Session - Director Jay Bogh, Director Bruce Granlund, and Director Chris Mann were present in closed session with Legal Counsel David Wysocki and General Manager Joseph Zoba concerning the following items:
- A. Conference with Legal Counsel Existing Litigation Government Code, Section 54956.9(d) - Robinson Ranch vs Yucaipa Valley Water District; San Bernardino Superior Court Case No. CIVDS 1712116
  - B. Personnel Matter: Performance Evaluation of General Counsel (Government Code 54957(b))
  - C. Conference with Real Property Negotiator(s)  
Conference with Real Property negotiator(s) (Government Code 54956.8)  
Property: Assessor's Parcel Number: 301-201-20  
Agency Negotiator: Joseph Zoba, General Manager  
Negotiating Parties: Abraham Issa  
Under Negotiation: Terms of Payment and Price
- The Board of Directors and District staff reconvened out of closed session into open session and Legal Counsel David Wysocki reported that direction was provided to the General Manager but no reportable action was taken in closed session.
- VIII. Adjournment - The meeting was adjourned at 4:55 p.m.

Respectfully submitted,

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Joseph B. Zoba, Secretary

# Staff Report



Yucaipa Valley Water District

# Discussion Items



Yucaipa Valley Water District



**Date:** August 1, 2017

**Prepared By:** Allison M. Edmisten, Chief Financial Officer

**Subject:** Receipt and Acknowledgement of the *Auditor's Communication with Those Charged with Governance*

**Recommendation:** That the Board receives the annual planning letter from Vavrinek, Trine, Day & Co., LLP.

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The certified public accounting firm of Vavrinek, Trine, Day & Co., LLP (VTD) is currently performing the fiscal year audit for the period ending June 30, 2017. Correspondence dated July 24, 2017 from VTD is attached regarding the *Auditor's Communication with those Charged with Governance*. The correspondence outlines the scope, timing, and information about communicating directly with the auditors any known matter(s) that have a material bearing on the financial statements.

Phil White, Partner with VTD is in attendance at the Board meeting and is available to answer any questions.

For additional information, the District staff attached AU Section 380<sup>1</sup> from the American Institute of CPAs to provide background information and guidance about the purpose of the attached correspondence from VTD.

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<sup>1</sup> <https://www.aicpa.org/Research/Standards/AuditAttest/DownloadableDocuments/AU-00380.pdf>



Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants

VALUE THE DIFFERENCE

July 24, 2017

To the Board of Directors  
Yucaipa Valley Water District

We are engaged to audit the financial statements of the Yucaipa Valley Water District (District) for the year ended June 30, 2017. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated July 18, 2017, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the Management's Discussion and Analysis, Schedule of the District's Proportionate Share of Net Pension Liability, and the Schedule of Contributions (RSI), which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have not been engaged to report on the Transmittal Letter, which accompanies the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

If any member of the Board is aware of matters that have a material bearing on the financial statements taken as a whole (such as those described above in items 1-4), please contact me at (909) 466-4410 or by email at [pwhite@vtdcpa.com](mailto:pwhite@vtdcpa.com) by September 1, 2017.

We expect to begin our audit on approximately July 20, 2017 and issue our report in October 2017. Phil White is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management of the Yucaipa Valley Water District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Phil White', written in a cursive style.

Phil White, Partner  
Vavrinek, Trine, Day & Co., LLP

## AU Section 380

### *The Auditor's Communication With Those Charged With Governance*

(Supersedes SAS No. 61.)

Source: SAS No. 114.

Effective for audits of financial statements for periods beginning on or after December 15, 2006.

.01 This section establishes standards and provides guidance on the auditor's communication with those charged with governance in relation to an audit of financial statements.<sup>1</sup> Although this section applies regardless of an entity's governance structure or size, particular considerations apply where all of those charged with governance are involved in managing an entity. This section does not establish requirements regarding the auditor's communication with an entity's management or owners unless they are also charged with a governance role.

.02 This section has been drafted in terms of an audit of financial statements, but may also be applied, adapted as necessary in the circumstances, to audits of other historical financial information when those charged with governance have a responsibility to oversee the preparation and presentation of the other historical financial information.

.03 For purposes of this section:

- a. *Those charged with governance* means the person(s) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. In some cases, those charged with governance are responsible for approving the entity's financial statements (in other cases management has this responsibility). For entities with a board of directors, this term encompasses the term *board of directors* or *audit committee* used elsewhere in generally accepted auditing standards.
- b. *Management* means the person(s) responsible for achieving the objectives of the entity and who have the authority to establish policies and make decisions by which those objectives are to be pursued. Management is responsible for the financial statements, including designing, implementing, and maintaining effective internal control over financial reporting.

.04 Recognizing the importance of effective two-way communication to the audit, this section provides a framework for the auditor's communication with those charged with governance and identifies some specific matters to be communicated with them. Additional matters to be communicated are identified

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<sup>1</sup> The provisions of this section apply to audits of financial statements prepared either in accordance with generally accepted accounting principles or in accordance with a comprehensive basis of accounting other than generally accepted accounting principles. References in this section to generally accepted accounting principles are intended to also refer to other comprehensive bases of accounting when the reference is relevant to the basis of accounting used.

**2084****The Standards of Field Work**

in other Statements on Auditing Standards (see Appendix A [paragraph .66]). Further matters may be communicated by agreement with those charged with governance or management, or in accordance with external requirements.

**.05** The auditor must communicate with those charged with governance matters related to the financial statement audit that are, in the auditor's professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process.

**.06** Clear communication of specific matters in accordance with this section is an integral part of every audit. However, the auditor is not required to perform procedures specifically to identify other significant matters to communicate with those charged with governance.

**The Role of Communication**

**.07** The principal purposes of communication with those charged with governance are to:

- a. Communicate clearly with those charged with governance the responsibilities of the auditor in relation to the financial statement audit, and an overview of the scope and timing of the audit.
- b. Obtain from those charged with governance information relevant to the audit.
- c. Provide those charged with governance with timely observations arising from the audit that are relevant to their responsibilities in overseeing the financial reporting process.

**.08** This section focuses primarily on communications from the auditor to those charged with governance. However, effective two-way communication is also very important in assisting:

- a. The auditor and those charged with governance in understanding matters related to the audit in context, and in developing a constructive working relationship. This relationship is developed while maintaining the auditor's independence and objectivity.
- b. The auditor in obtaining from those charged with governance information relevant to the audit. For example, those charged with governance may assist the auditor in understanding the entity and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events.
- c. Those charged with governance in fulfilling their responsibility to oversee the financial reporting process, thereby reducing the risks of material misstatement of the financial statements.

**.09** Although the auditor is responsible for communicating specific matters in accordance with this section, management also has a responsibility to communicate matters of governance interest to those charged with governance. Communication by the auditor does not relieve management of this responsibility.

**Legal Considerations**

**.10** In certain circumstances, the auditor may be required to report to a regulatory or enforcement body certain matters communicated with those charged with governance. For example, governmental auditing standards require auditors to report fraud, illegal acts, violations of provisions of contracts or grant

**AU §380.05**



## The Auditor's Communication With Governance

**2085**

agreements, and abuse directly to parties outside the audited entity in certain circumstances.

.11 In rare circumstances, laws or regulations may prevent the auditor from communicating certain matters with those charged with governance, or others within the entity. For example, laws or regulations may specifically prohibit a communication, or other action, that might prejudice an investigation by an appropriate authority into an actual or suspected illegal act. In such circumstances, it may be appropriate for the auditor to seek legal advice.

### Those Charged With Governance

.12 The auditor should determine the appropriate person(s) within the entity's governance structure with whom to communicate. The appropriate person(s) may vary depending on the matter to be communicated.

.13 Governance structures vary by entity, reflecting influences such as size and ownership characteristics. For example:

- In some entities, those charged with governance hold positions that are an integral part of the entity's legal structure, for example, company directors. For other entities, a body that is not part of the entity may be charged with governance, as with some government agencies.
- In some cases, some or all of those charged with governance also have management responsibilities. In others, those charged with governance and management are different people.

.14 In most entities, governance is the collective responsibility of a governing body, such as a board of directors, a supervisory board, partners, proprietors, a committee of management, trustees, or equivalent persons. In some smaller entities, however, one person may be charged with governance, such as the owner-manager where there are no other owners, or a sole trustee. When governance is a collective responsibility, a subgroup, such as an audit committee or even an individual, may be charged with specific tasks to assist the governing body in meeting its responsibilities.

.15 Such diversity means that it is not possible for this section to specify for all audits the person(s) with whom the auditor is to communicate particular matters. Also, in some cases the appropriate person(s) with whom to communicate may not be clearly identifiable from the engagement circumstances, for example, entities where the governance structure is not formally defined, such as some family-owned entities, some not-for-profit organizations, and some government entities. The auditor's understanding of the entity's governance structure and processes obtained in accordance with section 314, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, is relevant in deciding with whom to communicate matters.

.16 When the appropriate person(s) with whom to communicate are not clearly identifiable, the auditor and the engaging party should agree on the relevant person(s) within the entity's governance structure with whom the auditor will communicate. When the entity being audited is a component<sup>2</sup> of a group,<sup>3</sup> the appropriate person(s) with whom to communicate is dependent on the nature of the matter to be communicated and the terms of the engagement.

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<sup>2</sup> *Component* means a head office, parent, division, branch, subsidiary, joint venture, associated company, equity investee, or other entity whose financial information is or should be included in the consolidated financial statements of a group.

<sup>3</sup> *Group* means an entity whose consolidated financial statements include or should include financial information of more than one component.

**AU §380.16**

**2086****The Standards of Field Work****Communication With the Audit Committee or Other Subgroup of Those Charged With Governance**

.17 Audit committees (or similar subgroups with different names) exist in many entities. Although their specific authority and functions may differ, communication with the audit committee, where one exists, is a key element in the auditor's communication with those charged with governance. Good governance principles suggest that:

- The auditor has access to the audit committee as necessary.
- The chair of the audit committee and, when relevant, the other members of the audit committee, meet with the auditor periodically.
- The audit committee meets with the auditor without management present at least annually.

.18 The auditor should evaluate whether communication with a subgroup of those charged with governance, such as the audit committee or an individual, adequately fulfills the auditor's responsibility to communicate with those charged with governance. When considering communicating with a subgroup of those charged with governance, the auditor may take into account such matters as:

- The respective responsibilities of the subgroup and the governing body.
- The nature of the matter to be communicated.
- Relevant legal or regulatory requirements.
- Whether the subgroup (a) has the authority to take action in relation to the information communicated and (b) can provide further information and explanations the auditor may need.
- Whether the auditor is aware of potential conflicts of interest between the subgroup and other members of the governing body.
- Whether there is also a need to communicate the information, in full or in summary form, to the governing body. This decision may be influenced by the auditor's assessment of how effectively and appropriately the subgroup communicates relevant information with the governing body. The auditor retains the right to communicate with the governing body, a fact the auditor may make explicit in the terms of the engagement.

**Communication With Management**

.19 Many matters may be discussed with management in the ordinary course of an audit, including matters to be communicated with those charged with governance in accordance with this section. Such discussions recognize management's executive responsibility for the conduct of the entity's operations and, in particular, management's responsibility for the financial statements.

.20 Before communicating matters with those charged with governance, the auditor may discuss them with management unless that is inappropriate. For example, it may not be appropriate to discuss with management questions of management's competence or integrity. In addition to recognizing management's responsibility, these initial discussions may clarify facts and issues, and give management an opportunity to provide further information and explanations. Similarly, when the entity has an internal audit function, the auditor may discuss matters with the internal auditor before communicating with those charged with governance.

**AU §380.17**

## The Auditor's Communication With Governance

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**When All of Those Charged With Governance Are Involved in Managing the Entity**

**.21** In some cases, all of those charged with governance are involved in managing the entity. In these cases, if matters required by this section are communicated with person(s) with management responsibilities, and those person(s) also have governance responsibilities, the matters need not be communicated again with those same person(s) in their governance role.

**.22** When all of those charged with governance are involved in managing the entity, the auditor should consider whether communication with person(s) with financial reporting responsibilities adequately informs all of those with whom the auditor would otherwise communicate in their governance capacity. (See paragraphs .12 and .18.)

**Matters to Be Communicated**

**.23** The auditor should communicate with those charged with governance:

- a. The auditor's responsibilities under generally accepted auditing standards (see paragraphs .26 through .28);
- b. An overview of the planned scope and timing of the audit (see paragraphs .29 through .33); and
- c. Significant findings from the audit (see paragraphs .34 through .44).

**.24** Management's communication of these matters to those charged with governance does not relieve the auditor of the responsibility to also communicate them. However, communication of these matters by management may affect the form or timing of the auditor's communication.

**.25** Nothing in this section precludes the auditor from communicating any other matters to those charged with governance.

**The Auditor's Responsibilities Under Generally Accepted Auditing Standards**

**.26** The auditor should communicate with those charged with governance the auditor's responsibilities under generally accepted auditing standards, including that:

- a. The auditor is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
- b. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

These responsibilities may be communicated through the engagement letter, or other form of contract that records the terms of the engagement, if that letter or contract is provided to those charged with governance.

**.27** The auditor may also communicate that:

- a. The auditor is responsible for performing the audit in accordance with generally accepted auditing standards and that the audit is designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.

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- b. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.
- c. The auditor is responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.
- d. When applicable, the auditor is also responsible for communicating particular matters required by laws or regulations, by agreement with the entity or by additional requirements applicable to the engagement.

**.28** Section 550, *Other Information in Documents Containing Audited Financial Statements*, addresses the auditor's responsibility in relation to other information in documents containing audited financial statements and the auditor's report thereon.<sup>[4]</sup> If the entity includes other information in documents containing audited financial statements, the auditor should communicate with those charged with governance the auditor's responsibility with respect to such other information, any procedures performed relating to the other information, and the results. [Revised, December 2010, to reflect conforming changes necessary due to the issuance of SAS Nos. 118–120.]

**Planned Scope and Timing of the Audit**

**.29** The auditor should communicate with those charged with governance an overview of the planned scope and timing of the audit. However, it is important for the auditor not to compromise the effectiveness of the audit, particularly where some or all of those charged with governance are involved in managing the entity. For example, communicating the nature and timing of detailed audit procedures may reduce the effectiveness of those procedures by making them too predictable. Certain factors described in paragraph .53 may be relevant in determining the nature and extent of this communication.

**.30** Communication regarding the planned scope and timing of the audit may:

- a. Assist those charged with governance in understanding better the consequences of the auditor's work for their oversight activities, discussing with the auditor issues of risk and materiality, and identifying any areas in which they may request the auditor to undertake additional procedures; and
- b. Assist the auditor to understand better the entity and its environment.

**.31** Matters communicated may include the following:

- How the auditor proposes to address the significant risks of material misstatement, whether due to fraud or error.
- The auditor's approach to internal control relevant to the audit, including, when applicable, whether the auditor will express an opinion on the effectiveness of internal control over financial reporting.

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<sup>[4]</sup> [Footnote deleted, December 2010, to reflect conforming changes necessary due to the issuance of SAS Nos. 118–120.]

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- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
  - Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- .32** Other planning matters that the auditor may consider discussing with those charged with governance include:
- The views of those charged with governance about:
    - The appropriate person(s) in the entity's governance structure with whom to communicate.
    - The allocation of responsibilities between those charged with governance and management.
    - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
    - Matters those charged with governance consider warrant particular attention during the audit, and any areas where they request additional procedures to be undertaken.
    - Significant communications with regulators.
    - Other matters those charged with governance believe are relevant to the audit of the financial statements.
  - The attitudes, awareness, and actions of those charged with governance concerning (a) the entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control and (b) the detection or the possibility of fraud.
  - The actions of those charged with governance in response to developments in financial reporting, laws, accounting standards, corporate governance practices, and other related matters.
  - The actions of those charged with governance in response to previous communications with the auditor.

**.33** While communication with those charged with governance may assist the auditor in planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

**Significant Findings From the Audit**

**.34** The auditor should communicate with those charged with governance the following matters:

- a. The auditor's views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures (see paragraphs .37 and .38).
- b. Significant difficulties, if any, encountered during the audit (see paragraph .39).
- c. Uncorrected misstatements, other than those the auditor believes are trivial, if any (see paragraphs .40 and .41).
- d. Disagreements with management, if any, (see paragraph .42).

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- e. Other findings or issues, if any, arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process.

**.35** Unless all of those charged with governance are involved in managing the entity, the auditor also should communicate:

- a. Material, corrected misstatements that were brought to the attention of management as a result of audit procedures. The auditor also may communicate other corrected immaterial misstatements, such as frequently recurring immaterial misstatements that may indicate a particular bias in the preparation of the financial statements.
- b. Representations the auditor is requesting from management. The auditor may provide those charged with governance with a copy of management's written representations.
- c. Management's consultations with other accountants (see paragraph .43).
- d. Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management (see paragraph .44).

**.36** The communication of significant findings from the audit may include requesting further information from those charged with governance in order to complete the audit evidence obtained. For example, the auditor may confirm that those charged with governance have the same understanding of the facts and circumstances relevant to specific transactions or events.

***Qualitative Aspects of the Entity's Significant Accounting Practices***

**.37** Generally accepted accounting principles provide for the entity to make accounting estimates and judgments about accounting policies and financial statement disclosures. Open and constructive communication about qualitative aspects of the entity's significant accounting practices may include comment on the acceptability of significant accounting practices. Appendix B [paragraph .67] provides guidance on the matters that may be included in this communication.

**.38** The auditor should explain to those charged with governance why the auditor considers a significant accounting practice not to be appropriate and, when considered necessary, request changes. If requested changes are not made, the auditor should inform those charged with governance that the auditor will consider the effect of this on the financial statements of the current and future years, and on the auditor's report.

***Significant Difficulties Encountered During the Audit***

**.39** The auditor should inform those charged with governance of any significant difficulties encountered in dealing with management related to the performance of the audit. Significant difficulties encountered during the audit may include such matters as:

- Significant delays in management providing required information.
- An unnecessarily brief time within which to complete the audit.
- Extensive unexpected effort required to obtain sufficient appropriate audit evidence.
- The unavailability of expected information.

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## The Auditor's Communication With Governance

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- Restrictions imposed on the auditors by management.
- Management's unwillingness to provide information about management's plans for dealing with the adverse effects of the conditions or events that lead the auditor to believe there is substantial doubt about the entity's ability to continue as a going concern.

In some circumstances, such difficulties may constitute a scope limitation that leads to a modification of the auditor's opinion.

### **Uncorrected Misstatements**

.40 Section 312, *Audit Risk and Materiality in Conducting an Audit*, requires the auditor to accumulate all known and likely misstatements identified during the audit, other than those that the auditor believes are trivial, and communicate them to the appropriate level of management. The auditor should communicate with those charged with governance uncorrected misstatements and the effect that they may have on the opinion in the auditor's report, and request their correction. In communicating the effect that material uncorrected misstatements may have on the opinion in the auditor's report, the auditor should communicate them individually. Where there are a large number of small uncorrected misstatements, the auditor may communicate the number and overall monetary effect of the misstatements, rather than the details of each individual misstatement.

.41 The auditor should discuss with those charged with governance the implications of a failure to correct known and likely misstatements, if any, considering qualitative as well as quantitative considerations, including possible implications in relation to future financial statements. The auditor should also communicate with those charged with governance the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

### **Disagreements With Management**

.42 The auditor should discuss with those charged with governance any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements or the auditor's report. Disagreements with management may occasionally arise over, among other things, the application of accounting principles to the entity's specific transactions and events and the basis for management's judgments about accounting estimates. Disagreements may also arise regarding the scope of the audit, disclosures to be included in the entity's financial statements, and the wording of the auditor's report. For purposes of this section, disagreements do not include differences of opinion based on incomplete facts or preliminary information that are later resolved.

### **Management's Consultations With Other Accountants**

.43 In some cases, management may decide to consult with other accountants about auditing and accounting matters. When the auditor is aware that such consultation has occurred, the auditor should discuss with those charged with governance his or her views about significant matters that were the subject of such consultation.<sup>5</sup>

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<sup>5</sup> Circumstances in which the auditor should be informed of such consultations are described in paragraph .07 of section 625, *Reports on the Application of Accounting Principles*.

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.44 The auditor should communicate with those charged with governance any significant issues that were discussed or were the subject of correspondence with management. Significant issues may include such matters as:

- Business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement.
- Discussions or correspondence in connection with the initial or recurring retention of the auditor including, among other matters, any discussions or correspondence regarding the application of accounting principles and auditing standards.

**Independence**

.45 Generally accepted auditing standards require independence for all audits. Relevant matters to consider in reaching a conclusion about independence include circumstances or relationships that create threats to auditor independence and the related safeguards that have been applied to eliminate those threats or reduce them to an acceptable level.<sup>6</sup>

.46 Although the auditor's report affirms the auditor's independence, in certain situations, particularly for public interest entities,<sup>7</sup> the auditor may determine that it is appropriate to communicate with those charged with governance circumstances or relationships (for example, financial interests, business or family relationships, or nonaudit services provided or expected to be provided) that in the auditor's professional judgment may reasonably be thought to bear on independence and that the auditor gave significant consideration to in reaching the conclusion that independence has not been impaired.

.47 The form and timing of communications regarding independence may be affected by the entity's governance structure and whether a formal subgroup such as an audit committee exists. In situations where all of those charged with governance are involved in managing the entity, the auditor may determine that those charged with governance have been informed of relevant facts regarding the auditor's independence through their management activities or through other means, such as the engagement letter. This is particularly likely where the entity is owner-managed, and the auditor's firm has little involvement with the entity beyond a financial statement audit.

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<sup>6</sup> Comprehensive guidance on threats to independence and safeguards, including application to specific situations, is set forth in the AICPA's *Conceptual Framework for AICPA Independence Standards* [ET section 100-1].

<sup>7</sup> In addition to entities subject to Securities and Exchange Commission reporting requirements, the *Conceptual Framework for AICPA Independence Standards* [ET section 100-1] considers the following entities to be *public interest entities*: (1) employee benefit and health and welfare plans subject to Employee Retirement Income Security Act audit requirements; (2) governmental retirement plans; (3) entities or programs (including for-profit entities) subject to Single Audit Act OMB Circular A-133 audit requirements and entities or programs subject to similar program oversight; and (4) financial institutions, credit unions, and insurance companies. These entities are public interest entities because their audited financial statements are directly relied upon by significant numbers of stakeholders to make investment, credit, or similar decisions or indirectly relied upon through regulatory oversight (for example, in the case of pension plans, banks, and insurance companies) and, therefore, the potential extent of harm to the public from an audit failure involving one of these entities would generally be significant.

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**The Auditor's Communication With Governance****2093****The Communication Process****Establishing a Mutual Understanding**

**.48** The auditor should communicate with those charged with governance the form, timing, and expected general content of communications. Clear communication of the auditor's responsibilities (paragraphs .26 through .28), an overview of the planned scope and timing of the audit (paragraphs .29 through .33), and the expected general content of communications helps establish the basis for effective two-way communication.

**.49** Matters that may also contribute to effective two-way communication include discussion of:

- The purpose of communications. When the purpose is clear, the auditor and those charged with governance are in a better position to have a mutual understanding of relevant issues and the expected actions arising from the communication process.
- The form in which communications will be made.
- The person(s) on the audit team and among those charged with governance who will communicate regarding particular matters.
- The auditor's expectation that communication will be two way, and that those charged with governance will communicate with the auditor matters they consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures; the suspicion or the detection of fraud; or concerns about the integrity or competence of senior management.
- The process for taking action and reporting back on matters communicated by the auditor.
- The process for taking action and reporting back on matters communicated by those charged with governance.

**.50** The communication process will vary with the circumstances, including the size and governance structure of the entity, how those charged with governance operate, and the auditor's view of the significance of matters to be communicated. Difficulty in establishing effective two-way communication may indicate that the communication between the auditor and those charged with governance is not adequate for the purpose of the audit (see paragraph .60).

**Forms of Communication**

**.51** The auditor should communicate in writing with those charged with governance significant findings from the audit (see paragraphs .34 and .35) when, in the auditor's professional judgment, oral communication would not be adequate. This communication need not include matters that arose during the course of the audit that were communicated with those charged with governance and satisfactorily resolved. Other communications may be oral or in writing.

**.52** Effective communication may involve formal presentations and written reports as well as less formal communications, including discussions. Written communications may include an engagement letter that is provided to those charged with governance.

**.53** In addition to the significance of a particular matter, the form of communication (for example, whether to communicate orally or in writing, the

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extent of detail or summarization in the communication, and whether to communicate in a formal or informal manner) may be affected by such factors as:

- Whether the matter has been satisfactorily resolved.
- Whether management has previously communicated the matter.
- The size, operating structure, control environment, and legal structure of the entity being audited.
- Legal or regulatory requirements that may require a written communication with those charged with governance.
- The expectations of those charged with governance, including arrangements made for periodic meetings or communications with the auditor.
- The amount of ongoing contact and dialogue the auditor has with those charged with governance.
- Whether there have been significant changes in the membership of a governing body.
- In the case of a special purpose financial statement audit, whether the auditor also audits the entity's general purpose financial statements.

**.54** When a significant matter is discussed with an individual member of those charged with governance, for example, the chair of an audit committee, it may be appropriate for the auditor to summarize the matter in later communications so that all of those charged with governance have full and balanced information.

**.55** When the auditor communicates matters in accordance with this section in writing, the auditor should indicate in the communication that it is intended solely for the information and use of those charged with governance and, if appropriate, management and is not intended to be and should not be used by anyone other than these specified parties.

**Timing of Communications**

**.56** The auditor should communicate with those charged with governance on a sufficiently timely basis to enable those charged with governance to take appropriate action.

**.57** The appropriate timing for communications will vary with the circumstances of the engagement. Considerations include the significance and nature of the matter, and the action expected to be taken by those charged with governance. The auditor may consider communicating:

- Planning matters early in the audit engagement and, for an initial engagement, as part of the terms of the engagement.
- Significant difficulties encountered during the audit as soon as practicable if those charged with governance are able to assist the auditor to overcome the difficulties, or if the difficulties are likely to lead to a modified opinion.

**.58** Other factors that may be relevant to the timing of communications include:

- The size, operating structure, control environment, and legal structure of the entity being audited.
- Any legal obligation to communicate certain matters within a specified timeframe.

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## The Auditor's Communication With Governance

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- The expectations of those charged with governance, including arrangements made for periodic meetings or communications with the auditor.
- The time at which the auditor identifies certain matters, for example, timely communication of a material weakness to enable appropriate remedial action to be taken.
- Whether the auditor is auditing both general purpose and special purpose financial statements.

### Adequacy of the Communication Process

**.59** The auditor should evaluate whether the two-way communication between the auditor and those charged with governance has been adequate for the purpose of the audit. If it has not, the auditor should take appropriate action to address the effectiveness of the communication process. (See paragraph .62.)

**.60** As discussed in paragraph .08, effective two-way communication assists both the auditor and those charged with governance. Further, section 314, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, identifies participation by those charged with governance, including their interaction with internal audit, if any, and external auditors, as an element of the entity's control environment. Inadequate two-way communication may indicate an unsatisfactory control environment, which will influence the auditor's assessment of the risks of material misstatements.

**.61** The auditor need not design specific procedures to support the evaluation required by paragraph .59. Rather, that evaluation may be based on observations resulting from audit procedures performed for other purposes. Such observations may include:

- The appropriateness and timeliness of actions taken by those charged with governance in response to matters communicated by the auditor.
- The apparent openness of those charged with governance in their communications with the auditor.
- The willingness and capacity of those charged with governance to meet with the auditor without management present.
- The apparent ability of those charged with governance to fully comprehend matters communicated by the auditor, such as the extent to which those charged with governance probe issues and question recommendations made to them.
- Difficulty in establishing with those charged with governance a mutual understanding of the form, timing, and expected general content of communications.
- Where all or some of those charged with governance are involved in managing the entity, their apparent awareness of how matters discussed with the auditor affect their broader governance responsibilities, as well as their management responsibilities.

**.62** If, in the auditor's judgment, the two-way communication between the auditor and those charged with governance is not adequate, there is a risk the auditor may not have obtained all the audit evidence required to form an opinion on the financial statements. The auditor should consider the effect, if any, on the auditor's assessment of the risks of material misstatements.

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**.63** The auditor may discuss the situation with those charged with governance. If the situation cannot be resolved, the auditor may take such actions as:

- Modifying the auditor's opinion on the basis of a scope limitation.
- Obtaining legal advice about the consequences of different courses of action.
- Communicating with third parties (for example, a regulator), or a higher authority in the governance structure that is outside the entity, such as the owners of a business (for example, shareholders in a general meeting), or the responsible government agency for certain governmental entities.
- Withdrawing from the engagement.

**Documentation**

**.64** When matters required to be communicated by this section have been communicated orally, the auditor should document them.<sup>8</sup> When matters have been communicated in writing, the auditor should retain a copy of the communication. Documentation of oral communication may include a copy of minutes prepared by the entity if those minutes are an appropriate record of the communication.

**Effective Date**

**.65** This section is effective for audits of financial statements for periods beginning on or after December 15, 2006.

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<sup>8</sup> Section 339, *Audit Documentation*, requires the auditor to document discussions of significant findings or issues with management and others (including those charged with governance) on a timely basis, including responses. That section also requires that the audit documentation include documentation of the significant findings or issues discussed, and when and with whom the discussions took place.

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**Appendix A****Requirements to Communicate With Those Charged With Governance in Other Statements on Auditing Standards**

A1. Requirements for the auditor to communicate with those charged with governance are included in other Statements on Auditing Standards. This section does not change the requirements in:

- a. Paragraph .17 of section 317, *Illegal Acts by Clients*, to communicate with the audit committee or others with equivalent authority and responsibility illegal acts that come to the auditor's attention.
- b. Paragraphs .36–.37 of section 801, *Compliance Audits*, for the auditor to communicate (i) in writing to management and those charged with governance identified significant deficiencies and material weakness in internal control over compliance, even in the absence of a governmental audit requirement to report on internal control over compliance; and (ii) to those charged with governance of the entity, the auditor's responsibilities under GAAS, *Government Auditing Standards*, and the governmental audit requirement, an overview of the planned scope and timing of the compliance audit, and significant findings from the compliance audit.
- c. Paragraph .22 of section 316, *Consideration of Fraud in a Financial Statement Audit*, to inquire directly of the audit committee (or at least its chair) regarding the audit committee's views about the risks of fraud and whether the audit committee has knowledge of any fraud or suspected fraud affecting the entity.
- d. Paragraph .79 of section 316, *Consideration of Fraud in a Financial Statement Audit*, to communicate with those charged with governance fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements. In addition, the auditor should reach an understanding with those charged with governance regarding the nature and extent of communications with those charged with governance about misappropriations perpetrated by lower-level employees.
- e. Paragraph .20 of section 325, *Communicating Internal Control Related Matters Identified in an Audit*, to communicate in writing to management and those charged with governance control deficiencies identified during an audit that upon evaluation are considered significant deficiencies or material weaknesses.

[Revised, December 2010, to reflect conforming changes necessary due to the issuance of SAS No. 117.]

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**Appendix B****Qualitative Aspects of Accounting Practices**

The communication in accordance with paragraph .34a of this section, and discussed in paragraphs .37 and .38, may include such matters as the following:

*Accounting Policies*

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements. Where acceptable alternative accounting policies exist, the communication may include identification of the financial statement items that are affected by the choice of significant policies as well as information on accounting policies used by similar entities.
- The initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements. The communication may include the effect of the timing and method of adoption of a change in accounting policy on the current and future earnings of the entity; and the timing of a change in accounting policies in relation to expected new accounting pronouncements.
- The effect of significant accounting policies in controversial or emerging areas (or those unique to an industry, particularly when there is a lack of authoritative guidance or consensus).
- The effect of the timing of transactions in relation to the period in which they are recorded.

*Accounting Estimates*

- For items for which estimates are significant, issues discussed in section 342, *Auditing Accounting Estimates*, and section 328, *Auditing Fair Value Measurements and Disclosures*, including, for example:
  - Management's identification of accounting estimates.
  - Management's process for making accounting estimates.
  - Risks of material misstatement.
  - Indicators of possible management bias.
  - Disclosure of estimation uncertainty in the financial statements.

*Financial Statement Disclosures*

- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures (for example, disclosures related to revenue recognition, going concern, subsequent events, and contingency issues).
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.

*Related Matters*

- The potential effect on the financial statements of significant risks and exposures, and uncertainties, such as pending litigation, that are disclosed in the financial statements.

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**The Auditor's Communication With Governance****2099**

- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
  - The factors affecting asset and liability carrying values, including the entity's bases for determining useful lives assigned to tangible and intangible assets. The communication may explain how factors affecting carrying values were selected and how alternative selections would have affected the financial statements.
  - The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.
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**Date:** August 1, 2017

**Prepared By:** Allison M. Edmisten, Chief Financial Officer  
Peggy Little, Administrative Supervisor

**Subject:** Presentation of the Unaudited Financial Report for the Period Ending on June 30, 2017

**Recommendation:** That the Board receives and files the unaudited financial report for the period ending on June 30, 2017.

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

**Cash Fund Balance Report**

[Detailed information can be found on page 5 to 6 of 29]

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:

<b>Fund Source</b>	<b>Operating Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
Water Division	\$7,782,087.43	\$477,628.66	\$8,259,716.09
Sewer Division	\$13,120,009.21	(\$6,664,774.61)	\$6,455,234.60
Recycled Water Division	<u>\$1,138,867.46</u>	<u>\$507,771.76</u>	<u>\$1,646,639.22</u>
<b>Total</b>	<b>\$22,040,964.10</b>	<b>(\$5,679,374.19)</b>	<b>\$16,361,589.91</b>

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**

[Detailed information can be found on pages 7 to 11 of 29]

The check register lists each check processed during the month of June 2017. The District processed 258 checks during the month of June for a total sum of \$1,149,197.99. 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 Chief Financial Officer will make any check, invoice or supporting documentation available for review to any board member upon request.



### **Financial Account Information**

[Detailed information can be found on pages 12 to 15 of 29]

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**

[Detailed information can be found on pages 16 to 17 of 29]

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**

[Detailed information can be found on pages 18 to 19 of 29]

During the month of June 2017, the District's deposit checking account received a sum total of \$1,831,046.00 in revenues from the following categories:

- A total of \$1,743,162.24 was received from 15,021 customers for utility bill payments. This is the total amount of utility bill payments received from water, sewer and recycled services.
- A total of \$2,395.75 was received for construction meter deposits, customer deposits and internet fee payments.
- A total of \$85,488.01 was received from miscellaneous water related activities (other than utility bill charges).
- A total of \$0 was received from miscellaneous sewer related activities (other than utility bill charges).
- A total of \$0 was received from miscellaneous recycled related activities (other than utility bill charges).
- The District's general checking account (pages 12-15 of 29) received one ACH deposit for San Bernardino Property Taxes in the amount of \$4,431.77. The District has received \$3,007,555.91 (100%+) of the allocated \$2,988,634.38 property taxes for both counties for FY 2017.

### **Fiscal Year 2017 Budget Status**

[Detailed information can be found on pages 20 to 29 of 29]

The revenue and expense budget status for the 2017 Fiscal Year is provided for your review.

**Summary of Revenue Budget  
As of June 30, 2017 (100% of Budget Cycle)**

<u>Division</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Water	13,781,800	1,013,523	11,892,155	86.29%
Sewer	12,202,227	954,372	11,050,421	90.56%
Recycled Water	657,100	61,846	514,060	78.23%
<b>District Revenue</b>	<b><u>26,641,127</u></b>	<b><u>2,029,741</u></b>	<b><u>23,456,636</u></b>	<b><u>88.05%</u></b>

**Summary of Water Budget Expenses  
As of June 30, 2017 (100% of Budget Cycle)**

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Water Resources	5,005,900	619,563	5,102,289	101.93%
Public works	2,569,500	208,715	2,496,011	97.14%
Administration	3,910,735	280,995	3,978,151	101.72%
Long Term Debt	2,295,665	0	2,295,663	100.00%
Asset Acquisition	0	0	0	0.00%
<b>TOTAL</b>	<b>13,781,800</b>	<b>1,109,273</b>	<b>13,872,114</b>	<b>100.66%</b>

**Summary of Sewer Budget Expenses  
As of June 30, 2017 (100% of Budget Cycle)**

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Treatment	3,838,400	296,201	3,757,195	97.88%
Administration	3,298,095	233,275	3,311,101	100.39%
Environmental Control	1,234,000	89,705	1,053,825	85.40%
Long Term Debt	3,831,732	0	3,831,725	100.00%
Asset Acquisition	0	0	0	0.00%
<b>TOTAL</b>	<b>12,202,227</b>	<b>619,181</b>	<b>11,953,846</b>	<b>97.96%</b>

**Summary of Recycled Water Budget Expenses  
As of June 30, 2017 (100% of Budget Cycle)**

<u>Department</u>	<u>Budget Amount</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Percentage</u>
Administration	657,100	54,094	947,888	144.25%
<b>TOTAL</b>	<b>657,100</b>	<b>54,094</b>	<b>947,888</b>	<b>144.25%</b>

<b>District Expenses</b>	<b><u>26,641,127</u></b>	<b><u>1,782,548</u></b>	<b><u>26,773,848</u></b>	<b><u>100.50%</u></b>
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### **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 Chief Financial Officer 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 - June 2017

Water Division	GL#	Balance
*ID 1 Construction Funds	02-10216	\$ 293,145.85
*ID 2 Construction Funds	02-10217	\$ 80,409.31
*FCC - Debt Service YVRWFF Phase I	02-10401	\$ (2,530,335.34)
*FCC - Future YVRWFF Phase II & III	02-10403	\$ 411,173.52
*FCC - Recycled System	02-10410	\$ (877,878.61)
*FCC - Booster Pumping Plants	02-10411	\$ 675,079.09
*FCC - Pipeline Facilities	02-10412	\$ 128,179.16
*FCC - Water Storage Reservoirs	02-10413	\$ 2,297,855.68
Depreciation Reserves	02-10310	\$ 557,441.84
Infrastructure Reserves	02-10311	\$ 2,922,713.00
Sustainability Fund	02-10313	\$ 47,647.56
Rate Stabilization Fund	02-10314	\$ 500,209.14
Imported Water Fund - MUNI	02-10315	\$ (286,175.94)
Imported Water Fund - SGPWA	02-10316	\$ 841,831.15
Operating Funds:		\$ 3,198,420.68
<b>Total Water Division</b>		<b>\$ 8,259,716.09</b>

Sewer Division	GL#	Balance
*SRF Reserve Fund - Brineline	03-10218	\$ 637,449.00
*SRF Reserve Fund - WISE	03-10219	\$ 184,928.00
*SRF Reserve Fund - R 10.3	03-10220	\$ 51,531.00
*SRF Reserve Fund - Crow St	03-10221	\$ 19,255.00
*FCC - Debt Service WWTP Expansion & Upgrade	03-10405	\$ 1,700,901.65
*FCC - Future WWTP Expansion	03-10407	\$ 1,343,228.40
*FCC - Sewer Interceptors	03-10415	\$ (834,232.84)
*FCC - Lift Stations	03-10416	\$ 331,216.66
*FCC - Effluent Disposal Facilities	03-10417	\$ (1,628,438.94)
*FCC - Salt Mitigation Facilities	03-10418	\$ (8,470,612.54)
Project Fund - Encumbered	03-10215	\$ 276,000.00
Depreciation Reserves	03-10310	\$ 3,444,713.57
Infrastructure Reserves	03-10311	\$ 4,686,300.00
Rate Stabilization Fund	03-10314	\$ 1,464,394.90
Operating Funds:		\$ 3,248,600.74
<b>Total Wastewater Division</b>		<b>\$ 6,455,234.60</b>

Recycled Water Division	GL#	Balance
*FCC - Recycled System	04-10410	\$ 63,895.03
*FCC - Booster Pumping Plants	04-10411	\$ 469.72
*FCC - Pipeline Facilities	04-10412	\$ 217,081.10
*FCC - Water Storage Reservoirs	04-10413	\$ 226,325.91
Project Fund - Encumbered	04-10215	\$ -
Depreciation Reserves	04-10310	\$ 61,074.84
Infrastructure Reserves	04-10311	\$ 252,492.31
Operating Funds:		\$ 825,300.31
<b>Total Recycled Water Division</b>		<b>\$ 1,646,639.22</b>

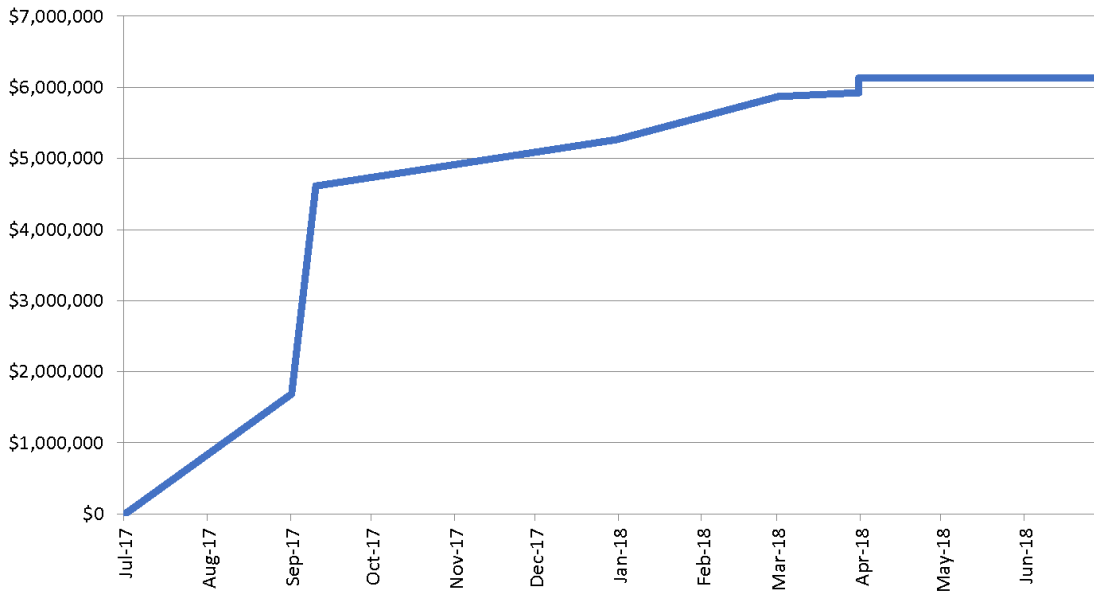
**DISTRICT TOTAL \$ 16,361,589.91**

\*=Restricted Funds

### Cash Flow Report for Fiscal Year 2017-18

Financial Obligations for Fiscal Year 2017-18				
Due Date	Fund	Description	Term of Obligation	Amount
9/1/2017	Water	2015A Bond Payment - YVRWFF	2015-2034	\$ 1,690,106.25
9/10/2017	Sewer	SRF Payment - WRWRF	2009-2028	\$ 2,923,668.75
12/31/2017	Sewer	SRF Payment - Yucaipa Regional Brineline	2013-2032	\$ 652,249.39
3/1/2018	Water	2015A Bond Payment - YVRWFF	2015-2034	\$ 603,806.25
3/31/2018	Sewer	SRF Payment - Recycled Reservoir R-10.3	2014-2033	\$ 54,243.03
3/31/2018	Sewer	SRF Payment - Desalinization at WRWRF	2014-2033	\$ 186,470.11
3/31/2018	Sewer	SRF Payment - Crow Street/Recycled Booster B-12.1	2016-2035	\$ 19,254.37
			<b>Total</b>	<b>\$ 6,129,798.15</b>

**Payment Schedule and Cash Flow Requirements  
for Fiscal Year 2017-18**



## Check Register - June 2017

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
6/5/2017	29051	Water Environment Federation	247.00
6/5/2017	29052	Ralph C. Casas	58.00
6/5/2017	29053	Ameripride Uniform Services	619.61
6/5/2017	29054	City of Riverside	670.00
6/5/2017	29055	Computerized Embroidery Compan	5,300.22
6/5/2017	29056	Coverall North America, Inc.	1,021.00
6/5/2017	29057	Crown Ace Hardware - Yucaipa	1,378.85
6/5/2017	29058	VOID CHECK	0.00
6/5/2017	29059	First American Data Tree, LLC	50.00
6/5/2017	29060	House Of Quality, Parts Plus	6,059.37
6/5/2017	29061	Inland Leaders Charter School	425.00
6/5/2017	29062	Raiset R. Santana and Adriana	52.25
6/5/2017	29063	McCall's Meter Sales & Service	900.00
6/5/2017	29064	NetComp Technologies, Inc.	3,100.00
6/5/2017	29065	Freedom Communications Holding	849.60
6/5/2017	29066	Pro-Pipe & Supply, Inc.	4.33
6/5/2017	29067	Redlands Rotary Foundation	200.00
6/5/2017	29068	SCCI, Inc.	350.00
6/5/2017	29069	Spectrum Business	70.00
6/5/2017	29070	The Gas Company	86.63
6/5/2017	29071	Advance Refrigeration & Ice Sy	511.81
6/5/2017	29072	Atlas Copco Compressors, LLC	5,652.39
6/5/2017	29073	Brenntag Pacific, Inc	12,521.12
6/5/2017	29074	Burgeson's Heating & Air Cond.	1,985.00
6/5/2017	29075	Cemex Inc. USA	1,724.99
6/5/2017	29076	Center Electric Services, Inc.	1,344.31
6/5/2017	29077	Cobb's Printing, LLC	2,682.98
6/5/2017	29078	Dinosaur Tire Inc.	783.25
6/5/2017	29079	Fastenal Company	27.44
6/5/2017	29080	Fuel Equipment Services, Inc.	1,162.35
6/5/2017	29081	Grainger	99.82
6/5/2017	29082	Hasa, Inc.	7,737.95
6/5/2017	29083	Myers & Sons Hi-Way Safety Inc	3,011.59
6/5/2017	29084	Industrial Safety Supply Corp	631.44
6/5/2017	29085	Lowe's Companies, Inc.	125.92
6/5/2017	29086	McCall's Meter Sales & Service	589.59
6/5/2017	29087	Nuckles Oil Company, Inc.	2,270.44
6/5/2017	29088	Nagem, Inc.	467.50
6/5/2017	29089	Nalco Company	5,164.50
6/5/2017	29090	BlueTarp Financial, Inc.	896.74
6/5/2017	29091	Office Solutions Business Prod	55.43
6/5/2017	29092	Optics Planet, Inc.	164.99
6/5/2017	29093	Francis O. Tello	1,806.28
6/5/2017	29094	Riverside Winnelson Company	621.60
6/5/2017	29095	Steven Enterprises, Inc	1,655.39
6/5/2017	29096	Teledyne Instruments, Inc.	1,557.02
6/5/2017	29097	Tri County Pump Company	8,086.38
6/5/2017	29098	Uline, Inc.	1,198.75
6/5/2017	29099	Gilbert A. Santacruz	30.00
6/9/2017	29100	PAYROLL CHECK	2,108.17
6/9/2017	29101	PAYROLL CHECK	437.83
6/9/2017	29102	WageWorks, Inc.	1,324.74
6/9/2017	29103	Public Employees' Retirement S	23,753.93
6/9/2017	29104	IBEW Local 1436	476.00
6/9/2017	29105	California State Disbursement	115.38
6/9/2017	29106	California State Disbursement	397.38
6/9/2017	29107	Department of the Treasury - I	125.00
6/12/2017	29108	Matthew M. Barlow	480.00
6/12/2017	29109	Ameripride Uniform Services	597.51

## Check Register - June 2017

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
6/12/2017	29110	CDW LLC	950.88
6/12/2017	29111	Corelogic, Inc.	330.00
6/12/2017	29112	Frontier Communications	147.13
6/12/2017	29113	Konica Minolta Business Soluti	1,059.41
6/12/2017	29114	John Deere Financial f.s.b.	124.12
6/12/2017	29115	San Gorgonio Pass Water Agency	27,649.32
6/12/2017	29116	Southern CA Emergency Medicine	125.00
6/12/2017	29117	Association of San Bernardino	22.00
6/12/2017	29118	Underground Service Alert Of S	244.50
6/12/2017	29119	Yucaipa Valley Water District	6,884.30
6/12/2017	29120	Bob Walker	161.63
6/12/2017	29121	Brenntag Pacific, Inc	613.96
6/12/2017	29122	BSK Associates	370.00
6/12/2017	29123	California Water Technologies,	4,011.04
6/12/2017	29124	CHJ Consultants	21,384.50
6/12/2017	29125	Fresno Oxygen	45.38
6/12/2017	29126	Inland Water Works Supply Co.	25,978.79
6/12/2017	29127	Kevin E. French	468.00
6/12/2017	29128	Harold J. Cossette	8,900.15
6/12/2017	29129	Lowe's Companies, Inc.	930.32
6/12/2017	29130	Nagem, Inc.	1,353.04
6/12/2017	29131	Nalco Company	2,582.25
6/12/2017	29132	BlueTarp Financial, Inc.	11.68
6/12/2017	29133	John Deere Financial f.s.b.	43.00
6/12/2017	29134	R & R Anderson Trucking	1,356.51
6/12/2017	29135	Donald Kent Stone	500.00
6/12/2017	29136	Sunshine Growers Nursery	282.26
6/12/2017	29137	Uline, Inc.	1,196.96
6/12/2017	29138	8138630 Canada Inc dba Signifi	2,194.00
6/12/2017	29139	HD Supply Facilities Maintenanc	3,868.81
6/12/2017	29140	Yucaipa Auto Collision, LLC	3,161.69
6/12/2017	29141	Matthew M. Barlow	80.00
6/12/2017	29142	CV Strategies	1,011.52
6/12/2017	29143	Brenntag Pacific, Inc	9,911.25
6/12/2017	29144	BSK Associates	990.00
6/12/2017	29145	Victor James Valenti	4,193.45
6/12/2017	29146	Custom Conveyor Corporation	12,118.53
6/12/2017	29147	Evoqua Water Technologies LLC	3,044.51
6/12/2017	29148	Eric Ewalt	5,962.00
6/12/2017	29149	G&G Environmental Compliance,I	11,745.49
6/12/2017	29150	Hasa, Inc.	3,888.64
6/12/2017	29151	Hemet Valley Tool Inc.	100.29
6/12/2017	29152	Myers & Sons Hi-Way Safety Inc	109.91
6/12/2017	29153	Innerline Engineering	3,500.00
6/12/2017	29154	Larry Jacinto Farming, Inc.	360.00
6/12/2017	29155	Johnson Machinery Co.	1,396.52
6/12/2017	29156	McCall's Meter Sales & Service	4,728.91
6/12/2017	29157	Nuckles Oil Company, Inc.	2,805.94
6/12/2017	29158	Office Solutions Business Prod	90.51
6/12/2017	29159	Q Versa, LLC	4,101.18
6/12/2017	29160	Redlands Ford	1,200.99
6/12/2017	29161	Ronald A. Duncan, Inc.	150.00
6/12/2017	29162	Maintenance Connection Inc	7,839.65
6/12/2017	29163	Gregory N. Godwin	193.74
6/12/2017	29164	SB CNTY-Registrar	4,258.00
6/12/2017	29165	Tom Shalhoub	31.00
6/12/2017	29166	Western Dental Services, Inc.	255.20
6/12/2017	29167	Berkshire Hathaway Homestate C	14,010.27
6/12/2017	29168	Standard Insurance Vision Plan	782.48

### Check Register - June 2017

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
6/12/2017	29169	Best Western Plus	557.87
6/12/2017	29170	Ashley Gibson	76.51
6/12/2017	29171	Boot Barn Inc.	194.39
6/12/2017	29172	Blue Shield of California	2,040.80
6/12/2017	29173	Nippon Life Insurance Co. of A	2,171.88
6/19/2017	29174	Delta Partners, LLC	7,500.00
6/19/2017	29175	Dudek & Associates, Inc	5,063.00
6/19/2017	29176	Krieger & Stewart	326.50
6/19/2017	29177	One Stop Landscape Supply Inc	21,480.00
6/19/2017	29178	Platinum Advisors, LLC	5,150.00
6/19/2017	29179	RMC Water and Environment	16,233.50
6/19/2017	29180	TSR Construction and Inspectio	72,152.50
6/19/2017	29181	David L. Wysocki	5,025.00
6/19/2017	29182	AT&T Mobility	1,392.45
6/19/2017	29183	Matthew Robert Bleecker	1,054.88
6/19/2017	29184	RMC Water and Environment	4,272.53
6/19/2017	29185	Separation Processes, Inc.	4,728.60
6/19/2017	29186	Spectrum Business	5,298.00
6/19/2017	29187	Armorcast Products Company	6,625.57
6/19/2017	29188	Fisher Scientific Co.	303.77
6/19/2017	29189	McCrometer, Inc.	654.35
6/19/2017	29190	Office Solutions Business Prod	23.56
6/19/2017	29191	Uline, Inc.	2,445.94
6/19/2017	29192	TALLON, SHARON A	419.39
6/19/2017	29193	COLBURN, KEITH	8.06
6/19/2017	29194	BECKHAM, KEVIN & KAT	73.16
6/19/2017	29195	California Water Environment A	172.00
6/19/2017	29196	Ameripride Uniform Services	594.12
6/19/2017	29197	Central Communications	400.58
6/19/2017	29198	Dudek & Associates, Inc	2,559.88
6/19/2017	29199	InfoSend, Inc.	5,138.31
6/19/2017	29200	NetComp Technologies, Inc.	8,252.00
6/19/2017	29201	LUZ Investment Corp.	947.37
6/19/2017	29202	Freedom Communications Holding	367.20
6/19/2017	29203	All American Sewer Tools	311.08
6/19/2017	29204	Brenntag Pacific, Inc	5,081.25
6/19/2017	29205	Cemex Inc. USA	2,005.28
6/19/2017	29206	Inland Water Works Supply Co.	2,447.24
6/19/2017	29207	Johnson Machinery Co.	1,160.87
6/19/2017	29208	Johnson Power Systems	2,959.01
6/19/2017	29209	Pavement Recycling	2,550.00
6/19/2017	29210	Red Alert Special Couriers	344.26
6/19/2017	29211	Steven Enterprises, Inc	236.64
6/19/2017	29212	Q Versa, LLC	16,995.50
6/19/2017	29213	Nagem, Inc.	1,222.50
6/19/2017	29214	Hasa, Inc.	3,876.72
6/19/2017	29215	Evoqua Water Technologies LLC	175.06
6/19/2017	29216	Calmat Company	4,833.64
6/19/2017	29217	Uline, Inc.	2,230.18
6/19/2017	29218	Office Solutions Business Prod	230.65
6/19/2017	29219	John F. Simister	372.09
6/19/2017	29220	Francis O. Tello	222.37
6/23/2017	29221	PAYROLL CHECK	2,108.17
6/23/2017	29222	WageWorks, Inc.	1,324.74
6/23/2017	29223	Public Employees' Retirement S	23,367.20
6/23/2017	29224	California State Disbursement	115.38
6/23/2017	29225	California State Disbursement	397.38
6/23/2017	29226	Department of the Treasury - I	125.00
6/29/2017	29227	Atkinson, Andelson, Loya, Ruud	2,781.01



## Check Register - June 2017

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
6/29/2017	29228	Matthew Hendrickson	117.55
6/29/2017	29229	Michael J. O'Day	550.00
6/29/2017	29230	Joseph H. Beltran	70.00
6/29/2017	29231	James Nicholson	364.00
6/29/2017	29232	American Family Life Assurance	3,795.88
6/29/2017	29233	Cobb's Printing, LLC	371.74
6/29/2017	29234	Kevin Lee	50.00
6/29/2017	29235	YVWD-Petty Cash	296.16
6/29/2017	29236	WageWorks, Inc.	202.25
6/29/2017	29237	Ashley Gibson	23.54
6/29/2017	29238	Taylor Corporation	323.20
6/29/2017	29239	AWWA CA-NV (Rancho Cucamonga)	2,895.00
6/29/2017	29240	A-Z Woodworking, Inc.	331.62
6/29/2017	29241	Ralph C. Casas	69.95
6/29/2017	29242	Ameripride Uniform Services	835.97
6/29/2017	29243	BofA Credit Card	10,631.54
6/29/2017	29244	Carl Opsahl	1,521.86
6/29/2017	29245	CHJ Consultants	19,143.75
6/29/2017	29246	Clinical Laboratory of San Ber	12,433.50
6/29/2017	29247	Commercial Door Metal Systems,	1,945.00
6/29/2017	29248	Steve Hines No.1, LLC	8,171.67
6/29/2017	29249	Crown Ace Hardware - Yucaipa	1,116.08
6/29/2017	29250	VOID CHECK	0.00
6/29/2017	29251	DC Frost Associates, Inc.	1,528.92
6/29/2017	29252	Eco Pro Environmental Services	170.00
6/29/2017	29253	Frontier Communications	148.47
6/29/2017	29254	House Of Quality, Parts Plus	3,910.58
6/29/2017	29255	Inland Empire Resource Conserv	2,419.90
6/29/2017	29256	Krieger & Stewart	53,995.06
6/29/2017	29257	Leroy's Landscape Services	5,700.00
6/29/2017	29258	MBC Applied Environmental Scie	1,300.00
6/29/2017	29259	NetComp Technologies, Inc.	9,610.59
6/29/2017	29260	Pro-Pipe & Supply, Inc.	380.09
6/29/2017	29261	SCE Rosemead	268,727.73
6/29/2017	29262	Here's Your Sign Inc	3,471.07
6/29/2017	29263	The Counseling Team Internatio	480.00
6/29/2017	29264	The Gas Company	23.97
6/29/2017	29265	U.S. Telepacific Corp	2,431.21
6/29/2017	29266	Vantageone Real Estate	865.98
6/29/2017	29267	City of Yucaipa	347.50
6/29/2017	29268	Calimesa SEI, LLC	745.97
6/29/2017	29269	Walter L. Ferar	177.50
6/29/2017	29270	Luke's Transmission Inc.	15.00
6/29/2017	29271	Aqua-Metric Sales Company	11,462.45
6/29/2017	29272	John F. Simister	603.44
6/29/2017	29273	Bob Walker	431.00
6/29/2017	29274	Brenntag Pacific, Inc	2,269.74
6/29/2017	29275	Brithinee Electric	2,194.76
6/29/2017	29276	Burgeson's Heating & Air Cond.	2,535.00
6/29/2017	29277	C & B Crushing, Inc.	660.00
6/29/2017	29278	Cemex Inc. USA	4,264.88
6/29/2017	29279	Crown Ace Hardware - Yucaipa	196.58
6/29/2017	29280	Jan Brinkman Jr.	43.10
6/29/2017	29281	Eric Ewalt	1,310.00
6/29/2017	29282	Fastenal Company	208.60
6/29/2017	29283	Fisher Scientific Co.	258.87
6/29/2017	29284	G&G Environmental Compliance, I	4,444.45
6/29/2017	29285	Geyser Equipment, LLC	510.47
6/29/2017	29286	Haaker Equipment Company	903.59

## Check Register - June 2017

<u>Check Date</u>	<u>Check Number</u>	<u>Name</u>	<u>Check Amount</u>
6/29/2017	29287	Hasa, Inc.	3,820.19
6/29/2017	29288	Industrial Safety Supply Corp	548.76
6/29/2017	29289	Inland Water Works Supply Co.	1,930.18
6/29/2017	29290	Innerline Engineering	5,250.00
6/29/2017	29291	J.L. Wingert Co.	2,260.11
6/29/2017	29292	Johnson Power Systems	11,712.03
6/29/2017	29293	Kevin E. French	2,316.00
6/29/2017	29294	Lowe's Companies, Inc.	61.36
6/29/2017	29295	Nuckles Oil Company, Inc.	4,679.22
6/29/2017	29296	NCL Of Wisconsin Inc	1,763.43
6/29/2017	29297	BlueTarp Financial, Inc.	168.20
6/29/2017	29298	Office Solutions Business Prod	217.76
6/29/2017	29299	Page Locksmith	117.00
6/29/2017	29300	John Deere Financial f.s.b.	546.99
6/29/2017	29301	Q Versa, LLC	35,148.40
6/29/2017	29302	R & R Anderson Trucking	2,890.38
6/29/2017	29303	Reign Electric Services and Sy	8,179.75
6/29/2017	29304	Sterling Water Technologies LL	8,876.01
6/29/2017	29305	Top-Line Industrial Supply, LL	844.76
6/29/2017	29306	Uline, Inc.           VOIDED	5,363.65
6/29/2017	29307	American Family Life Assurance	325.16
6/29/2017	29308	Uline, Inc.	5,359.65
<b>June 2017 Check Register Total</b>			<b>1,149,197.99</b>

### Financial Account Information - June 2017

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
5/31/2017	bal forward	734,442.96	30,000.00	11,596.51	506,235.08	14,811,404.47	16,093,679.02
5/31	rev retained in MM				(6,440.19)		(6,440.19)
6/1/2017	Deposit	27,669.04					27,669.04
	Credit Card-5/31	1,024.10					1,024.10
	Credit Card-6/1	3,618.67					3,618.67
	Electronic	19,881.80					19,881.80
	ok Website-6/1	4,483.66					4,483.66
	Website-6/1	154.10					154.10
	Website-6/2	1,211.68					1,211.68
6/2/2017	Deposit	36,944.11					36,944.11
	Credit Card-6/1	1,164.73					1,164.73
	Credit Card-6/2	10,469.95					10,469.95
	Electronic	25,005.24					25,005.24
	Website-6/2	3,442.77					3,442.77
	Website-6/3	490.57					490.57
	Website-6/3	2,865.55					2,865.55
	Website-6/3	2,009.75					2,009.75
	Website-6/4	2,627.02					2,627.02
	Website-6/4	303.46					303.46
	Website-6/5	1,150.71					1,150.71
	ETS Fees	(1,985.93)					(1,985.93)
	ETS Fees	(1,420.53)					(1,420.53)
6/5/2017	Deposit	50,874.61					50,874.61
	Credit Card-6/2	665.63					665.63
	Credit Card-6/3	3,356.24					3,356.24
	Electronic	25,076.32					25,076.32
	Website-6/5	4,174.04					4,174.04
	Website-6/5	200.08					200.08
	Website-6/6	962.16					962.16
	ACH prmts	64,306.85					64,306.85
Stmt 6/6	Dep - Corr	49.05					49.05
Stmt 6/7	Dep - Corr	(49.05)					(49.05)
6/6/2017	Deposit	47,229.18					47,229.18
	Credit Card-6/5	1,005.13					1,005.13
	Credit Card-6/6	3,420.71					3,420.71
	Electronic	26,148.26					26,148.26
	Website-6/6	4,129.20					4,129.20
	Website-6/6	214.47					214.47
	Website-6/7	1,119.27					1,119.27
Stmt 6/7	Dep - Corr	18.28					18.28
Stmt 6/13	Dep - Corr	(18.28)					(18.28)
6/7/2017	Deposit	46,794.79					46,794.79
	Credit Card-6/6	1,236.54					1,236.54
	Credit Card-6/7	4,882.30					4,882.30
	Electronic	12,783.41					12,783.41
	Website-6/7	5,349.77					5,349.77
	Website-6/7	369.39					369.39
	Website-6/8	936.24					936.24
6/8/2017	Deposit	30,780.42					30,780.42
	Deposit-MC	15,564.85					15,564.85
	Deposit-Riv Taxes	28,500.81					28,500.81
	Deposit-Riv Taxes	313.28					313.28
	Credit Card-6/7	1,552.29					1,552.29
	Credit Card-6/8	1,426.25					1,426.25
	Electronic	11,163.91					11,163.91
	ok Website-6/8	6,280.92					6,280.92
	Website-6/9	1,145.26					1,145.26

### Financial Account Information - June 2017

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
5/31/2017	bal forward	734,442.96	30,000.00	11,596.51	506,235.08	14,811,404.47	16,093,679.02
6/9/17-PR	Federal Taxes		(54,435.31)				(54,435.31)
6/9/17-PR	State Taxes		(8,846.85)				(8,846.85)
6/9/17-PR	PR Direct Deposit		(124,588.05)				(124,588.05)
6/9/17-PR	CalPERS 457 DC & Loans		(20,743.14)				(20,743.14)
6/9/17-PR	VOYA 457		(6,173.65)				(6,173.65)
	Ck#29051-29107		(114,747.26)				(114,747.26)
	<b>TRF#1515 - AP &amp; PR</b>	<b>(329,534.26)</b>	<b>329,534.26</b>				<b>0.00</b>
6/9/2017	Deposit	25,515.89					25,515.89
	Credit Card-6/8	1,173.17					1,173.17
	Credit Card-6/9	2,876.98					2,876.98
	Electronic	14,432.69					14,432.69
	Website-6/9	4,857.73					4,857.73
	Website-6/9	103.96					103.96
	Website-6/10	3,121.76					3,121.76
	Website-6/11	84.50					84.50
	Website-6/11	2,182.20					2,182.20
	Website-6/12	61.53					61.53
	Website-6/12	2,997.88					2,997.88
	Deposit - SBC Tax		4,431.77				4,431.77
6/12	<b>TRF#1516 - to Dep Checking</b>	<b>4,431.77</b>	<b>(4,431.77)</b>				<b>0.00</b>
6/12/2017	Deposit	30,453.15					30,453.15
	Credit Card-6/9	889.71					889.71
	Credit Card-6/12	4,022.66					4,022.66
	Electronic	17,863.66					17,863.66
	Website-6/12	4,183.83					4,183.83
	Website-6/13	107.46					107.46
	Website-6/13	546.38					546.38
	ACH pmts	66,190.00					66,190.00
6/13/2017	Deposit	69,776.17					69,776.17
	Credit Card-6/12	1,201.27					1,201.27
	Credit Card-6/13	2,993.37					2,993.37
	Electronic	25,392.21					25,392.21
	Website-6/13	3,405.54					3,405.54
	Website-6/14	205.12					205.12
	Website-6/14	788.43					788.43
6/14/2017	Deposit	27,118.99					27,118.99
	Credit Card-6/13	519.73					519.73
	Credit Card-6/14	6,744.44					6,744.44
	Electronic	14,790.15					14,790.15
	Website-6/14	3,381.20					3,381.20
	Website-6/14	65.00					65.00
	Website-6/15	1,157.61					1,157.61
6/15/2017	Deposit	19,361.46					19,361.46
	Deposit-M/C	4,260.60					4,260.60
	Credit Card-6/14	597.29					597.29
	Credit Card-6/15	2,875.14					2,875.14
	Electronic	11,760.62					11,760.62
	Website-6/15	5,614.53					5,614.53
	Website-6/16	252.20					252.20
	Website-6/16	728.89					728.89
	ACH pmts	73,480.22					73,480.22
	ACH pmts	78.52					78.52
	Ck#29108-29173		(221,929.57)				(221,929.57)
	<b>TRF#1517 - AP</b>	<b>(221,929.57)</b>	<b>221,929.57</b>				<b>0.00</b>
6/16/2017	Deposit	20,662.57					20,662.57
	Deposit-M/C	27,174.54					27,174.54

### Financial Account Information - June 2017

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
5/31/2017	bal forward	734,442.96	30,000.00	11,596.51	506,235.08	14,811,404.47	16,093,679.02
	Credit Card-6/15	219.94					219.94
	Credit Card-6/16	3,568.04					3,568.04
	Electronic	15,957.18					15,957.18
	Website-6/16	2,825.32					2,825.32
	Website-6/17	166.02					166.02
	ok Website-6/17	1,610.32					1,610.32
	Website-6/18	1,767.97					1,767.97
	Website-6/18	97.33					97.33
	Website-6/19	596.53					596.53
6/19/2017	Deposit	44,251.25					44,251.25
	Credit Card-6/16	775.99					775.99
	Credit Card-6/19	3,346.53					3,346.53
	Electronic	15,053.02					15,053.02
	Website-6/19	3,763.74					3,763.74
	Website-6/20	71.53					71.53
	Website-6/20	1,042.49					1,042.49
6/20/2017	Deposit	8,180.81					8,180.81
	Credit Card-6/19	2,628.64					2,628.64
	Credit Card-6/20	4,118.20					4,118.20
	Electronic	19,749.78					19,749.78
	Website-6/20	4,648.79					4,648.79
	Website-6/21	228.58					228.58
	Website-6/21	948.26					948.26
	ACH pmts	45,411.69					45,411.69
6/21/2017	Deposit	25,562.08					25,562.08
	Credit Card-6/20	863.64					863.64
	Credit Card-6/21	4,758.12					4,758.12
	Electronic	10,531.27					10,531.27
	Website-6/21	4,398.26					4,398.26
	Website-6/22	330.41					330.41
	Website-6/22	781.62					781.62
6/22/2017	Deposit	26,326.60					26,326.60
	Credit Card-6/21	421.21					421.21
	Credit Card-6/22	2,461.04					2,461.04
	Electronic	10,053.54					10,053.54
	Website-6/22	2,497.12					2,497.12
	Website-6/23	214.49					214.49
	Website-6/23	2,943.97					2,943.97
6/23/2017	Deposit	44,798.28					44,798.28
	Credit Card-6/22	888.03					888.03
	Credit Card-6/23	3,235.87					3,235.87
	Electronic	18,484.30					18,484.30
	Website-6/23	2,858.53					2,858.53
	Website-6/24	284.88					284.88
	Website-6/24	1,674.74					1,674.74
	Website-6/25	1,227.65					1,227.65
	Website-6/25	1,811.17					1,811.17
	Website-6/26	219.23					219.23
	Website-6/26	534.17					534.17
6/23/17-PR	Federal Taxes		(51,487.18)				(51,487.18)
6/23/17-PR	State Taxes		(8,471.43)				(8,471.43)
6/23/17-PR	PR Direct Deposit		(117,819.42)				(117,819.42)
6/23/17-PR	CalPERS 457 DC & Loans		(18,203.16)				(18,203.16)
6/23/17-PR	VOYA 457		(6,365.65)				(6,365.65)
	Ck#29174-29226		(253,354.43)				(253,354.43)
	<b>TRF#1518-AP &amp; PR</b>	<b>(455,701.27)</b>	<b>455,701.27</b>				<b>0.00</b>

### Financial Account Information - June 2017

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
5/31/2017	bal forward	734,442.96	30,000.00	11,596.51	506,235.08	14,811,404.47	16,093,679.02
6/26/2017	Deposit	70,244.08					70,244.08
	Deposit-MC Pineview Dr	5,688.00					5,688.00
	Credit Card-6/23	550.64					550.64
	Credit Card-6/26	4,723.03					4,723.03
	Electronic	16,607.53					16,607.53
	Website-6/26	2,858.46					2,858.46
	Website-6/27	152.42					152.42
	Website-6/27	401.77					401.77
	ACH prmts	106,583.55					106,583.55
6/27/2017	Deposit	7,658.57					7,658.57
	Credit Card-6/26	814.04					814.04
	Credit Card-6/27	3,087.10					3,087.10
	Electronic	21,595.47					21,595.47
	Website-6/27	3,719.94					3,719.94
	Website-6/28	237.47					237.47
	Website-6/28	1,105.39					1,105.39
	<b>TRF#1519 -Dep to Inv</b>	<b>(530,000.00)</b>		<b>530,000.00</b>			<b>0.00</b>
6/28/2017	Deposit	52,995.79					52,995.79
	Credit Card-6/27	1,189.30					1,189.30
	Credit Card-6/28	3,387.51					3,387.51
	Electronic	12,354.10					12,354.10
	Website-6/28	4,041.68					4,041.68
	Website-6/29	260.05					260.05
	Website-6/29	812.67					812.67
	<b>TRF#1520 -Inv to LAIF</b>			<b>(500,000.00)</b>		<b>500,000.00</b>	<b>0.00</b>
6/29/2017	Deposit	25,358.41					25,358.41
	Deposit-M/C	2,012.63					2,012.63
	Deposit - Riv Tax	31.75					31.75
	Credit Card-6/28	972.11					972.11
	Credit Card-6/29	1,455.86					1,455.86
	Electronic	8,617.84					8,617.84
	Website-6/29	2,549.23					2,549.23
	Website-6/30	321.47					321.47
	Website-6/30	486.54					486.54
6/30/2017	Deposit	27,102.95					27,102.95
	Deposit-M/C	1,990.85					1,990.85
	Credit Card-6/29	688.94					688.94
	Credit Card-6/30	2,606.94					2,606.94
	Electronic	17,058.26					17,058.26
	Website-6/30	6,873.00					6,873.00
	Website-7/1	227.28					227.28
ok	Website-7/1	4,978.85					4,978.85
	Website-7/2	5,316.93					5,316.93
	Website-7/3	191.25					191.25
	Website-7/3	249.56					249.56
	June '17 NSF's	(831.82)					(831.82)
	Ck#29227-29308		(559,166.73)				(559,166.73)
	<b>TRF#1521-AP</b>	<b>(559,166.73)</b>	<b>559,166.73</b>				<b>0.00</b>
6/2	Cusip #912796HT9 maturity						0.00
6/3	Cusip #912828WP1 purchase						0.00
6/30	retained in MM				8,611.54		8,611.54
							16,361,589.85
	<b>TOTALS</b>	<b>470,182.44</b>	<b>30,000.00</b>	<b>41,596.51</b>	<b>508,406.43</b>	<b>15,311,404.47</b>	<b>16,361,589.85</b>

## Investment Summary - June 2017

### U.S. TREASURIES

Quantity	Description	Cusip	Maturity Date	Yield	Cost of Purchase	Market Value
496,000	US Treasury Note	912828WP1	June 15, 2017	0.875%	499,794.95	496,024.80
<b>496,000</b>	<b>Total Values</b>				<b>499,794.95</b>	<b>496,024.80</b>

<b>Money Market Account Activity-Beginning Balance</b>	<b>6,440.19</b>
6/30/17 - Bond Interest	2,170.00
6/30/17 - Dividend/Interest	1.35
Annual Activity charge - GL#43010-W/S/R	0.00
<b>Income</b>	<b>2,171.35</b>
Intra-Bank Transfers to/from Investment Checking	0.00
<b>Fund Transfers</b>	<b>0.00</b>
Cusip Maturity	0.00
<b>Redemptions</b>	<b>0.00</b>
Cusip Purchase	0.00
<b>Purchases</b>	<b>0.00</b>
<b>Ending Balance - Money Market</b>	<b>8,611.54</b>
<b>US Treasury Securities Investment Principal</b>	<b>499,794.95</b>
<b>Total Assets</b>	<b>508,406.49</b>

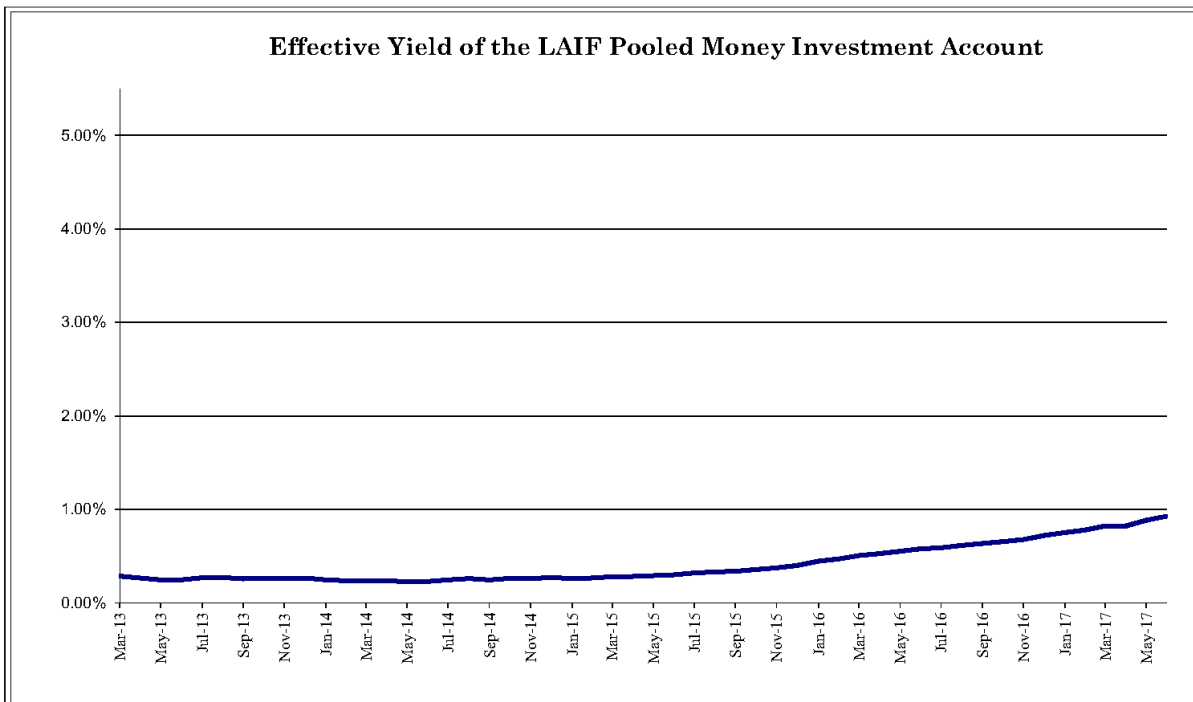
### Investment Summary - June 2017

#### LOCAL AGENCY INVESTMENT FUND

PERIOD	TOTAL WITHDRAWAL AMOUNT	TOTAL DEPOSIT AMOUNT	ACCRUED INTEREST (QUARTERLY)	ENDING BALANCE
July 31, 2016	(\$3,000,000.00)	\$0.00	\$24,655.18	\$16,157,905.95
August 31, 2016	(\$3,000,000.00)	\$0.00	\$0.00	\$13,157,905.95
September 30, 2016	\$0.00	\$0.00	\$0.00	\$13,157,905.95
October 31, 2016	\$0.00	\$0.00	\$22,468.96	\$13,180,374.91
November 30, 2016	\$0.00	\$0.00	\$0.00	\$13,180,374.91
December 31, 2016	\$0.00	\$0.00	\$0.00	\$13,180,374.91
January 31, 2017	\$0.00	\$2,380,000.00	\$22,450.00	\$15,582,824.91
February 28, 2017	\$0.00	\$0.00	\$0.00	\$15,582,824.91
March 31, 2017	(\$800,000.00)	\$0.00	\$0.00	\$14,782,824.91
April 30, 2017	\$0.00	\$0.00	\$28,579.56	\$14,811,404.47
May 31, 2017	\$0.00	\$0.00	\$0.00	\$14,811,404.47
June 30, 2017	\$0.00	\$500,000.00	\$0.00	\$15,311,404.47

**L.A.I.F. INCOME SUMMARY**

	<u>CURRENT QUARTER</u>	<u>FY YEAR-TO-DATE</u>
INCOME RECEIVED	\$28,579.56	\$98,153.70





Daily Deposit Allocation - June 2017

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	NP Allocation	RECAP TOTAL
6/1/2017	Mail & Counter	237	27,669.04	27,669.04						27,669.04					27,669.04
	Credit Cards	41	4,642.77			4,642.77				4,642.77					4,642.77
	Electronic	223	19,881.80				19,881.80			19,881.80					19,881.80
6/2/2017	Website	68	5,849.44					5,730.44		5,730.44	119.00				5,849.44
	Mail & Counter	276	36,944.11	36,944.11						36,944.11					36,944.11
	Credit Cards	48	11,634.68			11,634.68				11,634.68					11,634.68
	Electronic	298	25,005.24				25,005.24			25,005.24					25,005.24
6/5/2017	Website-112 fees	114	12,889.83					12,693.83		12,693.83	196.00				12,889.83
	Mail & Counter	412	50,874.61	50,874.61						50,874.61					50,874.61
	Credit Cards	44	4,021.87			4,021.87				4,021.87					4,021.87
	Electronic	297	25,076.32				25,076.32			25,076.32					25,076.32
	Website	49	5,336.28					5,250.53		5,250.53	85.75				5,336.28
6/6/2017	ACH payment	541	64,306.85						64,306.85	64,306.85					64,306.85
	Mail & Counter	416	47,229.18	47,229.18						47,229.18					47,229.18
	Credit Cards	44	4,425.84			4,425.84				4,425.84					4,425.84
6/7/2017	Electronic	308	26,148.26				26,148.26			26,148.26					26,148.26
	Website-56 fees	57	5,462.94					5,364.94		5,364.94	98.00				5,462.94
	Mail & Counter	285	46,794.79	46,794.79						46,794.79					46,794.79
	Credit Cards	68	6,118.64			6,118.64				6,118.64					6,118.64
6/8/2017	Electronic	149	12,783.41				12,783.41			12,783.41					12,783.41
	Website-57 Fees	61	6,655.40					6,555.65		6,555.65	99.75				6,655.40
	Mail & Counter	172	30,780.42	30,780.42						30,780.42					30,780.42
	Depositor-MC	-	15,564.85							0.00	15,564.85				15,564.85
	Depositor-FV Tax	-	28,500.81							0.00	28,500.81				28,500.81
	Depositor-FV Tax	-	313.28							0.00	313.28				313.28
	Credit Cards	22	2,978.54			2,978.54				2,978.54					2,978.54
	Electronic	123	11,163.91				11,163.91			11,163.91					11,163.91
	Website-36 Fees	38	7,426.18					7,363.18		7,363.18	63.00				7,426.18
6/9/2017	Mail & Counter	176	25,515.89	25,515.89						25,515.89					25,515.89
	Credit Cards	43	4,050.15			4,050.15				4,050.15					4,050.15
	Electronic	165	14,432.69				14,432.69			14,432.69					14,432.69
6/12/2017	Website-114 fees	115	13,409.56					13,210.06		13,210.06	199.50				13,409.56
	Mail & Counter	229	30,453.15	30,453.15						30,453.15					30,453.15
	Credit Cards	36	4,912.37			4,912.37				4,912.37					4,912.37
	Electronic	173	17,863.66				17,863.66			17,863.66					17,863.66
	Website - 51 fees	52	4,837.67					4,748.42		4,748.42	89.25				4,837.67
6/13/2017	ACH payment	605	66,190.00						66,190.00	66,190.00					66,190.00
	Mail & Counter	294	69,776.17	69,776.17						69,776.17					69,776.17
	Credit Cards	34	4,194.64			4,194.64				4,194.64					4,194.64
	Electronic	281	25,392.21				25,392.21			25,392.21					25,392.21
6/14/2017	Website	40	4,399.09					4,329.09		4,329.09	70.00				4,399.09
	Mail & Counter	251	27,118.99	27,118.99						27,118.99					27,118.99
	Credit Cards	54	7,264.17			7,264.17				7,264.17					7,264.17
	Electronic	157	14,790.15				14,790.15			14,790.15					14,790.15
	Website	39	4,603.81					4,535.56		4,535.56	68.25				4,603.81
6/15/2017	Mail & Counter	176	19,361.46	19,361.46						19,361.46					19,361.46
	Dep-MC	-	4,260.60							0.00	4,260.60				4,260.60
	Credit Cards	30	3,472.43			3,472.43				3,472.43					3,472.43
	Electronic	135	11,760.62				11,760.62			11,760.62					11,760.62
	Website - 54 fees	55	6,595.62					6,501.12		6,501.12	94.50				6,595.62
6/16/2017	ACH payment	687	73,558.74						73,558.74	73,558.74					73,558.74
	Mail & Counter	161	20,662.57	20,662.57						20,662.57					20,662.57
	Dep-MC	-	27,174.54							0.00					27,174.54
	Credit Cards	32	3,787.98			3,787.98				3,787.98					3,787.98
	Electronic	182	15,957.18				15,957.18			15,957.18					15,957.18
6/19/2017	Website	74	7,063.49					6,933.99		6,933.99	129.50				7,063.49
	Mail & Counter	426	44,251.25	44,251.25						44,251.25					44,251.25

### Daily Deposit Allocation - June 2017

DATE	Description	Qty	DEPOSIT CHECKING DEPOSITS	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	NP Allocation	RECAP TOTAL
	Credit Cards	45	4,122.52			4,122.52				4,122.52					4,122.52
	Electronic	169	15,053.02			15,053.02				15,053.02					15,053.02
	Website	53	4,877.76					4,785.01		4,785.01					4,785.01
6/20/2017	Mall & Counter	98	8,180.81	8,180.81						8,180.81					8,180.81
	Credit Cards	52	6,746.84			6,746.84				6,746.84					6,746.84
	Electronic	228	19,749.78				19,749.78			19,749.78					19,749.78
	Website	53	5,825.63					5,732.88		5,732.88					5,732.88
	ACH payment	566	45,411.69						45,411.69	45,411.69					45,411.69
6/21/2017	Mall & Counter	258	25,562.08	25,562.08						25,562.08					25,562.08
	Credit Cards	55	5,621.76			5,621.76				5,621.76					5,621.76
	Electronic	124	10,531.27				10,531.27			10,531.27					10,531.27
	Website	43	5,510.29					5,435.04		5,435.04					5,435.04
6/22/2017	Mall & Counter	221	26,326.60	26,326.60						26,326.60					26,326.60
	Credit Cards	27	2,882.25			2,882.25				2,882.25					2,882.25
	Electronic	114	10,053.54				10,053.54			10,053.54					10,053.54
	Website-47 Fees	48	5,655.58					5,573.33		5,573.33					5,573.33
6/23/2017	Mall & Counter	235	44,798.28	44,798.28						44,798.28					44,798.28
	Credit Cards	49	4,123.90			4,123.90				4,123.90					4,123.90
	Electronic	214	18,484.30				18,484.30			18,484.30					18,484.30
	Website	96	8,610.37					8,442.37		8,442.37					8,442.37
6/26/2017	Mall & Counter	431	70,244.08	70,244.08						70,244.08					70,244.08
	Dep-M/C	-	5,688.00							0.00		5,688.00			5,688.00
	Credit Cards	67	5,273.67			5,273.67				5,273.67					5,273.67
	Electronic	185	16,607.53				16,607.53			16,607.53					16,607.53
	Website	40	3,412.65					3,342.65		3,342.65					3,342.65
	ACH payment	647	106,583.55						106,583.55	106,583.55					106,583.55
6/27/2017	Mall & Counter	134	7,658.57	7,658.57						7,658.57					7,658.57
	Credit Cards	44	3,901.14			3,901.14				3,901.14					3,901.14
	Electronic	239	21,595.47				21,595.47			21,595.47					21,595.47
	Website	53	5,062.80					4,970.05		4,970.05					4,970.05
6/28/2017	Mall & Counter	365	52,995.79	52,995.79						52,995.79					52,995.79
	Credit Cards	46	4,576.81			4,576.81				4,576.81					4,576.81
	Electronic	114	12,354.10				12,354.10			12,354.10					12,354.10
	Website-38 fees	39	5,114.40					5,047.90		5,047.90					5,047.90
6/29/2017	Mall & Counter	87	25,358.41	25,358.41						25,358.41					25,358.41
	Deposit/M/C	-	2,012.63							0.00		2,012.63			2,012.63
	Deposit - Riv Tax	-	31.75							0.00		31.75			31.75
	Credit Cards	24	2,427.97			2,427.97				2,427.97					2,427.97
	Electronic	96	8,617.84				8,617.84			8,617.84					8,617.84
	Website	32	3,357.24					3,301.24		3,301.24					3,301.24
6/30/2017	Mall & Counter	186	27,102.95	27,102.95						27,102.95					27,102.95
	Deposit/M/C	34	1,990.85	49.30						49.30		1,941.55			1,990.85
	Credit Cards	34	3,295.88			3,295.88				3,295.88					3,295.88
	Electronic	163	17,058.26				17,058.26			17,058.26					17,058.26
	Website	164	17,836.87					17,549.87		17,549.87					17,549.87
Jun-16	Utility Pmt Chfr-227			(18,070.92)						0.00					0.00
	June '16 NSF's			(831.82)						(831.82)					(831.82)
SB tax-ach	\$4,105.88 (6/8)									0.00					0.00
<b>TOTALS</b>			15,021	1,831,046.00	746,805.76	18,070.92	104,477.02	370,360.56	147,397.15	356,050.83	2,395.75	85,488.01	0.00	0.00	1,831,046.00
<b>TOTAL # AR PAYMENTS</b>				5,631	227	597	4,137	1,383	3,046	15,021					
<b>PERCENT OF TOTAL RECEIVED</b>				37.49%	1.51%	3.97%	27.54%	9.21%	20.28%	100%					

**FY 2017 - Water Revenue**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun'17	Year to Date	Percentage YTD
02-40010	Sales - Water	6,054,000	1,501,778	1,292,677	573,865	296,325	411,183	586,575	4,662,403	77.01%
02-40011	Sales - Construction Water	20,000	2,459	2,806	701	453	2,215	1,640	10,273	51.36%
02-40012	Sales - Imported Water (SGPWA)	250,000	69,821	46,498	22,711	12,935	15,534	23,762	191,262	76.50%
02-40013	Sales - Imported Water (MUNI)	850,000	188,564	182,482	84,562	42,764	58,512	79,286	636,169	74.84%
02-40014	Sales Disc.-Multi Units Usage Chrg.	(105,000)	(24,610)	(26,531)	(21,221)	(7,301)	(8,390)	(10,771)	(98,823)	94.12%
02-40015	Water Wholesale Revenue	237,600	52,747	31,865	154,951	17,375	24,978	24,615	306,530	129.01%
02-40016	Service Establishment Fee	5,000	1,025	750	675	25	25	25	2,525	50.50%
02-41000	Service Demand Charges	3,173,000	586,498	782,339	784,605	262,696	263,185	263,447	2,942,771	92.74%
02-41001	Fire Service Standby Fees	30,000	8,297	10,799	10,327	3,787	3,450	3,953	40,614	135.38%
02-41003	Construction Service Charge	15,000	2,125	3,337	2,445	207	187	214	8,515	56.76%
02-41005	Sales Disc-Multi Units Service Chrg.	(135,000)	(25,736)	(34,129)	(34,129)	(11,376)	(11,376)	(11,376)	(128,123)	94.91%
02-41010	Unauthorized Use of Water Charge	2,000	0	0	0	0	0	1,500	1,500	75.00%
02-41110	Meter/Lateral installation	65,000	15,375	10,500	10,125	375	700	0	37,075	57.04%
02-41112	Fire Flow Test Fees	3,500	300	675	600	225	375	150	2,325	66.43%
02-41113	Disconnect/Reconnect Fees	125,000	31,420	34,605	30,820	5,495	6,450	4,535	113,325	90.66%
02-41121	Penalty - Late Charges	125,000	37,316	39,048	23,631	6,916	8,383	8,735	124,028	99.22%
02-41124	Bad Debt	(20,000)	0	0	0	0	0	(15,352)	(15,352)	76.76%
02-42123	Management & Accounting Fees	160,000	40,039	39,987	39,987	13,329	13,329	13,329	160,000	100.00%
02-43010	Interest Earned	30,000	6	11,088	10,063	12,861	0	978	34,995	116.65%
02-43110	Property Tax - Unsecured	115,000	0	62,661	(311)	362	(138)	0	62,574	54.41%
02-43120	Property Tax - Secured	2,500,000	0	1,172,434	226,152	1,041,465	110,294	0	2,550,344	102.01%
02-43130	Tax Collection - Prior	20,000	0	7,996	3,310	801	483	0	12,590	62.95%
02-43140	Other Taxes	160,000	0	12,174	88,474	6,968	15,499	33,278	156,394	97.75%
02-49110	Rental Income (WATER STOCK)	1,700	0	0	0	0	2,860	0	2,860	
02-49150	Revenue - Misc. Non-Operating	100,000	22,601	12,330	25,123	6,073	4,253	5,003	75,382	75.38%
	<b>WATER OPERATING REVENUE</b>	<b>13,781,800</b>	<b>2,510,026</b>	<b>3,696,392</b>	<b>2,037,463</b>	<b>1,712,761</b>	<b>921,990</b>	<b>1,013,523</b>	<b>11,892,155</b>	<b>86.29%</b>
	Grants	0	0	0	0	0	0	0	0	
02-89901	Facility Capacity Charges	0	442,958	247,995	199,207	13,478	13,478	0	917,116	
02-89902	Sustainability	0	52,485	43,491	54,554	881	881	3,044	155,335	
	<b>TOTAL WATER REVENUE</b>	<b>13,781,800</b>	<b>3,005,469</b>	<b>3,987,878</b>	<b>2,291,224</b>	<b>1,727,119</b>	<b>936,348</b>	<b>1,016,567</b>	<b>12,964,606</b>	

**FY 2017 - Sewer Revenue**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun'17	Year to Date	Percentage YTD
03-40016	Sales - Establish Service Fee	500	450	125	0	0	25	0	600	120.00%
03-41000	Sales - Sewer Charges	11,952,045	2,233,311	2,868,850	2,859,048	955,679	951,689	976,398	10,844,975	90.74%
03-41005	Sales Disc-Multi Units Service Chrg.	(200,000)	(42,758)	(54,862)	(54,714)	(18,246)	(18,267)	(18,281)	(207,127)	103.56%
03-41110	Meter/Lateral Installation	2,500	0	0	0	0	0	0	0	0.00%
03-41121	Penalty - Late Charges	150,000	30,643	31,228	33,143	10,533	10,846	9,886	126,278	84.19%
03-41124	Bad Debt	(20,000)	0	0	0	0	0	(14,786)	(14,786)	73.93%
03-41131	Front Footage Fees		0	24,330	0	0	0	0	24,330	
03-42122	Revenue - Other Operating	5,682	360	360	180	0	0	180	1,080	19.01%
03-43010	Interest Earned	35,000	0	11,088	10,046	12,861	0	977	34,971	99.92%
03-43110	Property Tax - Unsecured	50,000	0	50,000	0	0	0	0	50,000	100.00%
03-43120	Property Tax - Secured	175,000	0	175,000	0	0	0	0	175,000	100.00%
03-43130	Tax Collection - Prior	10,000	0	10,000	0	0	0	0	10,000	100.00%
03-43140	Other Taxes	1,500	0	1,500	0	0	0	0	1,500	100.00%
03-49150	Misc. Non-Oper Revenue	40,000	2,419	0	1,180	0	0	0	3,599	9.00%
	<b>SEWER OPERATING REVENUE</b>	<b>12,202,227</b>	<b>2,224,425</b>	<b>3,117,619</b>	<b>2,848,883</b>	<b>960,827</b>	<b>944,293</b>	<b>954,372</b>	<b>11,050,421</b>	<b>90.56%</b>
	Grants	0	0	0	0	0	0	0	0	
03-89901	Facility Capacity Charges	0	460,959	262,809	221,967	0	16,442	0	962,177	
03-89903	Contrib Capital-Front Footage Fees	0	0	19,500	7,500	0	0	0	27,000	
03-89905	Contrib Capital-Infrastructure	0	0	0	0	0	0	0	0	
	<b>TOTAL SEWER REVENUE</b>	<b>12,202,227</b>	<b>2,685,384</b>	<b>3,399,928</b>	<b>3,078,350</b>	<b>960,827</b>	<b>960,735</b>	<b>954,372</b>	<b>12,039,598</b>	

### FY 2017 - Recycled Revenue

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun '17	Year to Date	Percentage YTD
04-40010	Sales - Recycled Water	552,850	608,314	(335,096)	16,208	22,782	45,125	53,949	411,281	74.39%
04-40011	Sales - Construction Water	20,000	2,819	3,232	113	61	282	1,266	7,773	38.86%
04-41000	Sales - Service Demand Chrg.	50,000	10,825	14,152	15,429	6,040	5,653	5,825	57,924	115.85%
04-41003	Const. Water Minimum Chrg.	5,000	515	1,007	810	75	68	78	2,553	51.06%
04-41110	Meter/Lateral Installation	2,000	1,570	5,525	0	0	0	0	7,095	354.75%
04-41121	Penalty - Late Charges	500	100	429	235	143	173	511	1,590	317.94%
04-41122	Revenue - Other Operating	250	0	0	0	0	0	0	0	0.00%
04-43010	Interest Earned	7,500	0	2,464	2,233	2,858	0	217	7,771	103.62%
04-43110	Property Tax - Unsecured	1,000	0	1,000	0	0	0	0	1,000	100.00%
04-43120	Property Tax - Secured	15,000	0	15,000	0	0	0	0	15,000	100.00%
04-43130	Property Tax - Prior	1,000	0	1,000	0	0	0	0	1,000	100.00%
04-43140	Property Tax - Other	1,000	0	1,000	0	0	0	0	1,000	100.00%
04-49150	Misc. Non-Operating Revenue	1,000	0	0	73	0	0	0	73	7.27%
	<b>RECYCLED OPERATING REVENUE</b>	<b>657,100</b>	<b>624,143</b>	<b>(290,288)</b>	<b>35,100</b>	<b>31,959</b>	<b>51,301</b>	<b>61,846</b>	<b>514,060</b>	<b>78.23%</b>
	Grants	0	0	0	0	0	0	0	0	
04-89901	Facility Capacity Charges	0	67,668	66,410	43,502	16,724	0	11,600	205,904	
	<b>TOTAL RECYCLED REVENUE</b>	<b>657,100</b>	<b>691,811</b>	<b>(223,878)</b>	<b>78,602</b>	<b>48,683</b>	<b>51,301</b>	<b>73,446</b>	<b>719,964</b>	

FY 2017 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '16	Jun'17	Year to Date	Percentage YTD
02-5-01-50010	Labor-Water Resources	935,000	186,482	194,452	222,462	58,492	60,528	62,239	784,655	83.92%
02-5-01-50011	Labor Credit	0	0	0	0	0	0	0	0	
02-5-01-50013	Benefits-Fica	65,000	15,288	16,001	18,285	4,827	4,985	5,109	64,495	99.22%
02-5-01-50014	Benefits-Life Insurance	3,000	797	859	852	206	116	116	2,946	98.20%
02-5-01-50016	Benefits-HealthDefrd Comp	180,000	49,077	36,403	50,449	16,004	15,299	14,805	182,036	101.13%
02-5-01-50017	Benefits-Disability Insurance	11,000	2,602	2,742	3,008	826	780	796	10,753	97.76%
02-5-01-50019	Benefits-Workers Compensation	43,000	8,026	10,890	13,751	3,438	3,438	0	39,543	91.96%
02-5-01-50021	Benefits-PERS	50,000	10,728	10,226	11,689	3,140	3,201	3,126	42,109	84.22%
02-5-01-50022	Benefits-PERS-Employer	100,000	12,321	12,779	14,825	4,028	4,105	4,022	52,080	52.08%
02-5-01-50023	Benefits-Uniforms	3,250	522	539	577	147	995	177	2,957	91.00%
02-5-01-50024	Benefits-Vacation & Sick Pay	3,000	2,085	1,850	2,085	479	487	391	7,377	245.91%
02-5-01-50025	Benefits-Boot Allowance	1,900	600	200	168	200	194	0	1,362	71.66%
02-5-01-51003	R&M - Structures	200,000	41,516	127,817	64,671	11,177	25,255	62,687	333,123	166.56%
02-5-01-51011	R&M - CLA Valves	7,500	2,044	1,667	1,638	159	(9)	0	5,499	73.33%
02-5-01-51140	General Supplies & Expenses	1,250	83	353	152	25	103	436	1,153	92.25%
02-5-01-51210	Utilities - Power Purchases	1,400,000	352,259	266,869	186,247	79,569	37,221	162,258	1,084,421	77.46%
02-5-01-51211	Utilities - Electricity & Fuel	5,000	890	984	1,079	325	312	357	3,947	78.93%
02-5-01-51316	Imported Water Purchases	1,100,000	364,433	370,573	208,501	197,864	238,901	222,081	1,602,352	145.67%
02-5-01-54019	Licenses & Permits	25,000	925	4,751	4,389	35,771	2,223	3,224	51,283	205.13%
02-5-01-54110	Laboratory Services	75,000	18,498	23,227	20,893	7,563	8,231	7,368	85,779	114.37%
02-5-01-57040	YVR/WFF Operating Expense	797,000	181,513	192,919	188,928	61,246	49,440	70,373	744,419	93.40%
	<b>WATER RESOURCE TOTALS</b>	<b>5,005,900</b>	<b>1,250,689</b>	<b>1,276,099</b>	<b>1,014,650</b>	<b>485,483</b>	<b>455,805</b>	<b>619,563</b>	<b>5,102,289</b>	<b>101.93%</b>
02-5-03-50010	Labor-Public Works	1,200,000	258,318	247,202	276,684	86,478	179,970	91,006	1,139,658	94.97%
02-5-03-50011	Labor Credit	0	(830)	(517)	(4,222)	0	(1,689)	(143)	(7,403)	
02-5-03-50013	Benefits-Fica	82,500	21,079	19,632	22,540	7,009	14,183	7,320	91,765	111.23%
02-5-03-50014	Benefits-Life Insurance	5,500	2,032	1,937	1,895	526	355	352	7,097	129.03%
02-5-03-50016	Benefits-HealthDefrd Comp	300,000	120,719	69,748	95,771	31,637	31,850	37,783	387,507	129.17%
02-5-03-50017	Benefits-Disability Insurance	15,500	4,347	4,014	4,430	1,417	1,771	1,385	17,363	112.02%
02-5-03-50019	Benefits-Workers Compensation	45,000	8,346	10,890	13,751	3,438	3,438	0	39,862	88.58%
02-5-03-50021	Benefits-PERS	73,000	8,165	9,649	10,504	3,084	2,890	2,679	36,972	50.65%
02-5-03-50022	Benefits-PERS Employer	150,000	17,575	16,412	18,911	5,857	5,982	5,763	70,500	47.00%
02-5-03-50023	Benefits-Uniforms	7,500	1,413	1,514	1,439	500	2,553	786	8,206	109.41%
02-5-03-50024	Benefits-Vacation & Sick Pay	1,000	1,419	1,182	1,379	401	408	408	5,196	519.58%
02-5-03-50025	Benefits-Boot Allowance	3,500	200	2,560	600	199	573	0	4,132	118.05%
02-5-03-51001	R & M - Vehicles & Equipment	160,000	55,404	80,482	37,265	12,848	20,196	26,863	233,057	145.66%
02-5-03-51011	R&M - Valves	10,000	3,064	389	550	1,947	0	0	5,949	59.49%
02-5-03-51020	R&M - Pipelines	225,000	57,775	35,772	35,613	19,326	12,550	13,421	174,456	77.54%
02-5-03-51021	R&M - Service Lines	175,000	38,644	32,699	24,908	13,589	3,333	3,624	116,797	66.74%
02-5-03-51022	R&M - Fire Hydrants	40,000	4,829	7,557	6,706	2,371	217	4,939	26,619	66.55%
02-5-03-51030	R&M - Water Meters	75,000	66,607	10,319	19,514	10,929	7,494	9,656	124,520	166.03%
02-5-03-51031	Fire Flow Testing	0	2,557	4,001	2,857	4,039	0	2,778	16,231	
02-5-03-51092	Equipment Credits	0	(408)	(115)	(1,640)	0	(884)	(20)	(3,067)	
02-5-03-51140	General Supplies & Expenses	1,000	97	86	192	101	0	116	593	59.34%
	<b>PUBLIC WORKS TOTALS</b>	<b>2,569,500</b>	<b>671,351</b>	<b>555,412</b>	<b>569,649</b>	<b>205,696</b>	<b>285,188</b>	<b>208,715</b>	<b>2,496,011</b>	<b>97.14%</b>

FY 2017 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '16	Jun'17	Year to Date	Percentage YTD
02-5-06-50010	Labor-Administration	750,000	175,063	155,543	188,982	51,356	74,117	46,030	691,090	92.15%
02-5-06-50011	Labor Credit	0	0	(40)	0	0	0	0	(40)	
02-5-06-50012	Director Fees	20,000	2,955	4,714	6,785	1,519	2,330	2,186	20,490	102.45%
02-5-06-50013	Benefits-Fica	50,000	13,157	11,346	17,118	4,816	6,449	4,233	57,120	114.24%
02-5-06-50014	Benefits-Life Insurance	3,000	785	775	878	201	127	119	2,884	96.14%
02-5-06-50016	Benefits-Health/Deird Comp	165,000	52,700	41,040	58,662	19,883	19,442	19,334	211,061	127.92%
02-5-06-50017	Benefits-Disability Insurance	7,000	1,908	1,580	2,465	665	838	573	8,028	114.69%
02-5-06-50019	Benefits-Workers Compensation	12,000	2,000	5,637	4,000	1,000	1,000	0	13,637	113.64%
02-5-06-50021	Benefits-PERS	42,000	10,112	9,317	10,501	2,955	2,919	2,686	38,489	91.64%
02-5-06-50022	Benefits PERS Employer	87,000	12,512	11,451	13,178	3,689	3,689	3,410	48,067	55.25%
02-5-06-50023	Uniforms	2,000	344	382	366	108	656	130	1,986	99.31%
02-5-06-50024	Benefits-Vacation & Sick Pay	12,000	1,977	1,709	2,941	786	307	307	8,028	66.90%
02-5-06-50025	Benefits-Boots	1,000	536	400	394	0	0	0	1,330	133.02%
02-5-06-51003	R&M - Structures	40,000	8,854	38,180	107,285	104,714	38,103	25,515	322,651	806.63%
02-5-06-51091	Expense Credits (overhead)	0	(872)	(560)	(1,440)	0	(492)	(116)	(3,480)	
02-5-06-51120	Safety Equipment/Supplies	25,000	4,681	6,443	6,916	2,172	2,789	2,665	25,667	102.67%
02-5-06-51125	Petroleum Products	100,000	21,336	22,128	19,987	4,333	11,991	6,045	85,821	85.82%
02-5-06-51130	Office Supplies & Expenses	30,000	10,693	18,195	6,678	2,040	9,176	2,907	49,689	165.63%
02-5-06-51140	General Supplies & Expenses	30,000	3,301	9,939	11,046	7,463	3,590	478	35,817	119.39%
02-5-06-51199	Disaster Incidences	0	0	0	0	0	0	0	0	
02-5-06-51211	Utilities - Electricity	30,000	9,455	6,621	5,768	1,859	2,076	2,988	28,768	95.89%
02-5-06-51213	Utilities - Natural Gas	3,000	97	656	1,096	54	0	22	1,925	64.17%
02-5-06-54002	Dues & Subscriptions	16,500	1,215	9,322	5,511	0	155	332	16,534	100.21%
02-5-06-54005	Computer Expenses	100,000	17,646	57,424	18,834	12,099	22,712	4,206	132,920	132.92%
02-5-06-54010	Postage	5,000	292	167	1,101	87	13	33	1,693	33.86%
02-5-06-54011	Printing & Publications	7,500	173	149	914	0	143	267	1,646	21.95%
02-5-06-54012	Education & Training	15,000	2,787	2,324	3,644	158	4,601	1,723	15,235	101.57%
02-5-06-54013	Utility Billing Expenses	150,000	44,568	37,535	38,265	12,110	12,447	12,391	157,315	104.88%
02-5-06-54014	Public Relations	50,000	599	955	699	0	(640)	9,257	10,870	21.74%
02-5-06-54016	Travel Related Expenses	10,000	210	1,293	1,023	810	2,186	330	5,852	58.52%
02-5-06-54017	Certifications & Renewals	7,000	1,104	2,509	2,099	908	1,023	145	7,788	111.26%
02-5-06-54020	Meeting Related Expenses	6,000	812	992	2,867	210	2,783	841	8,505	141.75%
02-5-06-54022	Utilities - YVWD Services	0	22,165	17,743	11,269	4,135	4,314	6,507	66,132	
02-5-06-54024	Utilities - Waste Disposal	2,500	532	659	564	241	177	177	2,351	94.05%
02-5-06-54025	Utilities - Telephone & Internet	92,000	10,526	11,321	10,599	3,243	3,659	2,350	41,699	45.33%
02-5-06-54099	Conservation & Rebates	250,000	(4,133)	9,545	18,305	5,915	1,012	0	30,643	12.26%
02-5-06-54104	Contractual Services	80,000	23,776	17,008	45,563	18,252	3,421	6,548	114,569	143.21%
02-5-06-54107	Legal	40,000	9,216	25,289	24,022	5,516	2,051	1,391	67,485	168.71%
02-5-06-54108	Audit & Accounting	16,000	9,450	1,305	0	0	0	0	10,755	67.22%
02-5-06-54109	Professional Fees	250,000	125,043	98,588	47,856	30,593	6,325	3,117	311,522	124.61%
02-5-06-55500	Depreciation Reserves	209,235	52,320	52,305	52,305	17,435	(9,483)	17,435	182,317	87.14%
	Infrastructure Replacement	1,000,000	250,030	249,990	249,990	83,330	83,330	83,330	1,000,000	100.00%
02-5-06-56001	Insurance	100,000	23,567	23,870	23,580	7,860	7,860	7,860	94,597	94.60%
02-5-06-57030	Regulatory Compliance	25,000	1,313	2,756	8,482	850	1,050	3,245	17,696	70.78%
02-5-06-57090	Election Related Expenses	10,000	0	0	0	0	4,258	0	4,258	42.58%
02-5-06-57096	Beaumont Basin Watermaster	60,000	0	0	26,738	0	0	0	26,738	44.56%
02-5-06-57199	Suspense	0	0	0	0	0	0	0	0	
	<b>ADMINISTRATION TOTALS</b>	<b>3,910,735</b>	<b>924,806</b>	<b>968,507</b>	<b>1,057,837</b>	<b>413,501</b>	<b>332,504</b>	<b>280,995</b>	<b>3,978,151</b>	<b>101.72%</b>

**FY 2017 - Water Expenses**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '16	Jun'17	Year to Date	Percentage YTD
02-5-40-57201	Debt Srv-Series 2015A Princ.(25009)	1,030,000	1,030,000	0	0	0	0	0	1,030,000	100.00%
02-5-40-57402	Interest-Long-Term Debt Bonds	1,265,665	640,556	0	625,106	0	0	0	1,265,663	100.00%
	<b>40 - Debt</b>	<b>2,295,665</b>	<b>1,670,556</b>	<b>0</b>	<b>625,106</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,295,663</b>	<b>100.00%</b>
02-5-40-57001	Asset Acq. - Water Resources	0	0	0	0	0	0	0	0	--
02-5-40-57003	Asset Acq. - Public works	0	0	0	0	0	0	0	0	--
02-5-40-57006	Asset Acq. - Admin	0	0	16,455	(16,455)	0	0	0	0	--
	<b>40 - Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>16,455</b>	<b>(16,455)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>--</b>
			4,517,403	2,816,473	3,250,787	1,104,680	1,073,498	1,109,273	13,872,114	
	<b>TOTAL WATER EXPENSES</b>	<b>13,781,800</b>	<b>4,517,403</b>	<b>2,816,473</b>	<b>3,250,787</b>	<b>1,104,680</b>	<b>1,073,498</b>	<b>1,109,273</b>	<b>13,872,114</b>	<b>100.66%</b>



**FY 2017 - Sewer Expenses**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun'17	Year to Date	Percentage YTD
03-5-02-50010	Labor-S Treatment	895,000	196,729	211,129	252,910	65,880	67,966	70,719	865,335	96.69%
03-5-02-50013	Benefits-Fica	75,000	15,989	16,734	20,448	5,340	5,501	5,706	69,718	92.96%
03-5-02-50014	Benefits-Life Insurance	5,000	900	954	936	224	134	135	3,282	65.64%
03-5-02-50016	Benefits-Health\Defrd Comp	200,000	54,448	37,317	52,533	16,594	15,860	15,366	192,118	96.06%
03-5-02-50017	Benefits-Disability Insurance	15,000	2,955	2,688	3,349	915	863	888	11,659	77.72%
03-5-02-50019	Benefits-Workers Compensation	45,000	8,026	10,890	13,751	3,438	3,438	0	39,543	87.87%
03-5-02-50021	Benefits-PERS	60,000	12,008	11,632	13,449	3,595	3,653	3,580	47,917	79.86%
03-5-02-50022	Benefits-PERS Employer	130,000	13,879	14,185	16,738	4,523	4,596	4,516	58,437	44.95%
03-5-02-50023	Benefits-Uniforms	5,000	732	726	833	431	1,164	359	4,245	84.90%
03-5-02-50024	Benefits-Vacation & Sick Pay	5,000	1,090	997	1,090	189	192	96	3,654	73.08%
03-5-02-50025	Benefits-Boot Allowance	2,400	551	752	152	0	0	0	1,454	60.60%
03-5-02-51003	R&M - Structures	325,000	44,233	63,069	47,586	36,608	153,290	30,530	375,317	115.48%
03-5-02-51010	R&M - Automation Control	65,000	16,334	10,203	36,278	7,407	4,852	10,101	85,175	131.04%
03-5-02-51106	Chemicals	450,000	146,625	141,749	147,336	59,014	50,193	57,785	602,700	133.93%
03-5-02-51111	Propane	5,000	2,024	3,088	0	155	0	0	5,267	105.35%
03-5-02-51115	Laboratory Supplies	30,000	13,293	10,044	5,798	5,015	2,376	2,355	38,881	129.60%
03-5-02-51140	General Supplies & Expenses	1,000	6	1,411	281	0	68	44	1,810	181.01%
03-5-02-51210	Utilities - Power Purchases	850,000	207,681	179,184	191,264	66,115	62,430	78,147	784,821	92.33%
03-5-02-54110	Laboratory Services	120,000	25,996	25,674	21,572	4,303	11,520	6,885	95,950	79.96%
03-5-02-57031	Sludge Disposal	300,000	67,118	58,025	65,102	18,539	21,480	0	230,263	76.75%
03-5-02-57034	Brine Operating Expenses	255,000	8,689	79,225	135,071	2,795	4,880	8,988	239,650	93.98%
	<b>TREATMENT TOTALS</b>	<b>3,838,400</b>	<b>839,306</b>	<b>879,677</b>	<b>1,026,476</b>	<b>301,080</b>	<b>414,455</b>	<b>296,201</b>	<b>3,757,195</b>	<b>97.88%</b>

FY 2017 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun '17	Year to Date	Percentage YTD
03-5-06-50010	Labor-Administration	700,000	162,497	144,772	176,416	47,766	70,175	42,239	643,864	91.98%
03-5-06-50011	Labor Credit	0	0	(15)	0	0	0	0	(15)	
03-5-06-50012	Directors Fees	20,000	2,955	4,714	6,785	1,519	2,330	2,186	20,490	102.45%
03-5-06-50013	Benefits-Fica	45,000	12,124	10,631	16,073	4,520	6,125	3,921	53,394	118.65%
03-5-06-50014	Benefits-Life Insurance	3,000	753	740	836	203	127	119	2,777	92.57%
03-5-06-50016	Benefits-Health\Defrd Comp	155,000	47,850	36,828	55,234	17,657	16,789	17,888	192,246	124.03%
03-5-06-50017	Benefits-Disability Insurance	7,500	1,676	1,542	2,342	630	800	536	7,525	100.34%
03-5-06-50019	Benefits-Workers Compensation	25,000	2,000	5,637	4,000	1,000	1,000	0	13,637	54.55%
03-5-06-50021	Benefits-PERS	40,000	8,336	8,363	9,684	2,823	2,643	2,423	34,273	85.68%
03-5-06-50022	Benefits-PERS Employer	55,000	11,686	10,659	12,351	3,482	3,388	3,176	44,743	81.35%
03-5-06-50023	Benefits-Uniforms	2,000	188	218	189	78	291	73	1,037	51.87%
03-5-06-50024	Benefits-Vacation & Sick Pay	15,000	1,977	1,709	2,941	786	307	307	8,028	53.52%
03-5-06-50025	Benefits-Boot Allowance	1,750	200	0	0	0	0	0	200	11.43%
03-5-06-51120	Safety Equipment/Supplies	10,000	3,440	4,886	1,496	0	1,464	26	11,313	113.13%
03-5-06-51125	Petroleum Products	20,000	10,012	3,600	3,600	1,672	1,337	1,440	21,661	108.30%
03-5-06-51130	Office Supplies	4,000	991	6,319	53	188	56	457	8,064	201.59%
03-5-06-51140	General Supplies & Expenses	2,000	1,176	8,928	6,626	5,781	102	0	22,613	113.07%
03-5-06-54002	Dues & Subscriptions	10,000	1,799	5,399	3,420	0	155	247	11,019	110.19%
03-5-06-54003	Management & Admin Services	160,000	40,039	39,987	39,987	13,329	13,329	13,329	160,000	100.00%
03-5-06-54005	Computer Expenses	95,000	14,939	55,153	18,972	11,699	12,923	10,295	123,980	130.51%
03-5-06-54011	Printing & Publications	5,500	30	149	731	0	143	105	1,158	21.05%
03-5-06-54012	Education & Training	7,000	4,842	1,141	2,285	158	4,991	552	13,967	199.53%
03-5-06-54014	Public Relations	7,500	353	139	699	0	516	3,474	5,181	69.08%
03-5-06-54016	Travel Related Expenses	7,000	2,055	1,230	1,055	732	746	430	6,248	83.30%
03-5-06-54017	Certifications & Renewals	7,000	627	2,201	503	1,453	658	0	5,442	77.74%
03-5-06-54019	Licenses & Permits	60,000	11,660	47,362	3,391	251	0	0	62,664	104.44%
03-5-06-54020	Meeting Related Expenses	5,000	541	1,002	2,227	124	2,463	562	6,920	138.40%
03-5-06-54022	Utilities - YAWD Services	0	424	382	382	127	127	127	1,570	
03-5-06-54024	Utilities - Waste Disposal	13,000	3,333	3,174	3,174	1,058	1,058	1,122	12,919	99.38%
03-5-06-54025	Utilities - Telephone & Internet	152,045	4,714	8,586	13,897	4,306	4,037	4,821	40,361	26.55%
03-5-06-54030	Drinking Water	1,000	332	201	216	82	155	70	1,056	105.58%
03-5-06-54104	Contractual Services	35,000	13,176	15,930	36,093	2,312	926	5,527	73,964	211.33%
03-5-06-54107	Legal	45,000	6,291	22,852	25,784	5,032	1,326	1,366	62,651	139.23%
03-5-06-54108	Audit & Accounting	16,000	9,450	1,305	0	0	0	0	10,755	67.22%
03-5-06-54109	Professional Fees	150,000	39,843	37,242	94,370	41,132	6,623	3,329	222,538	148.36%
03-5-06-55500	Depreciation Reserves	563,300	140,840	140,820	140,820	46,940	46,940	46,940	563,300	100.00%
03-5-06-56001	Infrastructure Replacement	700,000	175,030	174,990	174,990	58,330	58,330	58,330	700,000	100.00%
03-5-06-57030	Insurance	100,000	23,667	23,580	23,580	7,860	7,860	7,860	94,407	94.41%
03-5-06-57030	Regulatory Compliance	35,000	4,989	16,412	23,749	0	0	0	45,150	129.00%
	<b>ADMINISTRATION TOTALS</b>	<b>3,298,095</b>	<b>766,835</b>	<b>848,769</b>	<b>908,951</b>	<b>283,031</b>	<b>270,241</b>	<b>233,275</b>	<b>3,311,101</b>	<b>100.39%</b>

**FY 2017 - Sewer Expenses**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun'17	Year to Date	Percentage YTD
03-5-07-50010	Labor-Environmental Control	465,000	126,104	100,235	111,079	33,432	36,866	37,112	444,827	95.66%
03-5-07-50011	Labor Credit	0	(370)	0	0	0	0	0	(370)	
03-5-07-50013	Benefits-Fica	34,000	10,051	7,949	8,846	2,654	2,922	2,941	35,363	104.01%
03-5-07-50014	Benefits-Life Insurance	2,000	423	317	254	69	43	43	1,149	57.44%
03-5-07-50016	Benefits-Health\Defrd Comp	100,000	34,829	15,339	20,759	6,706	6,829	6,557	91,018	91.02%
03-5-07-50017	Benefits-Disability Insurance	6,000	1,598	1,251	1,296	399	409	412	5,364	89.40%
03-5-07-50019	Benefits-Workers Compensation	30,000	3,000	7,629	6,000	1,500	1,500	0	19,629	65.43%
03-5-07-50021	Benefits-PERS	25,000	6,510	4,635	5,545	1,634	1,728	1,708	21,761	87.04%
03-5-07-50022	Benefits-PERS Employer	40,000	7,896	6,683	7,583	2,298	2,471	2,450	29,382	73.45%
03-5-07-50023	Benefits-Uniforms	3,000	413	418	388	211	917	191	2,538	84.61%
03-5-07-50024	Benefits-Vacation & Sick Pay	2,000	706	640	574	217	220	220	2,576	128.81%
03-5-07-50025	Benefits-Boot Allowance	1,000	162	0	0	0	0	0	162	16.24%
03-5-07-51003	Sewer Pipeline & Facilities	270,000	57,510	41,580	48,717	46,797	14,594	17,087	226,286	83.81%
03-5-07-51140	General Supplies & Expenses	1,000	135	72	0	0	0	76	282	28.25%
03-5-07-51241	Lift Station #1	125,000	12,670	9,819	9,590	3,688	4,425	5,654	45,846	36.68%
03-5-07-51242	Lift Station #2	16,000	13,435	3,917	2,818	1,915	713	854	23,651	147.82%
03-5-07-51243	Lift Station #3	5,000	604	486	558	749	178	236	2,810	56.20%
03-5-07-51244	Lift Station #4	40,000	2,368	1,517	11,928	1,731	511	638	18,692	46.73%
03-5-07-51248	Lift Station #8	3,000	158	184	329	77	75	89	912	30.40%
03-5-07-54111	Pretreatment	66,000	35,421	9,072	16,708	4,619	2,687	13,438	81,945	124.16%
	<b>ENVIRONMENTAL CONTROL TOTAL</b>	<b>1,234,000</b>	<b>313,622</b>	<b>211,741</b>	<b>252,972</b>	<b>108,695</b>	<b>77,089</b>	<b>89,705</b>	<b>1,053,825</b>	<b>85.40%</b>
03-5-40-57202	Debt Service - Principal - WRWRF	2,147,975	2,147,973	0	0	0	0	0	2,147,973	100.00%
03-5-40-57203	Debt Service - Principal - Brineline	412,790	0	412,791	0	0	0	0	412,791	100.00%
03-5-40-57204	Debt Service - Principal - WISE	127,970	0	0	185,251	0	0	0	127,966	100.00%
03-5-40-57205	Debt Service - Principal - R 10.3	37,495	0	0	37,493	0	0	0	37,493	100.00%
03-5-40-57206	Debt Service - Principal - Crow & B12-1	13,795	0	0	12,734	0	0	0	12,734	92.31%
03-5-40-57403	Debt Service - Interest	1,091,707	775,696	236,483	23,305	0	0	0	1,092,768	100.10%
	<b>40 - Debt</b>	<b>3,831,732</b>	<b>2,923,669</b>	<b>649,274</b>	<b>258,783</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,831,725</b>	<b>100.00%</b>
03-5-40-57002	Asset Acq. - Treatment	0	0	0	0	0	0	0	0	
03-5-40-57006	Asset Acq. - Admin (fuel master)	0	0	0	0	0	0	0	0	
03-5-40-57007	Asset Acq. - EC (ADS flow monitors & smart covers)	0	0	0	0	0	0	0	0	
	<b>40 - Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>TOTAL SEWER EXPENSES</b>	<b>12,202,227</b>	<b>4,843,432</b>	<b>2,589,461</b>	<b>2,447,182</b>	<b>692,805</b>	<b>761,785</b>	<b>619,181</b>	<b>11,953,846</b>	<b>97.96%</b>

**FY 2017 - Recycled Expenses**

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '17	May '17	Jun '17	Year to Date	Percentage YTD
04-5-06-50010	Labor-Recycled Water	275,000	63,747	49,891	55,325	16,825	47,111	15,946	248,846	90.49%
04-5-06-50012	Director Fees	2,500	0	0	0	2,500	0	0	2,500	100.00%
04-5-06-50013	Benefit-FICA	15,000	4,837	3,535	4,557	1,378	3,699	1,295	19,300	128.66%
04-5-06-50014	Benefit-Life Insurance	250	(10)	(7)	(9)	(2)	0	0	(28)	-11.22%
04-5-06-50016	Benefit-Health & Def Comp	25,000	8,062	5,457	6,961	2,114	2,340	2,117	27,050	108.20%
04-5-06-50017	Benefit-Disability Insurance	1,500	535	347	517	157	294	148	1,998	133.21%
04-5-06-50019	Benefit-Workers Compensation	3,000	394	2,333	787	197	197	0	3,908	130.28%
04-5-06-50021	Benefit-PERS Employee	2,000	2,589	2,406	2,620	743	740	440	9,538	476.89%
04-5-06-50022	Benefit-PERS Employer	2,800	4,033	3,469	3,877	1,159	1,193	1,076	14,808	528.86%
04-5-06-50023	Benefit-Uniforms	1,300	186	209	186	66	296	63	1,006	77.39%
04-5-06-50024	Benefit-Vacation & Sick Pay	500	313	145	169	49	50	50	776	155.26%
04-5-06-50025	Benefit-Boots	250	0	0	0	0	0	0	0	0.00%
04-5-06-51003	R & M-Structures	20,000	34,003	19,240	13,482	12,221	29,663	1,930	110,538	552.69%
04-5-06-51020	R & M-Pipelines	5,000	5,267	5,467	129	0	0	1,118	11,981	239.62%
04-5-06-51021	R & M-Service Lines	5,000	(643)	8,578	1,647	1,820	503	(348)	11,557	231.13%
04-5-06-51022	R & M-Fire Hydrants	2,500	0	0	0	0	238	0	238	9.53%
04-5-06-51030	R & M-Meters	25,000	1,825	0	0	0	675	0	2,500	10.00%
04-5-06-51140	General Supplies & Expenses	2,000	38	1,703	1,294	1,276	0	0	4,310	215.52%
04-5-06-51210	Utilities-Power Purchases	85,000	24,929	22,283	14,865	5,952	895	13,830	82,753	97.36%
04-5-06-54002	Dues & Subscriptions	6,500	56	0	4,728	0	0	0	4,784	73.59%
04-5-06-54005	Computer Expense	7,500	64	7,194	0	0	0	0	7,258	96.77%
04-5-06-54011	Printing & Publications	1,000	83	67	79	0	32	0	261	26.11%
04-5-06-54012	Education & Training	4,000	782	1,873	1,285	35	530	1,448	5,952	148.79%
04-5-06-54014	Public Relations	2,500	234	31	62	0	0	5,273	5,600	223.99%
04-5-06-54016	Travel Related Expenses	5,000	289	1,318	21	1,068	2,621	558	5,875	117.49%
04-5-06-54017	Certifications & Renewals	1,000	0	0	0	0	0	0	0	0.00%
04-5-06-54019	Licenses & Permits	35,000	0	21,472	0	0	0	0	21,472	61.35%
04-5-06-54020	Meeting Related Expenses	1,000	121	248	300	102	240	97	1,107	110.71%
04-5-06-54022	Utilities - YVWD Services	0	598,568	(581,905)	5,681	2,598	2,423	3,109	30,475	
04-5-06-54025	Utilities - Telephone & Internet	1,000	420	419	421	141	110	0	1,511	151.07%
04-5-06-54010	Contractual Services	3,500	2,058	122	6,247	20	24	840	9,311	266.03%
04-5-06-54107	Legal	4,000	1,275	0	0	0	0	0	1,275	31.88%
04-5-06-54108	Audit & Accounting	2,500	2,100	290	0	0	0	0	2,390	
04-5-06-54109	Professional Fees	25,000	33,571	40,143	45,755	27,607	4,273	617	151,964	607.86%
04-5-06-54110	Laboratory Services	1,000	0	0	0	0	0	0	0	0.00%
04-5-06-55500	Depreciation	8,000	2,015	1,995	1,995	665	665	665	8,000	100.00%
	Infrastructure Replacement	25,000	6,280	6,240	6,240	2,080	2,080	2,080	25,000	100.00%
04-5-06-56001	Insurance	0	5,252	5,235	5,235	1,745	1,745	1,745	20,957	
04-5-06-57030	Regulatory Compliance	40,000	5,269	44,214	19,450	19,626	2,560	0	91,119	227.80%
04-5-06-57040	Environmental Compliance	10,000	0	0	0	0	0	0	0	0.00%
			808,539	(325,989)	203,908				947,888	
	<b>TOTAL RECYCLED EXPENSES</b>	<b>657,100</b>	<b>808,539</b>	<b>(325,989)</b>	<b>203,908</b>	<b>102,139</b>	<b>105,197</b>	<b>54,094</b>	<b>947,888</b>	<b>144.25%</b>



**Date:** August 1, 2017

**Prepared By:** Allison M. Edmisten, Chief Financial Officer

**Subject:** Consideration of Resolution No. 2017-20 Updating the Methodology used to Calculate Employee Benefit, Administrative Overhead, and Surcharge Factors for Cost Recovery of Certain Services Provided by the District

**Recommendation:** That the Board adopts Resolution No. 2017-20.

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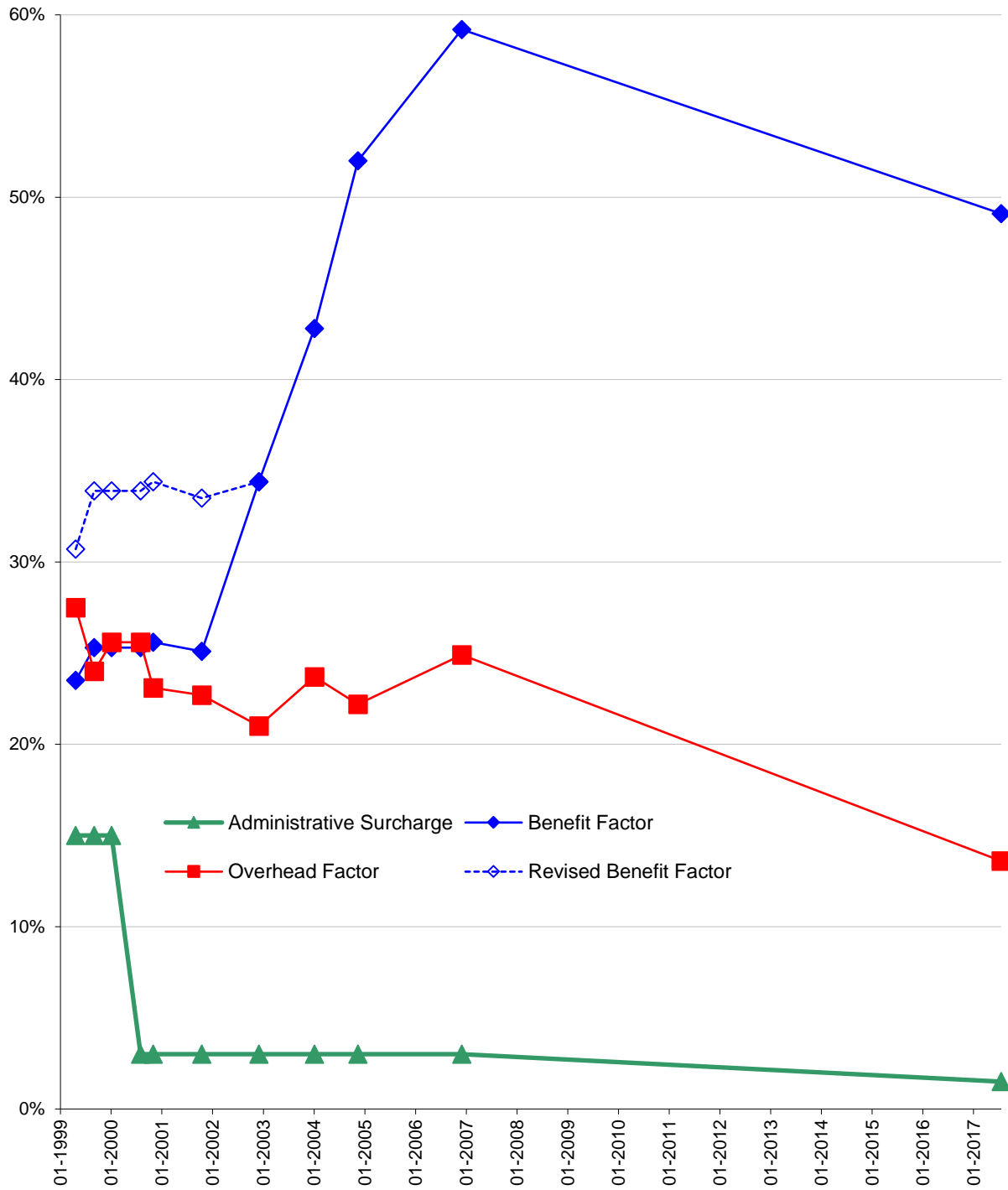
On November 1, 2000, the Board of Directors adopted Resolution No. 36-2000 that established the methodology and factors related to calculating employee benefits, administrative overhead, and surcharges for outside billing purposes. Following the establishment of the methodology, the District has implemented several updates to the cost factors to make certain the billing factors are based on current financial data.

Based on the adopted budget for Fiscal Year 2018, the District staff updated the factors associated with this calculation as provided below.

	Existing YVWD Resolution No. 26-2006	Proposed YVWD Resolution No. 2017-20
Resolution Adoption Date	December 6, 2006	August 1, 2017
Employee Benefit Factor	59.2%	49.1%
Administrative Overhead Factor	24.9%	13.6%
Administrative Surcharge	3%	1.5%

The District staff recommends adopting the attached resolution to amend the factors used to calculate charges for District services.

### Historical Benefit, Overhead & Administrative Surcharge Rates



**RESOLUTION NO. 2017-20****A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT UPDATING THE METHODOLOGY USED TO CALCULATE EMPLOYEE BENEFIT, ADMINISTRATIVE OVERHEAD, AND SURCHARGE FACTORS FOR COST RECOVERY OF CERTAIN SERVICES PROVIDED BY THE DISTRICT**

**WHEREAS**, the Yucaipa Valley Water District regularly invoices property owners and developers on a time and material basis to recover costs associated with specific work associated with various projects; and,

**WHEREAS**, a portion of the time and material cost charged to a project requires a specific methodology to determine employee benefits, administrative overhead, and bill processing surcharges.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors, that the Yucaipa Valley Water District does hereby establish the following factors to be used in the calculation of charges for time and material based services:

1. Employee Benefit Factor: The Employee Benefit Factor shall be 49.1%. Attachment "A" illustrates the manner in which the Employee Benefit Factor was calculated.
2. Administrative Overhead Factor: The Administrative Overhead Factor shall be 13.6%. Attachment "A" illustrates the manner in which the Administrative Overhead Factor was calculated.
3. Administrative Surcharge: An Administrative Surcharge equal to 1.5% shall be applied to all outside service charges generated by consultants and contractors for all District related projects.
4. Benefit & Overhead Calculation Methodology: Attachment "B" illustrates how the factors established above will be used to calculate total project cost.
5. Hourly Labor Rates: The calculated hourly labor rate shall be updated on a regular basis to reflect the sum of the range maximum in effect for each job position plus the benefit factor plus the overhead factor as provided in Attachment "B."

This resolution should take effect immediately and shall apply to all active and future projects.

PASSED, APPROVED and ADOPTED this 1<sup>st</sup> day of August 2017.

YUCAIPA VALLEY WATER DISTRICT

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Jay Bogh, President Board of Directors

ATTEST:

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Joseph B. Zoba, General Manager



Attachment "A"

### CALCULATION OF EMPLOYEE BENEFIT FACTOR

	Labor	Benefits	Benefit Percentage Calculation
<b>LABOR RELATED EXPENSES:</b>			
Water Division:			
Water Resource Department	\$729,415	\$399,337	54.7%
Public Works Department	\$1,647,456	\$757,180	46.0%
Administrative Services Department*	\$792,038	\$437,080	55.2%
Wastewater Division:			
Treatment Department	\$809,289	\$405,495	50.1%
Environmental Control Department	\$565,420	\$272,302	48.2%
Administration Department	\$707,579	\$395,074	55.8%
Recycled Water Division:			
Recycled Water Department	\$364,137	\$91,138	25.0%
<b>TOTAL LABOR RELATED EXPENSES:</b>	<b>\$5,615,334</b>	<b>+ \$2,757,606</b>	<b>= \$8,372,940</b>
	<b>Benefits</b>	<b>= \$2,757,606</b>	<b>= 49.1%</b>
	<b>Total Labor</b>	<b>\$5,615,334</b>	

<b>THE RATE OF LABOR RELATED BENEFITS FOR PROJECTS BASED ON THE FY 2018 OPERATING BUDGET SHALL BE BILLED AT A RATE EQUAL TO:</b>	<b>0.491</b>
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\* This department is considered to be non-enterprise related. This percentage of total labor associated with this department is used to distinguish between enterprise and non-enterprise duties in the Salaries and Employee Benefits below.

Source: The information above was derived from the Operating Budget for Fiscal Year 2018.

### CALCULATION OF OVERHEAD FACTOR

	District Related Expenses for Fiscal Year 2016	Enterprise Related Expenses	Non-Enterprise Related Expenses (Overhead)
<b>OPERATING EXPENSES:</b>			
Salaries and Employee Benefits	\$6,385,657	\$5,484,966	\$900,691
Electrical Power	\$2,292,571	\$2,292,571	
Water Purchases	\$920,056	\$920,056	
Administrative Services	\$1,228,432		\$1,228,432
Operating Supplies	\$623,687	\$623,687	
Maintenance and Repairs	\$1,802,696	\$1,802,696	
Crystal Creek Water Treatment	\$757,125	\$757,125	
Brineline Charges	\$150,194	\$150,194	
Depreciation/Amortization (Split 85%:15%)	\$8,182,333	\$6,954,983	\$1,227,350
Insurance	\$200,455	\$200,455	
Professional Fees	\$1,084,474	\$1,084,474	
Other (Split 50%:50%)	\$470,582	\$235,291	\$235,291
<b>NONOPERATING EXPENSES:</b>			
Interest Expense	\$2,233,253	\$2,233,253	
<b>TOTAL EXPENSES</b>	<b>\$26,331,515</b>	<b>\$22,739,751</b>	<b>\$3,591,764</b>
<b>PERCENTAGE OF TOTAL EXPENSES</b>	<b>100.0%</b>	<b>86.4%</b>	<b>13.6%</b>

<b>THE RATE OF OVERHEAD FOR PROJECTS BASED ON THE FISCAL YEAR 2016 AUDIT SHALL BE BILLED AT A RATE EQUAL TO:</b>	<b>0.136</b>
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Source: The information above was derived from the Audited Financial Statement dated June 30, 2016.

Attachment "B"

## BENEFIT & OVERHEAD CALCULATION METHODOLOGY

Hourly Range Maximum of Job Title	[A]
Benefit Calculation Factor (0.491)	[B] = [A] x 0.491
Overhead Calculation Factor (0.136)	[C] = [A] x 0.136
<b>Total District Labor Expense</b>	<b>[D] = [A] + [B] + [C]</b>
Sum of District Material Costs	[E]
Overhead Calculation Factor (0.136)	[F] = [E] x 0.136
<b>Subtotal of District Material Expense</b>	<b>[G] = [E] + [F]</b>
Sum of District Equipment Costs	[H]
Overhead Calculation Factor (0.136)	[I] = [H] x 0.136
<b>Subtotal of District Equipment Expense</b>	<b>[J] = [H] + [I]</b>
Sum of All Outside Services	[K]
Administrative Surcharge (0.03)	[L] = [K] x 0.03
<b>Total of Outside Services Charges</b>	<b>[M] = [K] + [L]</b>
Total District Labor Expense	[D] = [A] + [B] + [C]
Subtotal of District Material Expense	[G] = [E] + [F]
Subtotal of District Equipment Expense	[J] = [H] + [I]
Total of Outside Services Charges	[M] = [K] + [L]
<b>Total Project Cost</b>	<b>[N] = [D] + [G] + [J] + [M]</b>

# Board Reports



Yucaipa Valley Water District

# Director Comments



Yucaipa Valley Water District



## FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

**Service Area Size:** 40 square miles (sphere of influence is 68 square miles)

**Elevation Change:** 3,140 foot elevation change (from 2,044 to 5,184 feet)

**Number of Employees:** 5 elected board members  
62 full time employees

**Operating Budget:** Water Division - \$13,397,500  
Sewer Division - \$11,820,000  
Recycled Water Division - \$537,250  
Total Annual Budget - \$25,754,750

**Number of Services:** 12,434 water connections serving 17,179 units  
13,559 sewer connections serving 20,519 units  
64 recycled water connections

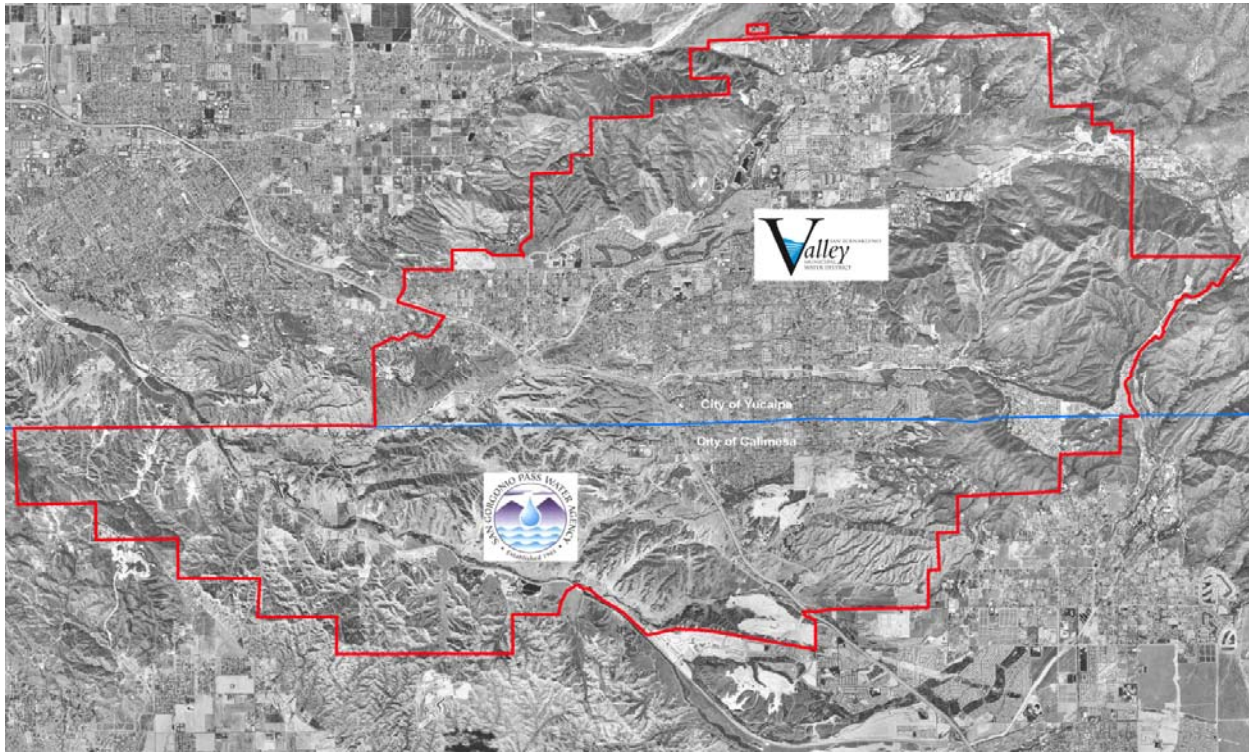
**Water System:** 215 miles of drinking water pipelines  
27 reservoirs - 34 million gallons of storage capacity  
18 pressure zones  
12,000 ac-ft annual water demand (3.9 billion gallons)  
Two water filtration facilities:  
- 1 mgd at Oak Glen Surface Water Filtration Facility  
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

**Sewer System:** 8.0 million gallon treatment capacity - current flow at 4.0 mgd  
205 miles of sewer mainlines  
5 sewer lift stations  
4,500 ac-ft annual recycled water prod. (1.46 billion gallons)

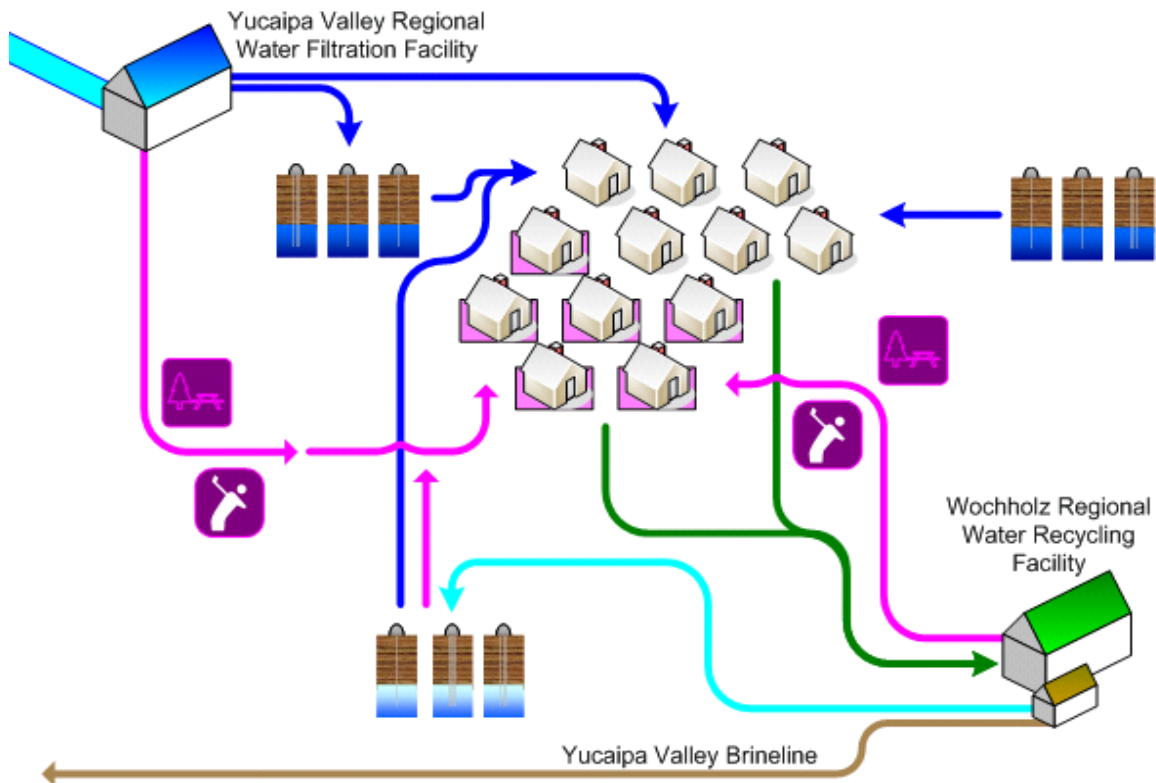
**Recycled Water:** 22 miles of recycled water pipelines  
5 reservoirs - 12 million gallons of storage  
1,200 ac-ft annual recycled demand (0.4 billion gallons)

**Brine Disposal:** 2.2 million gallon desalination facility at sewer treatment plant  
1.108 million gallons of Inland Empire Brine Line capacity  
0.295 million gallons of treatment capacity in Orange County

**State Water Contractors:** San Bernardino Valley Municipal Water District  
San Geronimo Pass Water Agency



**Sustainability Plan:** A Strategic Plan for a Sustainable Future: The Integration and Preservation of Resources, adopted on August 20, 2008.





## THE MEASUREMENT OF WATER PURITY

**One part per hundred** is generally represented by the percent (%).  
This is equivalent to about fifteen minutes out of one day.

**One part per thousand** denotes one part per 1000 parts.  
This is equivalent to about one and a half minutes out of one day.

**One part per million (ppm)** denotes one part per 1,000,000 parts.  
This is equivalent to about 32 seconds out of a year.

**One part per billion (ppb)** denotes one part per 1,000,000,000 parts.  
This is equivalent to about three seconds out of a century.

**One part per trillion (ppt)** denotes one part per 1,000,000,000,000 parts.  
This is equivalent to about three seconds out of every hundred thousand years.

**One part per quadrillion (ppq)** denotes one part per 1,000,000,000,000,000 parts.  
This is equivalent to about two and a half minutes out of the age of the Earth (4.5 billion years).





## GLOSSARY OF COMMONLY USED TERMS

Every profession has specialized terms which generally evolve to facilitate communication between individuals. The routine use of these terms tends to exclude those who are unfamiliar with the particular specialized language of the group. Sometimes jargon can create communication cause difficulties where professionals in related fields use different terms for the same phenomena.

Below are commonly used water terms and abbreviations with commonly used definitions. If there is any discrepancy in definitions, the District's Regulations Governing Water Service is the final and binding definition.

**Acre Foot of Water** - The volume of water (325,850 gallons, or 43,560 cubic feet) that would cover an area of one acre to a depth of 1 foot.

**Activated Sludge Process** – A secondary biological sewer treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen, and consume dissolved nutrients in the wastewater.

**Annual Water Quality Report** - The document is prepared annually and provides information on water quality, constituents in the water, compliance with drinking water standards and educational material on tap water. It is also referred to as a Consumer Confidence Report (CCR).

**Aquifer** - The natural underground area with layers of porous, water-bearing materials (sand, gravel) capable of yielding a supply of water; see Groundwater basin.

**Backflow** - The reversal of water's normal direction of flow. When water passes through a water meter into a home or business it should not reverse flow back into the water mainline.

**Best Management Practices (BMPs)** - Methods or techniques found to be the most effective and practical means in achieving an objective. Often used in the context of water conservation.

**Biochemical Oxygen Demand (BOD)** – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

**Biosolids** – Biosolids are nutrient rich organic and highly treated solid materials produced by the sewer treatment process. This high-quality product can be used as a soil amendment on farm land or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

**Catch Basin** – A chamber usually built at the curb line of a street, which conveys surface water for discharge into a storm sewer.

**Capital Improvement Program (CIP)** – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

**Collector Sewer** – The first element of a wastewater collection system used to collect and carry wastewater from one or more building sewer laterals to a main sewer.

**Coliform Bacteria** – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere and is generally used as an indicator of sewage pollution.

**Combined Sewer Overflow** – The portion of flow from a combined sewer system, which discharges into a water body from an outfall located upstream of a wastewater treatment plant, usually during wet weather conditions.

**Combined Sewer System**– Generally older sewer systems designed to convey both sewage and storm water into one pipe to a wastewater treatment plant.



**Conjunctive Use** - The coordinated management of surface water and groundwater supplies to maximize the yield of the overall water resource. Active conjunctive use uses artificial recharge, where surface water is intentionally percolated or injected into aquifers for later use. Passive conjunctive use is to simply rely on surface water in wet years and use groundwater in dry years.

**Consumer Confidence Report (CCR)** - see Annual Water Quality Report.

**Cross-Connection** - The actual or potential connection between a potable water supply and a non-potable source, where it is possible for a contaminant to enter the drinking water supply.

**Disinfection By-Products (DBPs)** - The category of compounds formed when disinfectants in water systems react with natural organic matter present in the source water supplies. Different disinfectants produce different types or amounts of disinfection byproducts. Disinfection byproducts for which regulations have been established have been identified in drinking water, including trihalomethanes, haloacetic acids, bromate, and chlorite

**Drought** - a period of below average rainfall causing water supply shortages.

**Dry Weather Flow** – Flow in a sanitary sewer during periods of dry weather in which the sanitary sewer is under minimum influence of inflow and infiltration.

**Fire Flow** - The ability to have a sufficient quantity of water available to the distribution system to be delivered through fire hydrants or private fire sprinkler systems.

**Gallons per Capita per Day (GPCD)** - A measurement of the average number of gallons of water use by the number of people served each day in a water system. The calculation is made by dividing the total gallons of water used each day by the total number of people using the water system.

**Groundwater Basin** - An underground body of water or aquifer defined by physical boundaries.

**Groundwater Recharge** - The process of placing water in an aquifer. Can be a naturally occurring process or artificially enhanced.

**Hard Water** - Water having a high concentration of minerals, typically calcium and magnesium ions.

**Hydrologic Cycle** - The process of evaporation of water into the air and its return to earth in the form of precipitation (rain or snow). This process also includes transpiration from plants, percolation into the ground, groundwater movement, and runoff into rivers, streams and the ocean; see Water cycle.

**Infiltration** – Water other than sewage that enters a sewer system and/or building laterals from the ground through defective pipes, pipe joints, connections, or manholes. Infiltration does not include inflow. See *Inflow*.

**Inflow** - Water other than sewage that enters a sewer system and building sewer from sources such as roof vents, yard drains, area drains, foundation drains, drains from springs and swampy areas, manhole covers, cross connections between storm drains and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters, or drainage. Inflow does not include infiltration. See *Infiltration*.

**Inflow / Infiltration (I/I)** – The total quantity of water from both inflow and infiltration.

**Mains, Distribution** - A network of pipelines that delivers water (drinking water or recycled water) from transmission mains to residential and commercial properties, usually pipe diameters of 4" to 16".

**Mains, Transmission** - A system of pipelines that deliver water (drinking water or recycled water) from a source of supply the distribution mains, usually pipe diameters of greater than 16".

**Meter** - A device capable of measuring, in either gallons or cubic feet, a quantity of water delivered by the District to a service connection.

**Overdraft** - The pumping of water from a groundwater basin or aquifer in excess of the supply flowing into the basin. This pumping results in a depletion of the groundwater in the basin which has a net effect of lowering the levels of water in the aquifer.

**Peak Flow** – The maximum flow that occurs over a specific length of time (e.g., daily, hourly, instantaneously).

**Pipeline** - Connected piping that carries water, oil or other liquids. See Mains, Distribution and Mains, Transmission.

**Point of Responsibility, Metered Service** - The connection point at the outlet side of a water meter where a landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

**Potable Water** - Water that is used for human consumption and regulated by the California Department of Public Health.

**Pressure Reducing Valve** - A device used to reduce the pressure in a domestic water system when the water pressure exceeds desirable levels.

**Pump Station** - A drinking water or recycled water facility where pumps are used to push water up to a higher elevation or different location.

**Reservoir** - A water storage facility where water is stored to be used at a later time for peak demands or emergencies such as fire suppression. Drinking water and recycled water systems will typically use concrete or steel reservoirs. The State Water Project system considers lakes, such as Shasta Lake and Folsom Lake to be water storage reservoirs.

**Runoff** - Water that travels downward over the earth's surface due to the force of gravity. It includes water running in streams as well as over land.

**Sanitary Sewer System** - Sewer collection system designed to carry sewage, consisting of domestic, commercial, and industrial wastewater. This type of system is not designed nor intended to carry water from rainfall, snowmelt, or groundwater sources. See *Combined Sewer System*.

**Sanitary Sewer Overflow** – Overflow from a sanitary sewer system caused when total wastewater flow exceeds the capacity of the system. See *Combined Sewer Overflow*.

**Santa Ana River Interceptor (SARI) Line** – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the sewer treatment plant operated by Orange County Sanitation District.

**Secondary Treatment** – Biological sewer treatment, particularly the activated-sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

**Supervisory Control and Data Acquisition (SCADA)** - A computerized system which provides the ability to remotely monitor and control water system facilities such as reservoirs, pumps and other elements of water delivery.

**Service Connection** - The water piping system connecting a customer's system with a District water main beginning at the outlet side of the point of responsibility, including all plumbing and equipment located on a parcel required for the District's provision of water service to that parcel.

**Sludge** – Untreated solid material created by the treatment of sewage.

**Smart Irrigation Controller** - A device that automatically adjusts the time and frequency which water is applied to landscaping based on real-time weather such as rainfall, wind, temperature and humidity.

**Special District** - A political subdivision of a state established to provide a public services, such as water supply or sanitation, within a specific geographic area.

**Surface Water** - Water found in lakes, streams, rivers, oceans or reservoirs behind dams.

**Total Suspended Solids (TSS)** – The amount of solids floating and in suspension in water or sewage.

**Transpiration** - The process by which water vapor is released into the atmosphere by living plants.

**Trickling Filter** – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in primary treated sewage as it trickles over them.

**Underground Service Alert (USA)** - A free service that notifies utilities such as water, telephone, cable and sewer companies of pending excavations within the area (dial 8-1-1 at least 2 working days before you dig).

**Urban Runoff** - Water from city streets and domestic properties that typically carries pollutants into the storm drains, rivers, lakes, and oceans.

**Valve** - A device that regulates, directs or controls the flow of water by opening, closing or partially obstructing various passageways.

**Wastewater** – Any water that enters the sanitary sewer.

**Water Banking** - The practice of actively storing or exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party or for sale or exchange to a third party. Water may be banked as an independent operation or as part of a conjunctive use program.

**Water cycle** - The continuous movement water from the earth's surface to the atmosphere and back again; see Hydrologic cycle.

**Water Pressure** - Pressure created by the weight and elevation of water and/or generated by pumps that deliver water to the tap.

**Water Service Line** - The pipeline that delivers potable water to a residence or business from the District's water system. Typically the water service line is a 1" to 1½" diameter pipe for residential properties.

**Watershed** - A region or land area that contributes to the drainage or catchment area above a specific point on a stream or river.

**Water Table** - The upper surface of the zone of saturation of groundwater in an unconfined aquifer.

**Water Transfer** - A transaction, in which a holder of a water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water under that water right or entitlement.

**Water Well** - A hole drilled into the ground to tap an underground water aquifer.

**Wetlands** - Lands which are fully saturated or under water at least part of the year, like seasonal vernal pools or swamps.

**Wet Weather Flow** – Dry weather flow combined with stormwater introduced into a combined sewer system, and dry weather flow combined with infiltration/inflow into a separate sewer system.





## COMMONLY USED ABBREVIATIONS

<b>AQMD</b>	Air Quality Management District
<b>BOD</b>	Biochemical Oxygen Demand
<b>CARB</b>	California Air Resources Board
<b>CCTV</b>	Closed Circuit Television
<b>CWA</b>	Clean Water Act
<b>EIR</b>	Environmental Impact Report
<b>EPA</b>	U.S. Environmental Protection Agency
<b>FOG</b>	Fats, Oils, and Grease
<b>GPD</b>	Gallons per day
<b>MGD</b>	Million gallons per day
<b>O &amp; M</b>	Operations and Maintenance
<b>OSHA</b>	Occupational Safety and Health Administration
<b>POTW</b>	Publicly Owned Treatment Works
<b>PPM</b>	Parts per million
<b>RWQCB</b>	Regional Water Quality Control Board
<b>SARI</b>	Santa Ana River Inceptor
<b>SAWPA</b>	Santa Ana Watershed Project Authority
<b>SBVMWD</b>	San Bernardino Valley Municipal Water District
<b>SCADA</b>	Supervisory Control and Data Acquisition system
<b>SSMP</b>	Sanitary Sewer Management Plan
<b>SSO</b>	Sanitary Sewer Overflow
<b>SWRCB</b>	State Water Resources Control Board
<b>TDS</b>	Total Dissolved Solids
<b>TMDL</b>	Total Maximum Daily Load
<b>TSS</b>	Total Suspended Solids
<b>WDR</b>	Waste Discharge Requirements
<b>YVWD</b>	Yucaipa Valley Water District