



Yucaipa Valley Water District

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

Notice and Agenda of a Meeting of the Board of Directors

November 19, 2024 at 4:00 p.m.

12770 Second Street, Yucaipa, California 92399

- I. **CALL TO ORDER**
- II. **ROLL CALL**
- III. **PLEDGE OF ALLEGIANCE**
- IV. **PUBLIC COMMENTS** - Members of the public may address the Board of Directors regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on an item not on the agenda unless authorized by law. Comments shall be limited to matters not listed on the agenda up to a maximum of three (3) minutes.
- V. **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 a board member or administrative staff member requests an item to be removed prior to the vote by the Board of Directors.
 - A. Board Meeting Minutes – October 15, 2024
 - B. Board of Directors Meeting Attendance Summary for October 2024
- VI. **GENERAL COUNSEL REPORT**
- VII. **STAFF REPORT**
- VIII. **ACTION ITEMS**
 - A. Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2024 [[Director Memorandum No. 24-165 - Page 16 of 237](#)]
RECOMMENDED ACTION: That the Board receive and file the audited financial statements.
 - B. Ratification of the Workers' Compensation Insurance Policy Renewal for 2024-25 [[Director Memorandum No. 24-166 - Page 98 of 237](#)]
RECOMMENDED ACTION: That the Board ratify the contract with State Compensation Insurance Fund for workers' compensation insurance for October 31, 2024, through October 31, 2025, for an estimated amount of \$375,769.08.

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

- C. Presentation of the Unaudited Financial Report for the Period Ending on October 31, 2024 [\[Director Memorandum No. 24-167 - Page 108 of 237\]](#)
RECOMMENDED ACTION: That the Board receive and file the unaudited financial report.
- D. Consideration of Renewing the Cyber Liability Insurance for 2024-25 [\[Director Memorandum No. 24-168 - Page 138 of 237\]](#)
RECOMMENDED ACTION: That the Board authorize the General Manager to execute contracts with Alliant Insurance Services for cyber liability insurance.
- E. Ratification of Water Quality Testing at A & R Laboratories [\[Director Memorandum No. 24-169 - Page 158 of 237\]](#)
RECOMMENDED ACTION: That the Board ratify the cost for water quality testing performed by A & R Laboratories for a sum not to exceed \$17,055.
- F. Award of a Construction Contract for Oak Glen Road 15-inch Gravity Sewer Pipeline Project, Yucaipa [\[Director Memorandum No. 24-170 - Page 164 of 237\]](#)
RECOMMENDED ACTION: That the Board: (1) authorize the General Manager to award a construction contract for the construction of the Oak Glen Road 15-inch Gravity Sewer Pipeline Project to Borden Excavating, Inc., for a sum not to exceed \$1,210,000; and (2) adopt Resolution No. 2024-53 transferring reserve funds for the cost of the contract.
- G. Status Update of the R-16.2 Reservoir and Booster Pumping Project and Consideration of No-Cost Contract Change Order No. 1, Yucaipa [\[Director Memorandum No. 24-171 - Page 168 of 237\]](#)
RECOMMENDED ACTION: That the Board ratify Contract Change Order No. 1.
- H. Status Update for the Calimesa Gravity Sewer and Waterline Project, Calimesa [\[Director Memorandum No. 24-172 - Page 176 of 237\]](#)
RECOMMENDED ACTION: Staff presentation, no action required.
- I. Project Status Update of the Salinity/Concentrate Reduction and Minimization Project [\[Director Memorandum No. 24-173 - Page 181 of 237\]](#)
RECOMMENDED ACTION: Staff presentation, no action required.
- J. Authorize a Contract for Advisor Services from Woodard & Curran for the Aquifer Storage and Recovery Project, Phase 1 [\[Director Memorandum No. 24-174 - Page 182 of 237\]](#)
RECOMMENDED ACTION: That the Board authorize the General Manager to execute a contract with Woodard & Curran for professional services on the Aquifer Storage & Recovery Project for a sum not to exceed \$99,725.
- K. Consideration of Contract Change Order No. 1 and Filing a Notice of Completion for the R-16.2 Pipeline Project, Yucaipa [\[Director Memorandum No. 24-175 - Page 188 of 237\]](#)
RECOMMENDED ACTION: That the Board authorize the General Manager to execute Contract Change Order No. 1 and File the Notice of Completion for the Project.
- L. Authorization to Initiate Improvements for the Replacement of the Instrumentation Enclosure at Yucaipa Valley Regional Water Filtration Facility [\[Director Memorandum No. 24-176 - Page 193 of 237\]](#)
RECOMMENDED ACTION: That the Board authorize the General Manager to execute a contract with GHD for an amount not to exceed \$117,415 for professional services.

- M. Approval of Bylaws for the California Special Districts Association [[Director Memorandum No. 24-177 - Page 194 of 237](#)]
RECOMMENDED ACTION: That the Board approve the proposed CSDA Bylaw changes and authorize the General Manager to submit ballot confirming the approval of the Bylaws.
- N. Consideration of Resolution No. 2024-54 Supporting the Construction of Surface Water Spreading Basins in the Westerly Portion of the Calimesa Management Area as the South Mountain Aquifer Restoration Initiative [[Director Memorandum No. 24-178 - Page 223 of 237](#)]
RECOMMENDED ACTION: That the Board adopt Resolution No. 2024-54.
- O. Consideration of Creating an Ad Hoc Funding Committee [[Director Memorandum No. 24-179 - Page 228 of 237](#)]
RECOMMENDED ACTION: No recommendation at this time.

IX. BOARD REPORTS & DIRECTOR COMMENTS

X. ANNOUNCEMENTS

- A. December 3, 2024 at 4:00 p.m. - Board Meeting
- B. December 17, 2024 at 4:00 p.m. - Board Meeting
- C. ~~January 7, 2025 at 4:00 p.m. - Board Meeting - Meeting Cancelled~~
- D. January 21, 2025 at 4:00 p.m. - Board Meeting

XI. CLOSED SESSION

- A. Conference with Legal Counsel Existing Litigation - Yucaipa Valley Water District vs. vs South Mesa Water Company
San Bernardino County Superior Case No. CIVDS2009681
(Government Code, Section 54956.9(d)(1))

XII. ADJOURNMENT

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A BOARD MEETING

October 1, 2024 at 4:00 pm

Directors Present:

Joyce McIntire, President
Greg Bogh, Treasurer
Nyles O’Harra, Secretary
Brett Granlund, Director

Staff Present:

Wade Allsup, Chief Information Officer
Jennifer Ares, Resource Manager
Sean Ferris, Senior Integrated Operator
Ashley Gibson, Regulatory Compliance Manager
Garrett Hicks, Utility Service Worker
Dustin Hochreiter, Public Works Supervisor
Micah Knox, Water Resource Specialist
Jake Ortega, Utility Service Worker
Matthew Porras, Director of Engineering
Mia Preciado, Senior Engineering Technician
Mike Rivera, Public Works Manager
Charles Thomas, Operations Manager
Ryan Walton, Accountant
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

Jay Bogh, Vice President

Consulting Staff Present:

Jeremy Jungreis, Legal Counsel

Registered Guests and Others Present:

Phil Goodrich, East Valley Water District
Kevin Walton, San Gorgonio Pass Water Agency

CALL TO ORDER

The meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by President Joyce McIntire at 4:00 p.m.

PLEDGE OF ALLEGIANCE

The meeting attendees participated in the pledge of allegiance.

ROLL CALL

General Manager Joseph Zoba called roll with Director Greg Bogh, Director Brett Granlund, President Joyce McIntire, and Director Nyles O’Harra present.

Director Jay Bogh was absent.

PUBLIC COMMENTS

No public comments and no speaker request forms were submitted for any meeting agenda item.

CONSENT CALENDAR

Director Nyles O’Harra moved that the Board approve the Consent Calendar.

Director Greg Bogh seconded the motion.

- A. Board Meeting Minutes – October 1, 2024
- B. Board of Directors Meeting Attendance Summary for September 2024.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Jay Bogh - Absent
Director Brett Granlund - Yes
President Joyce McIntire - Yes
Director Nyles O’Harra - Yes

GENERAL COUNSEL REPORT

None

STAFF REPORT

Resource Manager Jennifer Ares introduced Water Resource Specialist Micah Knox as a new employee in the Resource Management Department.

Public Works Manager Mike Rivera introduced Utility Service Workers Jake Ortega and Garrett Hicks as new employees in the Public Works Department.

General Manager Joseph Zoba discussed the following items:

- Information was shared with the Board of Directors regarding the impacts of natural disasters on water supply systems.
- The regular board meeting schedule for November 5, 2024, has been cancelled. The next regular board meeting will be held on November 19, 2024.

ACTION ITEMS:

DM 24-158

PRESENTATION OF THE UNAUDITED FINANCIAL REPORT FOR THE PERIOD ENDING ON SEPTEMBER 30, 2024

Accountant Ryan Walton provided an overview of the Unaudited Financial Report for the period ending on September 30, 2024.

Director Greg Bogh moved that the Board of Directors receive and file the unaudited financial report.

Director Brett Granlund seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Jay Bogh - Absent
Director Brett Granlund - Yes
President Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 24-159

OVERVIEW OF RECENT
FACILITY ISSUES AT LIFT
STATION NO. 1

Public Works Manager John Wrobel provided a detailed overview of the recent issues at Lift Station No. 1. There will be several remediation steps taken by the District staff to ensure the electrical power, pumps and backup systems operate properly.

DM 24-160

SUPERVISORY CONTROL
AND DATA ACQUISITION
(SCADA) UPGRADE PROJECT
AT THE YUCAIPA VALLEY
REGIONAL WATER
FILTRATION FACILITY

Chief Information Officer Wade Allsup provided an overview of the Supervisory Control and Data Acquisition (SCADA) upgrade project at the Yucaipa Valley Regional Water Filtration Facility.

Director Nyles O’Harra moved that the Board of Directors: (1) authorize the General Manager to award a contract for SCADA Upgrade Project to ATSI for a sum not to exceed \$1,885,878.24; and (2) adopt Resolution No. 2024-52 transferring reserve funds for the cost of the contract.

Director Brett Granlund seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Jay Bogh - Absent
Director Brett Granlund - Yes
President Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 24-161

AWARD OF A CONTRACT FOR
THE CONSTRUCTION OF AN
ACCESS ROAD AT THE
WOCHHOLZ REGIONAL
WATER RECYCLING FACILITY

Director of Engineering Matthew Porras discussed the construction of an access road at the Wochholz Regional Water Recycling Facility for the southerly portion of the property.

Director Brett Granlund moved that the Board of Directors reject a bid, waive any issues of nonconformity, and award a contract for the construction of the access road project to Empire Equipment Service, Inc., for a sum not to exceed \$2,676,849.21.

Director Nyles O’Harra seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Jay Bogh - Absent
Director Brett Granlund - Yes
President Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 24-162

STATUS UPDATE FOR THE R-12.5 RECYCLED WATER RESERVOIR CONSTRUCTION PROJECT - RIVERSIDE COUNTY

Director of Engineering Matthew Porras provided a status report on the R-12.5 Recycled Water Reservoir Project on Cherry Valley Boulevard. This project will add a new recycled water storage reservoir to Pressure Zone 12 in the recycled water system.

DM 24-163

STATUS UPDATE OF ENERGY RESILIENCY PROJECT AT THE YUCAIPA VALLEY REGIONAL WATER FILTRATION FACILITY, YUCAIPA

Director of Engineering Matthew Porras provided a status report on the Energy Resiliency Project at the Yucaipa Valley Regional Water Filtration Facility.

DM 24-164

STATUS UPDATE OF THE LIFT STATION NO. 4 REPLACEMENT PROJECT

Senior Engineering Technician Mia Preciado provided an overview of the replacement Lift Station No. 4 Project on Calimesa Boulevard.

BOARD REPORTS AND DIRECTOR COMMENTS

President Joyce McIntire and Director Brett Granlund reported on the San Bernardino Valley Municipal Water District workshop held at the Yucaipa Valley Golf Club on October 2, 2024.

President Joyce McIntire reported on the San Geronio Pass Water Agency meeting held on October 7, 2024.

ANNOUNCEMENTS

President Joyce McIntire called attention to the announcements listed on the agenda.

CLOSED SESSION

A closed session conference was not conducted at this meeting.

ADJOURNMENT

The meeting was adjourned at 4:49 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

Yucaipa Valley Water District

Meeting Attendance and Reimbursement Summary - Board of Directors

October 2024

| Meeting Date | Meeting or Event | Director Greg Bogh | Director Jay Bogh | Director Brett Granlund | Director Joyce McIntire | Director Nyles O'Harra |
|------------------|--|-----------------------|----------------------|----------------------------|----------------------------|---------------------------|
| October 1, 2024 | YVWD Board Meeting | \$252.69 | \$252.69 | \$252.69 | \$252.69 | \$252.69 |
| October 1, 2024 | SBVMWD Board Meeting | -- | -- | \$0.00 | -- | -- |
| October 2, 2024 | SBVMWD Board Workshop | -- | -- | -- | \$252.69 | -- |
| October 2, 2024 | Beaumont Basin Watermaster | -- | -- | \$252.69 | -- | -- |
| October 3, 2024 | SBVMWD Workshop Policy/Admin | -- | -- | -- | \$126.35 | -- |
| October 4, 2024 | Riverside County Water Task Force | -- | -- | -- | \$126.35 | -- |
| October 7, 2024 | SGPWA Board Meeting | -- | -- | -- | \$252.69 | -- |
| October 15, 2024 | YVWD Board Meeting | \$252.69 | -- | \$252.69 | \$252.69 | \$252.69 |
| October 21, 2024 | SGPWA Board Meeting | -- | -- | -- | \$126.35 | -- |
| October 23, 2024 | SBVMWD -Ribbon Cutting- Waterman Turnout | \$252.69 | -- | -- | -- | -- |
| October 24, 2024 | BCVWD Board Meeting | -- | -- | -- | \$126.35 | -- |
| October 29, 2024 | South Mountain Board Meeting | -- | -- | \$252.69 | \$252.69 | -- |
| October 30, 2024 | SGMA Meeting at City of Yucaipa | -- | -- | \$252.69 | \$252.69 | -- |
| Date | Other Expenses Reimbursed | | | | | |
| -- | -- | -- | -- | -- | -- | -- |
| Total Payment | | \$758.07 | \$252.69 | \$1,263.45 | \$2,021.54 | \$505.38 |

General Counsel Report



Yucaipa Valley Water District

Staff Report



Yucaipa Valley Water District

New California water permit seeks to balance water delivery with environmental protections

Part of the permit's implementation will include methods for environmental restoration and spawning projects to benefit endangered species like the Chinook salmon.

ALAN RIQUELMY / November 4, 2024



An aerial view of the Kern River Intertie and a section of the State Water Project California Aqueduct, in Kern County, Calif. on May 15, 2023. (California Department of Water Resources via Courthouse News)

SACRAMENTO, Calif. (CN) - A new operating permit issued Monday for California's state water project is expected to help protect fish and ensure almost 30 million people can access a reliable water supply.

"The new incidental take permit for the state water project issued today provides California with new tools and resources to better manage our water supply for endangered fish species and millions of Californians," said Karla Nemeth, water resources department director, in a statement.

The incidental take permit is required under state law to protect endangered and threatened fish species like the Chinook salmon.

The state's Department of Fish and Wildlife issued the permit to the Department of Water Resources after the certification of a [final environmental impact report](#) for the state water project's long-term operation.

Composed of over 700 miles of canals, pipelines, reservoirs and hydroelectric facilities, the state water project both stores and delivers clean water to some 27 million Golden State residents, along with 750,000 acres of farmland.

A series of planned actions and tools intended to reduce and offset potential impacts to fish species are linked to the new permit. They include tidal marsh and floodplain restoration projects supporting spawning, better fish passage in essential migration areas and support for hatchery production activity.

Officials also pointed to an adaptive management plan that will enable the state water project to tap into new scientific discoveries, allowing more efficient and effective species protection.

"In California, incidental take permits are an important way we regulate infrastructure projects that have the potential to cause harm to protected fish and wildlife," said Chuck Bonham, director of the state fish and wildlife department, in a statement. "By requiring the state water project operation to avoid and minimize impacts, and to mitigate and counteract those impacts through habitat restoration, improved flow measures, monitoring, and hatchery production, we will make sure all fish and wildlife species impacted by the project have opportunities to thrive."

The state water resources department has worked with the federal Bureau of Reclamation since 2021, along with state and federal fish agencies, to update operating rules for the project. That work fell on the heels of 2020 litigation against federal rules.

The state water resources department worked toward meeting California Endangered Species Act requirements, which are separate from the federal rules. This makes it easier to manage and means state coverage of the Endangered Species Act would stay in place regardless of possible federal rule changes.

"Extreme storms and extended droughts mean we need to be as nimble as possible in operating our water infrastructure," Nemeth said. "[The Department of Water Resources] remains committed to using the best available science to operate the state water project to support the water supply needs of California's communities while protecting fish and wildlife."

The State Water Contractors praised the new permit in a statement, saying that it appears to resolve lingering issues, includes the best available science and heralds regulatory stability for water managers.

"We will work closely with our state partners to ensure the reliability and viability of the state water project for the millions of Californians who rely on it," said Jennifer Pierre, general manager of the State Water Contractors, in a statement.

The contractors group is a nonprofit association comprised of 27 public agencies that buy water from the state water project.

Source: https://www.courthousenews.com/new-california-water-permit-seeks-to-balance-water-delivery-with-environmental-protections/?utm_medium=email&utm_source=govdelivery

Discussion Items



Yucaipa Valley Water District



Date: November 19, 2024

Task: N/A

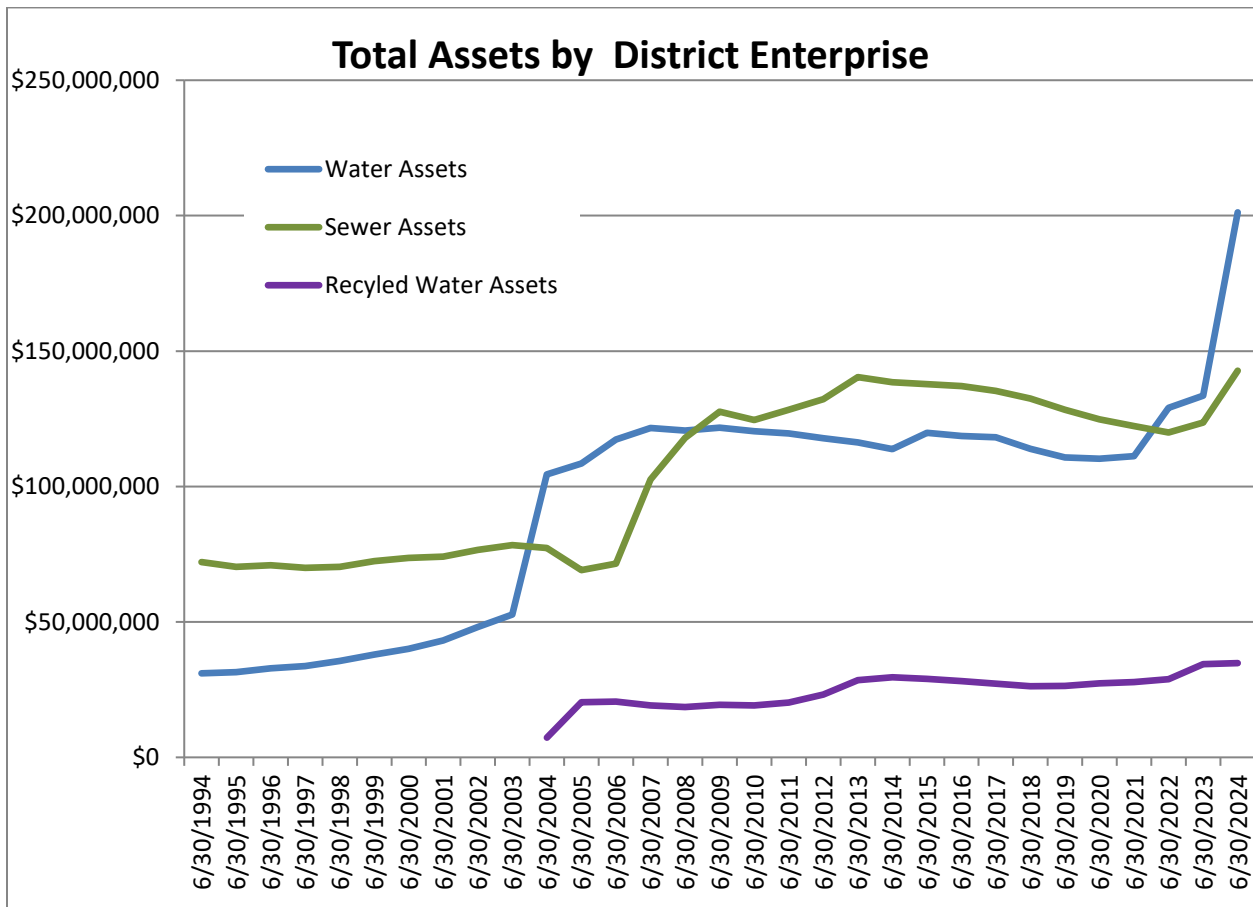
Prepared By: Allison M. Edmisten, Chief Financial Officer

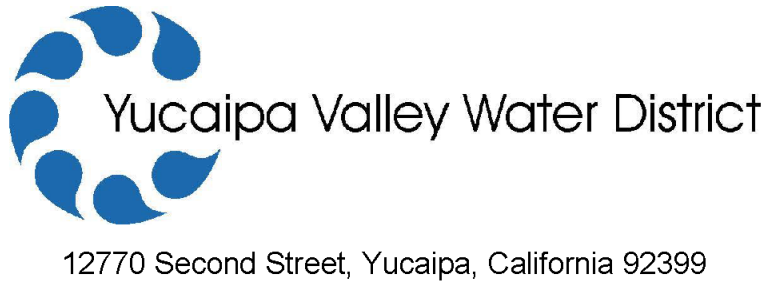
Subject: Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2024

Recommendation: That the Board receive and file the audited financial statements.

The certified public accounting firm of Davis Farr, LLP has completed the financial audit for the fiscal year ending on June 30 ,2024.

A representative from Davis Farr, LLP will attend the board meeting to provide an overview of the audited financial documents and answer questions about the report.





Annual Financial Statements

for the

Fiscal Year Ending June 30, 2024

Board of Directors

Greg Bogh

Division 1

Nyles O'Harra

Division 2

Jay Bogh

Division 3

Brett Granlund

Division 4

Joyce McIntire

Division 5

Financial Audit Preparation Team:

Allison M. Edmisten, Chief Financial Officer

Matthew Porras, Director of Engineering

Erin Anton, Administrative Manager

Ryan Walton, Accountant

Denise Howard, Purchasing Agent



**Yucaipa Valley Water District
Basic Financial Statements
Year Ended June 30, 2024**

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Yucaipa Valley Water District

12770 Second Street • Post Office Box 730 • Yucaipa, California 92399-0730
(909) 797-5117 • Fax: (909) 797-6381 • www.yvwd.us

INTRODUCTION

It is my pleasure to provide the following financial report for Yucaipa Valley Water District ("District") for the fiscal year ended on June 30, 2024. The financial report was prepared by District staff following guidelines set forth by the Governmental Accounting Standards Board.

The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

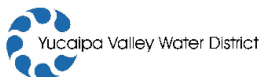
This report is organized into the following sections: (1) Transmittal Letter and District Overview; (2) Management Discussion & Analysis; (3) Audited Financial Statements and (4) Required Supplementary Information. The first section provides the reader with a general overview of the District. The Management Discussion & Analysis section offers a summary of significant financial results. The Audited Financial Statements section includes the Independent Auditors' Report. The Required Supplementary section provides information and schedules to supplement the basic financial statements.

OVERVIEW OF THE DISTRICT

The Yucaipa Valley Water District is made up of a proactive group of elected officials and employees dedicated to providing reliable drinking water, recycled water and sewer service in an efficient, cost effective manner that provides a high level of customer satisfaction. On May 1, 2002, the Board of Directors adopted the following mission statement to clearly reflect the vision and principles that guide elected officials and employees of the District.

Yucaipa Valley Water District is committed to professionally managing the precious potable drinking water, sewer and recycled water resources of the Yucaipa Valley in a reliable, efficient and cost-effective manner in order to provide the finest service to our customers, both present and future.

We are entrusted to serve the public for the benefit of the community.



We believe in responsive, innovative and aggressive service, and take pride in getting the job done right the first time.

We encourage a work environment that fosters professionalism, creativity, teamwork and personal accountability.

We treat our customers and one another with fairness, dignity, respect and compassion and exhibit the utmost integrity in all we do.

We believe in enhancing the environment by following a general philosophy of eliminating waste and maximizing recycling and reuse of our natural resources.

We are committed to using the following operating principles as a guide to accomplishing our mission:

- We are proactive in our approach to issues.
- We are committed to integrity and consistently high ethical standards in all our business dealings.
- We use the strategic planning process to focus our efforts and minimize our crisis management mode.
- We make informed, rational and objective decisions.
- We aggressively pursue technological solutions to improve operations.
- We are inclusive in our decision making and delegate responsibility whenever possible.
- We design our services around customer wants and needs to the degree possible within our financial and regulatory constraints.
- We cultivate widespread commitment to common goals.

We believe our success depends on every employee knowing and sharing these values and principles.

This financial report is a reflection of the District's commitment to professionally manage the precious potable drinking water, sewer and recycled water resources and infrastructure of the Yucaipa Valley in a reliable, efficient, and cost-effective manner in order to provide the finest service to our customers, both present and future.

To meet the mission of the District, the Board of Directors and staff members continue to proactively focus on water quality issues, water supply issues, infrastructure deficiencies, maintenance of existing systems and compliance with increasingly stringent regulatory requirements.

Historical Background

The District was formed as part of reorganization, pursuant to the Reorganization Act of 1965, being Division I of Title 6 of the Government Code of the State of California. This reorganization consisted of the formation of the District, dissolution of the Calimesa Water District and formation of Improvement District No. 1 of the District as successor-in-interest, and dissolution of Improvement District "A" of the San Bernardino Valley Municipal Water District and the formation of Improvement District "A" of the District as successor-in-interest. On September 14, 1971, the Secretary

of State of the State of California certified and declared the formation of the Yucaipa Valley County Water District. The District operates under the County Water District Law, being Division 12, section 30000 of the State of California Water Code. Although the immediate function of the District was to provide water service, the District has assumed responsibility for providing recycled water and sewer service in Yucaipa Valley.

The District is located about 70 miles east of Los Angeles and 20 miles southeast of San Bernardino in the foothills of the San Bernardino Mountains and provides water, sewer, and recycled water services.

As of June 30, 2024, the District provided service to 15,613 water connections (19,718 units), 15,177 sewer connections (22,474 units) and 904 recycled water connections (1,053 units).

| Customer Type | Drinking Water Enterprise | | Sewer Enterprise | | Recycled Water Enterprise | |
|------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|-------------------------------|-------------------------------|
| | Number of Service Connections | Water Service Units (WSUs) | Number of Service Connections | Sewer Service Units (SSUs) | Number of Service Connections | Recycled Service Units (RSUs) |
| Single Family | 12,802 | 12,625 | 11,178 | 11,178 | 755 | 478 |
| Multiple Units | 553 | 5,663 | 518 | 5,531 | 3 | 5 |
| Commercial | 243 | 676 | 241 | 241 | 2 | 12 |
| Institutional | 83 | 434 | 61 | 76 | 4 | 25 |
| Industrial | 11 | 29 | 3 | 3 | 1 | 33 |
| Irrigation | 107 | 287 | 4 | 4 | 122 | 483 |
| Fire Detectors | 1,810 | -- | -- | -- | -- | -- |
| Construction Wtr | 4 | 4 | -- | -- | 17 | 17 |
| Sewer Only | -- | -- | 3,172 | 5,441 | -- | -- |
| Total | 15,613 | 19,718 | 15,177 | 22,474 | 904 | 1,053 |

Land and Land Use

The altitude of the District rises from about 2,000 feet above sea level at the western end of the valley to about 5,000 feet at the eastern end, with average elevation of roughly 2,650 feet. The topography of the area is characterized by rolling hills separated by deeply entrenched stream beds, namely, the Yucaipa and Wilson Creeks. The District includes the incorporated cities of Yucaipa and Calimesa which are in San Bernardino and Riverside Counties respectively.

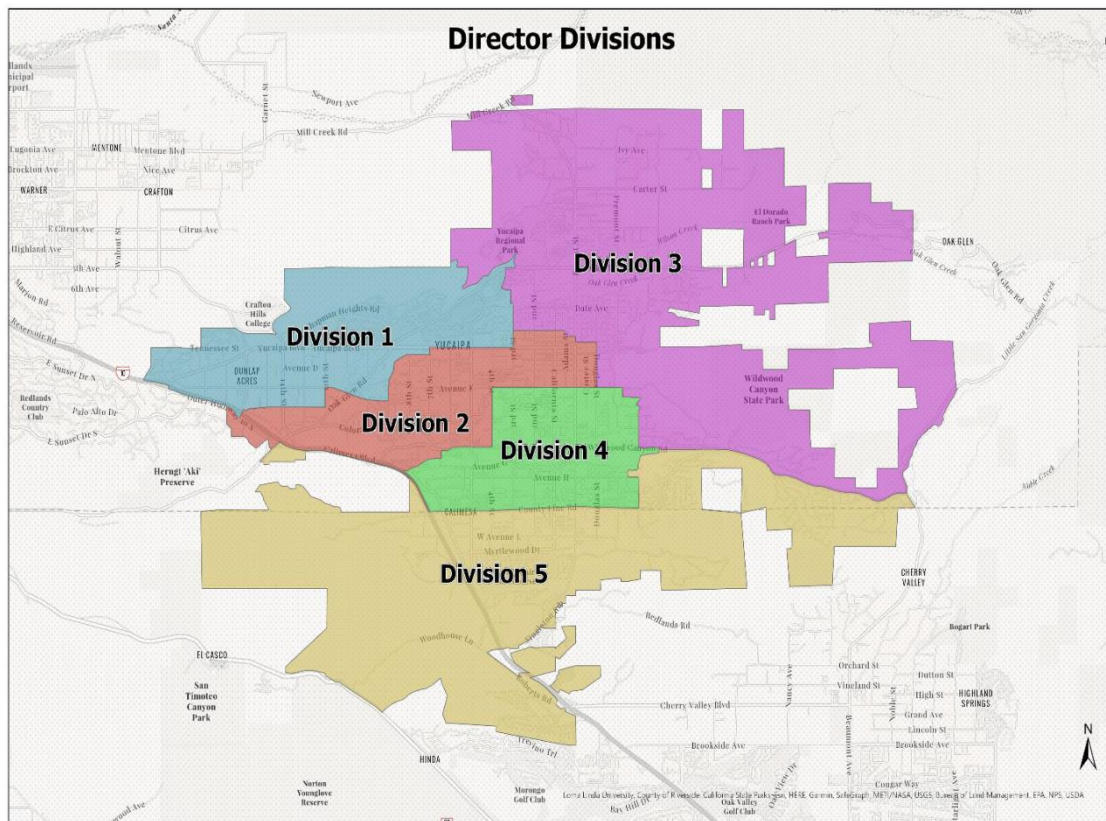
The District projects that the undeveloped land within its boundaries will continue to be developed consistent with the general plans as provided by the City of Yucaipa and the City of Calimesa. The projected population of the District in the year 2060 will be approximately 94,800, which reflects build-out of the City of Yucaipa, City of Calimesa, and the Oak Valley development. Although approximately 49.8% of the land within the boundaries of the District is currently undeveloped, less than 1% of District water sales are to agricultural water users.



Governance and Management

The District is governed by a 5-member board of directors (the “Board”), the members of which are elected from five separate divisions of the District to staggered 4-year terms. The current Board members, the expiration dates of their terms and their occupations are set forth below.

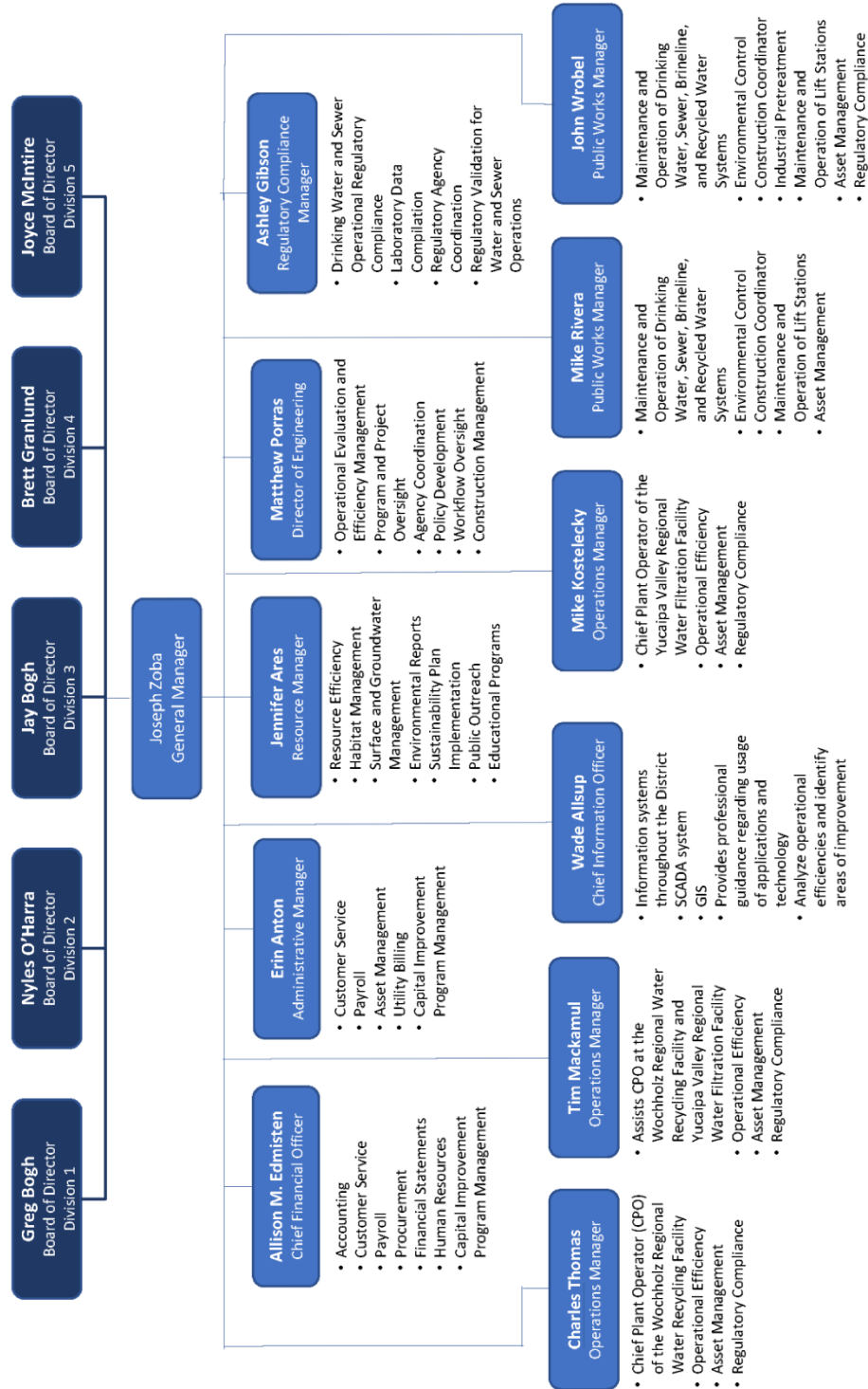
| Member of the Board of Directors | Division | Initial Date of Service | Expiration of Term | Occupation |
|----------------------------------|----------|-------------------------|--------------------|----------------------------------|
| Greg Bogh, Treasurer | One | 03/07/2023 | 2028 | Project Manager |
| Nyles O’Harra, Secretary | Two | 07/13/2021 | 2026 | Qualified Stormwater Inspector |
| Jay Bogh, Vice President | Three | 09/07/2005 | 2026 | Building Firm Manager |
| Brett Granlund, Director | Four | 05/02/2023 | 2028 | Retired Assemblymember |
| Joyce McIntire, President | Five | 12/06/2018 | 2026 | Retired School District Employee |



The following individuals have served as President of the Board since the District was created in 1971.

| Yucaipa Valley Water District Presidents of the Board | |
|--|-----------------|
| October 1971 to November 1973 | Harold Lockwood |
| December 1973 to November 1975 | Hank Wochholz |
| December 1975 to October 1977 | Geno Gasponi |
| November 1977 to November 1979 | Eve Kraft |
| December 1979 to December 1983 | Pete Squires |
| January 1984 to December 1987 | Fred Childs |
| January 1988 to November 1989 | George Sardeson |
| November 1989 to December 1991 | Hank Wochholz |
| January 1992 to November 1993 | David Lesser |
| December 1993 to December 1995 | Conrad Nelson |
| December 1995 to December 1998 | Steve Copelan |
| January 1999 to November 2002 | Conrad Nelson |
| December 2002 to December 2006 | Bruce Granlund |
| December 2006 to December 2008 | Tom Shalhoub |
| December 2008 to December 2012 | Jay Bogh |
| January 2013 to December 2014 | Bruce Granlund |
| December 2014 to December 2016 | Lonni Granlund |
| December 2016 to January 2019 | Jay Bogh |
| January 2019 to March 2023 | Chris Mann |
| March 2023 to Present | Joyce McIntire |

Day-to-day management of the District is delegated to the General Manager who works closely with an executive team who ultimately oversee all of the District's services and functions. See below for an organizational chart of the District's management team.

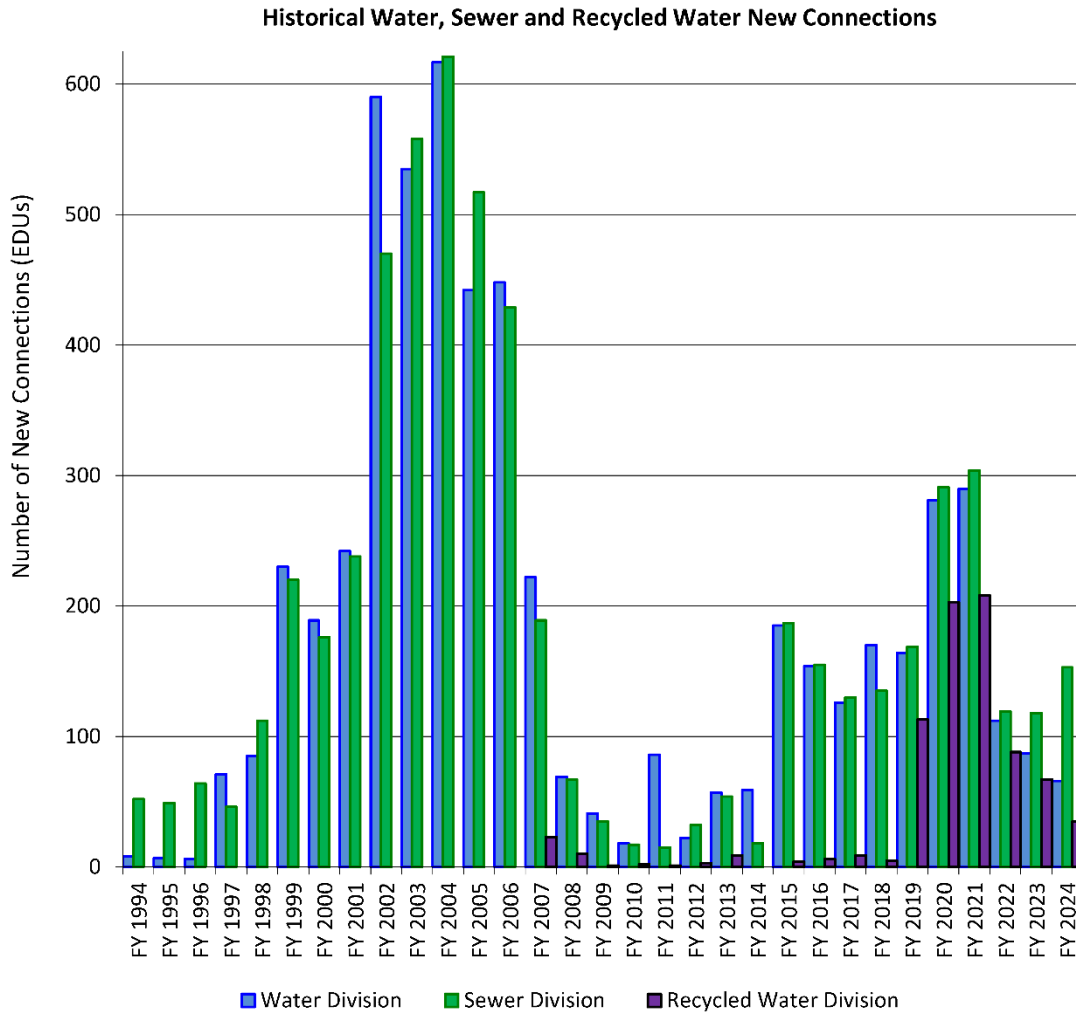


DEVELOPMENT ACTIVITY WITHIN THE DISTRICT

Facility Capacity Charges - Fiscal Year 2024

During this fiscal year, the District added 66 water connections, 153 sewer connections, and 35 recycled water connections. When compared to the development activity in the prior year, the District had 24.1% less water connections, 29.6% more sewer connections, and 47.8% less recycled water connections.

| Fiscal Year | New Water Connections | New Sewer Connections | New Recycled Water Connections |
|-------------|-----------------------|-----------------------|--------------------------------|
| 2009 | 41 | 35 | 1 |
| 2010 | 18 | 17 | 2 |
| 2011 | 86 | 15 | 1 |
| 2012 | 22 | 32 | 3 |
| 2013 | 57 | 54 | 9 |
| 2014 | 59 | 18 | 0 |
| 2015 | 185 | 187 | 4 |
| 2016 | 154 | 155 | 6 |
| 2017 | 126 | 130 | 9 |
| 2018 | 170 | 135 | 5 |
| 2019 | 164 | 169 | 113 |
| 2020 | 281 | 291 | 203 |
| 2021 | 290 | 304 | 208 |
| 2022 | 112 | 119 | 88 |
| 2023 | 87 | 118 | 67 |
| 2024 | 66 | 153 | 35 |



MAJOR INITIATIVES AND CONTROLS

Sustainability Initiative

California’s water supply continues to be a concern due to projected population increases and limited capabilities to convey water throughout the state. On August 20, 2008 the Board of Directors adopted a *Strategic Plan for a Sustainable Future - The Integration and Preservation of Resources*. The purpose of this document was to document the proactive steps taken by the Yucaipa Valley Water District to improve the social, economic and environmental sustainability of our community. These actions have included the purchase of valuable watershed properties, protection of local water supplies and management of environmental corridors. While the decisions to embark on these actions have been generally unrelated, a look back in time indicates

that the District has been progressing towards a more independent, flexible and sustainable future.

"The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired in value."

- Theodore Roosevelt

The proactive steps taken by the District to protect and conserve our resources have been based on the concepts that: (1) resources are not limitless and therefore need to be conserved, nurtured and renewed; and (2) resources that are used to generate short-term gains result in an inefficient and inequitable consumption of resources that are not beneficial for a long-

term strategy. Both of these concepts help to guide the District to make decisions that are conservative, careful and conscious of the role we currently play in a long-term strategy to protect the community.

The purpose of pursuing a sustainability plan is twofold. First and foremost, the sustainability plan has been designed to establish the policies and guidelines necessary to protect and preserve the natural resources entrusted to the District for our customers. It is our business to maximize the use of our limited natural resources for the long-term economic growth and expansion of the local economy. In the arid southwest, the basic fuel to create and maintain a local economy is water. Secondly, the sustainability policy has been designed to provide a means to measure performance of the organization. While performance monitoring or benchmarking is not normally associated with sustainability, this document has been created

"Sustainable development is . . . development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

World Commission on Environment and Development, *Our Common Future*, 1987

with the intention that the goals and reporting requirements are designed around performance management across a wide range of disciplines.

With the use of this document the District is better equipped to:

- Identify the key challenges over the next five decades and assess the goals to overcome these challenges;
- Deal with the challenges of the future in a transparent manner involving stakeholders;
- Identify and manage risk in a reasonable and prudent manner with information, data and resources necessary to minimize the potential costs associated with certain scenarios; and
- Embark on a program to ensure that the generations that follow are provided with the necessary tools and resources to grow the community as the prior generation has done for us.

The implementation of this initiative will come about largely with the return of new development. However, the District has enacted additional measures for existing customers which largely involves the purchase of imported water to offset groundwater production by 15% beginning in January 2010.



Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. Budget adjustments are presented to the Board semi-annually for items that were not initially anticipated. The budget and reporting steps taken by the District are consistent with generally accepted accounting principles with monthly reporting of public documents for complete transparency and disclosure.

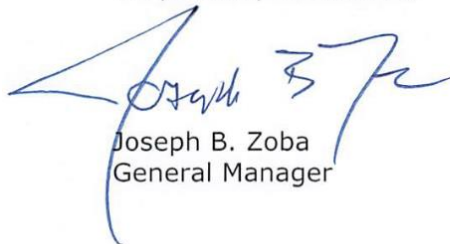
Investment Policy

The Board of Directors adopts an investment policy annually that conforms to state law, District ordinance and resolutions, and prudent money management. The District is extremely conservative in our approach to investing to maximize safety and protection of public funds.

Audit and Financial Reporting

State law and bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Davis Farr, LLP has conducted the audit of the District's financial statements. Their unmodified Independent Auditors' Report is attached.

Respectfully submitted,



Joseph B. Zoba
General Manager



Allison M. Edmisten
Chief Financial Officer

Independent Auditor's Report





Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Independent Auditor's Report

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Yucaipa Valley Water District (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, pension and other post employment benefit schedules* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the District's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the Annual Financial Report. The other information comprises of the *transmittal letter* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Irvine, California
November 4, 2024

Management's Discussion & Analysis



This section of the Yucaipa Valley Water District's comprehensive annual financial report presents a discussion and analysis of the District's financial performance during the fiscal years ending June 30, 2023 and June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's basic financial statements following this section.

Yucaipa Valley Water District's financial statements consist of three enterprise funds: Water fund, Sewer fund, and Recycled Water fund.

FINANCIAL HIGHLIGHTS

Based on the financial information for the fiscal year ending on June 30, 2024, the following financial highlights are noted for the Yucaipa Valley Water District.

- The District's net position increased 0.43% to \$213,142,085.
- The District's total revenues increased 6.51% to \$34,698,079.
- The District's total expenses increased 4.05% to \$39,505,703.
- The capital contributions to the District totaled \$5,710,481 for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Yucaipa Valley Water District's basic financial statements. The District's basic financial statements are comprised of three components: Financial Statements, Notes to the Financial Statements, and Required Supplementary Information.

The District's Basic Financial Statements are comprised of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows.

The *Statement of Net Position* presents information on all District assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how Net Position changed during the fiscal year.

The *Statement of Cash Flows* presents information about the cash receipts and cash payments of the District during the fiscal year. When used with related disclosures and information in the other financial statements, the information provided in these statements should help financial report users assess the District's ability to generate future net cash flows, its ability to meet its obligations as they come due and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments; and the effects on the District's financial position of its cash and non-cash investing, capital and related financing transactions during the year.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the District's financial statements. The notes are included immediately following the financial statements within this report.

FINANCIAL ANALYSIS - STATEMENT OF NET POSITION

The following table summarizes the changes in the Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position as of June 30, 2024.

| Statement of Net Position | | | | |
|--|------------------------------|------------------------------|-----------------------------|----------------------|
| | 2024 | 2023 | Change | % Change |
| Assets | | | | |
| Current assets | \$ 117,701,017 | \$ 37,393,629 | \$ 80,307,388 | 214.76% |
| Noncurrent assets | 261,059,732 | 254,097,028 | 6,962,704 | 2.74% |
| Total Assets | <u>378,760,749</u> | <u>291,490,657</u> | <u>87,270,092</u> | <u>29.94%</u> |
| Deferred Outflow of Resources | | | | |
| Deferred amounts related to pensions | 3,426,211 | 3,537,133 | (110,922) | -3.14% |
| Deferred amounts related to OPEB | 39,915 | 58,105 | (18,190) | -31.31% |
| Total Deferred Outflows | <u>3,466,126</u> | <u>3,595,238</u> | <u>(129,112)</u> | <u>-3.59%</u> |
| Total Assets and Deferred Outflow of Resources | <u>382,226,875</u> | <u>295,085,895</u> | <u>87,140,980</u> | <u>29.53%</u> |
| Liabilities | | | | |
| Current liabilities | 8,783,894 | 8,985,246 | (201,352) | -2.24% |
| Long-term liabilities | 158,761,856 | 72,337,070 | 86,424,786 | 119.48% |
| Total Liabilities | <u>167,545,750</u> | <u>81,322,316</u> | <u>86,223,434</u> | <u>106.03%</u> |
| Deferred Inflow of Resources | | | | |
| Deferred amounts related to pensions | 1,393,063 | 1,434,831 | (41,768) | -2.91% |
| Deferred amounts related to OPEB | 145,977 | 89,520 | 56,457 | 63.07% |
| Total Deferred Inflow of Resources | <u>1,539,040</u> | <u>1,524,351</u> | <u>14,689</u> | <u>0.96%</u> |
| Net Position | | | | |
| Net Investment in capital assets | 189,967,137 | 186,304,772 | 3,662,365 | 1.97% |
| Restricted for: | | | | |
| Capital projects | 404,650 | 403,738 | 912 | 0.23% |
| Unrestricted | <u>22,770,298</u> | <u>25,530,718</u> | <u>(2,760,420)</u> | <u>-10.81%</u> |
| Total Net Position | <u>213,142,085</u> | <u>212,239,228</u> | <u>902,857</u> | <u>0.43%</u> |
| Total Liabilities, Deferred Inflow and Net Position | <u>\$ 382,226,875</u> | <u>\$ 295,085,895</u> | <u>\$ 87,140,980</u> | <u>29.53%</u> |

Statement of Net Position – The District's net position increased between fiscal years 2022-23 and 2023-24, increasing from \$212,239,228 to \$213,142,085. The change can be seen in the condensed Statement of Net Position above as a \$902,857 increase in net position.

The increase in current assets is from the water and sewer funds as a result of the short-term notes for over \$80 million dollars as a result of the WIFIA projects, this is also the result of the increase in long-term liabilities. These short-term notes will be paid back once the WIFIA loan is drawn down toward the end of the construction phase. Both water and sewer funds also experienced an increase in construction in progress as a result of the WIFIA projects.

The increase net capital water, sewer and recycled assets is primarily attributed to the short-term notes offset by the decrease in capital assets being depreciated.

FINANCIAL ANALYSIS - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table summarizes changes in Net Position for the year ended June 30, 2024.

Statement of Revenues, Expenses and Changes in Net Position

| | 2024 | 2023 | Change | % Change |
|--|------------------------------|------------------------------|--------------------------|---------------------|
| Operating Revenues | | | | |
| Current services | \$ 28,208,362 | \$ 27,297,937 | \$ 910,425 | 3.34% |
| Other revenues | 19,125 | 1,873 | 17,252 | 921.09% |
| Total Operating Revenues | <u>28,227,487</u> | <u>27,299,810</u> | <u>927,677</u> | <u>3.40%</u> |
| Non-Operating Revenues | | | | |
| Interest income | 1,394,555 | 787,911 | 606,644 | 76.99% |
| Property taxes | 4,959,760 | 4,550,482 | 409,278 | 8.99% |
| Other income | 116,277 | (61,011) | 177,288 | -290.58% |
| Total Non-Operating Revenues | <u>6,470,592</u> | <u>5,277,382</u> | <u>1,193,210</u> | <u>22.61%</u> |
| Total Revenues | <u>34,698,079</u> | <u>32,577,192</u> | <u>2,120,887</u> | <u>6.51%</u> |
| Operating Expenses | | | | |
| Salaries and employee benefits | 12,510,911 | 11,889,884 | 621,027 | 5.22% |
| Electrical power | 4,116,519 | 3,781,732 | 334,787 | 8.85% |
| Water purchases | 1,166,521 | 1,070,985 | 95,536 | 8.92% |
| Maintenance and repairs | 2,086,035 | 3,417,824 | (1,331,789) | -38.97% |
| Operating expenses | 6,693,004 | 5,566,812 | 1,126,192 | 20.23% |
| Operating Expenses before Depreciation | <u>26,572,990</u> | <u>25,727,237</u> | <u>845,753</u> | <u>3.29%</u> |
| Depreciation | 10,848,582 | 10,420,437 | 428,145 | 4.11% |
| Total Operating Expenses | <u>37,421,572</u> | <u>36,147,674</u> | <u>1,273,898</u> | <u>3.52%</u> |
| Non-Operating Expenses | | | | |
| Interest expense | 1,697,957 | 1,819,311 | (121,354) | -6.67% |
| Bond issuance costs | 386,174 | - | 386,174 | N/A |
| Loss on asset disposal | - | 66 | (66) | -100.00% |
| Total Non-Operating Expenses | <u>2,084,131</u> | <u>1,819,377</u> | <u>264,754</u> | <u>14.55%</u> |
| Total Expenses | <u>39,505,703</u> | <u>37,967,051</u> | <u>1,538,652</u> | <u>4.05%</u> |
| Income (Loss) Before Contributions | (4,807,624) | (5,389,859) | 582,235 | -10.80% |
| Contributions: | | | | |
| Capital contributions | 5,710,481 | 20,091,885 | (14,381,404) | -71.58% |
| Changes in Net Position | 902,857 | 14,702,026 | (13,799,169) | -93.86% |
| Net Position at Beginning of Year, as restated | 212,239,228 | 197,537,202 | 14,702,026 | 7.44% |
| Ending Net Position | <u>\$ 213,142,085</u> | <u>\$ 212,239,228</u> | <u>\$ 902,857</u> | <u>0.43%</u> |

The Statement of Revenues, Expenses and Changes in Net Position provides the nature and source of these changes. As can be seen in the preceding table, the loss before capital contributions of \$4,807,624 and capital contributions of \$5,710,481 offset the increase in Net Position of \$902,857 in Fiscal Year 2024.

All funds (water, sewer and recycled water) experienced an increase in revenue as a result of the approved rate study. All funds (water, sewer and recycled) had an increase in operating expenses due to an escalation in salaries and benefits, electrical power, and an increase in costs at the Crystal Creek Treatment plant. The water and sewer funds had a decrease in maintenance and repairs costs. The recycled water fund had a significant increase in professional fees as a result of an anticipated capital improvement project that was written off to expenses.

All funds had an increase in investment income as a result of higher interest rates in the market. Property taxes also increased which impacted all funds. Bond issuance costs increased from the prior year as a result of the short-term interim notes related to WIFIA as well as the bonds for the R-16.2 project.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

At the end of Fiscal Year 2024, the District invested \$260,655,082 in a broad range of capital assets as shown below.

Schedule of Capital Assets

| | 2024 | 2023 | Change | % Change |
|---|------------------------------|------------------------------|----------------------------|---------------------|
| Capital assets not being depreciated | | | | |
| Land and easements | \$ 9,735,213 | \$ 8,290,057 | \$ 1,445,156 | 17.43% |
| Water rights | 9,752,018 | 9,752,018 | - | 0.00% |
| Construction in progress | 15,044,243 | 4,669,936 | 10,374,307 | 222.15% |
| Total capital assets not being depreciated | <u>34,531,474</u> | <u>22,712,011</u> | <u>11,819,463</u> | <u>52.04%</u> |
| Capital assets being depreciated | | | | |
| Structures and improvements | 397,209,440 | 391,765,405 | 5,444,035 | 1.39% |
| Equipment | 8,820,831 | 8,589,888 | 230,943 | 2.69% |
| Total capital assets being depreciated | 406,030,271 | 400,355,293 | 5,674,978 | 1.42% |
| Total accumulated depreciation | <u>(179,906,663)</u> | <u>(169,374,014)</u> | <u>(10,532,649)</u> | <u>6.22%</u> |
| Total capital assets being depreciated, net | 226,123,608 | 230,981,279 | (4,857,671) | -2.10% |
| Total Capital Assets, Net | <u>\$ 260,655,082</u> | <u>\$ 253,693,290</u> | <u>\$ 6,961,792</u> | <u>2.74%</u> |

As of June 30, 2024, land increased by \$1,445,156 in all funds due to a property purchase for ASR wells for the water and recycled water funds and property for a lift station for the sewer fund. Construction in progress had an increase for all funds of \$10,374,307 as a result of multiple ongoing projects, primarily all related to WIFIA. In the water fund, the projects include reservoir 16.2, the solar project at the water plant, the SCRAM project as



well as SCADA upgrades at the plant which are offset by the completion of the Date Street pipeline and the Grandview pipeline. In the sewer fund, the net increase in projects includes the SCADA upgrades, the SAGE project, the solar project at the wastewater treatment plant, as well as the aquifer storage and recovery wells. In the recycled water fund, the increase in projects includes the 12.5 reservoir, as well as the ASR wells which are offset by the cancellation of the Calimesa Lake Project.

Structures and Improvements increased \$5,444,035 amongst the water, sewer and recycled water funds combined. In the water fund, the addition to capital assets includes the purchase of South Mountain water shares as well as water mainlines including Grandview as well as fire hydrants and meters as a result of a newly completed residential housing tract. In the sewer fund, these additions include the plant for the new digester pumps as well as sewage collection facilities as a result of a newly completed residential housing tract. In the recycled water fund, this includes recycled meter sets and various recycled water pipelines as a result of a newly completed residential housing tract.

Equipment had a net increase of \$230,943 primarily as a result of the purchase of new tractors and a trailer.

Additional information on the District’s capital assets can be found in Note 3 of this report. Long-term obligations, including the current portion, total \$150,012,800 as of June 30, 2024, an increase of \$86,035,118 from \$63,977,682 as of June 30, 2023. Short-term interim notes (2024A) related to the WIFIA projects as well as revenue bonds for the R-16.2 project (2024B) were issued in 2024. The Kaiser Premier LLC Loan for the Aquastar vehicles was paid off in fiscal year 2024 as well.

| Schedule of Liabilities | | | | |
|--------------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------|
| | 2024 | 2023 | Change | % |
| | | | | Change |
| 2022A Refunding Revenue Bonds | \$ 33,385,000 | \$ 33,980,000 | \$ (595,000) | -1.75% |
| 2022B Refunding Revenue Bonds | 18,775,000 | 22,110,000 | (3,335,000) | -15.08% |
| Unamortized premium 2022A | 7,612,530 | 7,887,682 | (275,152) | -3.49% |
| 2024A Interim Notes | 81,410,000 | - | 81,410,000 | N/A |
| 2024B Revenue Bonds | 5,795,000 | - | 5,795,000 | N/A |
| Unamortized premium 2024A | 3,035,270 | - | 3,035,270 | N/A |
| Total Revenue Bonds | <u>150,012,800</u> | <u>63,977,682</u> | <u>86,035,118</u> | <u>134.48%</u> |
| State Revolving Fund Loan - Calimesa | 2,832,418 | 2,635,386 | 197,032 | 7.48% |
| Kaiser Premier LLC Loan | - | 775,450 | (775,450) | -100.00% |
| Total Loans | <u>2,832,418</u> | <u>3,410,836</u> | <u>(578,418)</u> | <u>-16.96%</u> |
| Compensated absences | 1,829,872 | 1,631,809 | 198,063 | 12.14% |
| Total Long-term Liabilities | <u>\$ 154,675,090</u> | <u>\$ 69,020,327</u> | <u>\$ 85,654,763</u> | <u>124.10%</u> |

Additional information on the District’s long-term obligations can be found in Note 4 of this report.

Requests for Information

This financial report is designed to provide a general overview of the financial position of the Yucaipa Valley Water District for all those with an interest in the government's finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Allison M. Edmisten, Chief Financial Officer at 12770 Second Street, Yucaipa, California 92399.

Financial Statements



YUCAIPA VALLEY WATER DISTRICT

Statement of Net Position

June 30, 2024

(with comparative information for prior year)

| | Water | Sewer | Recycled Water | Eliminations | 2024 | 2023 |
|--|----------------------|--------------------|-------------------|-----------------|--------------------|--------------------|
| Assets: | | | | | | |
| Current Assets: | | | | | | |
| Cash and investments (Note 2) | \$ 84,262,269 | 22,559,301 | 689,021 | - | 107,510,591 | 30,071,355 |
| Accounts receivable, net | 1,323,432 | 1,687,761 | 218,190 | (74,276) | 3,155,107 | 2,817,113 |
| Taxes and assessments receivable | 112,459 | - | - | - | 112,459 | 116,116 |
| Interest receivable | 199 | 199 | - | - | 398 | 116,474 |
| Grant receivable | 67,259 | - | 1,039,000 | - | 1,106,259 | - |
| Materials and supplies inventory | 1,663,428 | - | - | - | 1,663,428 | 1,235,569 |
| Water inventory | 1,856,323 | - | - | - | 1,856,323 | 1,113,065 |
| Prepayments and deposits | 1,927,493 | 340,596 | 28,363 | - | 2,296,452 | 1,923,937 |
| Total Current Assets | 91,212,862 | 24,587,857 | 1,974,574 | (74,276) | 117,701,017 | 37,393,629 |
| Noncurrent Assets: | | | | | | |
| Restricted investments (Note 2) | 293,146 | 111,504 | - | - | 404,650 | 403,738 |
| Capital assets not being depreciated (Note 3) | 12,178,776 | 19,590,800 | 2,761,898 | - | 34,531,474 | 22,712,011 |
| Capital assets being depreciated, net (Note 3) | 97,601,340 | 98,460,881 | 30,061,387 | - | 226,123,608 | 230,981,279 |
| Total Noncurrent Assets | 110,073,262 | 118,163,185 | 32,823,285 | - | 261,059,732 | 254,097,028 |
| Total Assets | 201,286,124 | 142,751,042 | 34,797,859 | (74,276) | 378,760,749 | 291,490,657 |
| Deferred Outflow of Resources: | | | | | | |
| Deferred amounts related to pensions (Note 6) | 1,747,368 | 1,301,960 | 376,883 | - | 3,426,211 | 3,537,133 |
| Deferred amounts related to OPEB (Note 7) | 28,739 | 8,781 | 2,395 | - | 39,915 | 58,105 |
| Total Deferred Outflow of Resources | 1,776,107 | 1,310,741 | 379,278 | - | 3,466,126 | 3,595,238 |
| Liabilities: | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts payable and accrued liabilities | 737,823 | 1,295,401 | 330,385 | (74,276) | 2,289,333 | 2,309,845 |
| Customer deposits | 67,190 | - | - | - | 67,190 | 76,190 |
| Developer/construction deposits | 160,009 | - | - | - | 160,009 | 191,530 |
| Accrued payroll | 90,152 | 43,748 | 19,953 | - | 153,853 | 111,827 |
| Accrued interest payable | 343,877 | 361,340 | - | - | 705,217 | 696,409 |
| Current portion of long-term liabilities: | | | | | | |
| Compensated absences (Note 4) | 296,794 | 245,341 | 65,340 | - | 607,475 | 538,194 |
| OPEB liability (Note 7) | 55,362 | - | - | - | 55,362 | 43,957 |
| Revenue bonds (Note 4) | 3,775,557 | 883,908 | - | - | 4,659,465 | 4,205,152 |
| Loan payable (Note 4) | - | 85,990 | - | - | 85,990 | 856,099 |
| Total Current Liabilities | 5,526,764 | 2,915,728 | 415,678 | (74,276) | 8,783,894 | 8,985,246 |
| Long-Term Liabilities: | | | | | | |
| Compensated absences (Note 4) | 642,502 | 458,548 | 121,347 | - | 1,222,397 | 1,093,615 |
| Revenue bonds (Note 4) | 99,114,990 | 46,238,345 | - | - | 145,353,335 | 59,772,530 |
| Loans payable (Note 4) | - | 2,746,428 | - | - | 2,746,428 | 2,554,737 |
| Net pension liability (Note 6) | 4,613,342 | 3,437,392 | 995,035 | - | 9,045,769 | 8,327,865 |
| OPEB liability (Note 7) | 268,126 | 98,844 | 26,957 | - | 393,927 | 544,366 |
| Total Long-Term Liabilities | 104,638,960 | 52,979,557 | 1,143,339 | - | 158,761,856 | 72,337,070 |
| Total Liabilities | 110,165,724 | 55,895,285 | 1,559,017 | (74,276) | 167,545,750 | 81,322,316 |
| Deferred Inflow of Resources: | | | | | | |
| Deferred amounts related to pensions (Note 6) | 710,462 | 529,364 | 153,237 | - | 1,393,063 | 1,434,831 |
| Deferred amounts related to OPEB (Note 7) | 105,104 | 32,115 | 8,758 | - | 145,977 | 89,520 |
| Total Deferred Inflow of Resources | 815,566 | 561,479 | 161,995 | - | 1,539,040 | 1,524,351 |
| Net Position: | | | | | | |
| Net investment in capital assets | 70,132,524 | 87,011,328 | 32,823,285 | - | 189,967,137 | 186,304,772 |
| Restricted for: | | | | | | |
| Capital projects | 293,146 | 111,504 | - | - | 404,650 | 403,738 |
| Unrestricted | 21,655,271 | 482,187 | 632,840 | - | 22,770,298 | 25,530,718 |
| Total Net Position | \$ 92,080,941 | 87,605,019 | 33,456,125 | - | 213,142,085 | 212,239,228 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT

Statement of Revenues, Expenses and Changes in Net Position

**Year ended June 30, 2024
(with comparative information for prior year)**

| | Water | Sewer | Recycled Water | Eliminations | 2024 | 2023 |
|---|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operating Revenues: | | | | | | |
| Charges for current services | \$ 14,139,877 | 13,383,298 | 1,579,639 | (894,452) | 28,208,362 | 27,297,937 |
| Interfund services provided | 207,561 | - | - | (207,561) | - | - |
| Other revenues | 225 | 18,900 | - | - | 19,125 | 1,873 |
| Total Operating Revenues | 14,347,663 | 13,402,198 | 1,579,639 | (1,102,013) | 28,227,487 | 27,299,810 |
| Operating Expenses: | | | | | | |
| Salaries and employee benefits | 5,992,108 | 5,082,658 | 1,436,145 | - | 12,510,911 | 11,889,884 |
| Electrical power | 2,144,715 | 1,772,504 | 199,300 | - | 4,116,519 | 3,781,732 |
| Water purchases | 1,381,819 | 661,102 | 18,052 | (894,452) | 1,166,521 | 1,070,985 |
| Administrative services | 643,281 | 565,544 | 31,932 | (207,561) | 1,033,196 | 1,075,626 |
| Operating supplies | 308,745 | 1,066,451 | 3,241 | - | 1,378,437 | 1,409,060 |
| Maintenance and repairs | 1,093,205 | 900,313 | 92,517 | - | 2,086,035 | 3,417,824 |
| Crystal Creek Water Treatment | 936,494 | - | - | - | 936,494 | 643,429 |
| Brineline charges | - | 453,599 | - | - | 453,599 | 246,156 |
| Depreciation | 4,455,760 | 4,943,993 | 1,448,829 | - | 10,848,582 | 10,420,437 |
| Insurance | 189,622 | 243,151 | 41,944 | - | 474,717 | 419,116 |
| Professional fees | 555,960 | 682,088 | 530,748 | - | 1,768,796 | 1,159,259 |
| Other | 137,044 | 503,991 | 6,730 | - | 647,765 | 614,166 |
| Total Operating Expenses | 17,838,753 | 16,875,394 | 3,809,438 | (1,102,013) | 37,421,572 | 36,147,674 |
| Operating Income (Loss) | (3,491,090) | (3,473,196) | (2,229,799) | - | (9,194,085) | (8,847,864) |
| Non-Operating Revenues (Expenses): | | | | | | |
| Investment income (loss) | 702,943 | 608,412 | 83,200 | - | 1,394,555 | 787,911 |
| Property taxes | 4,555,308 | 202,226 | 202,226 | - | 4,959,760 | 4,550,482 |
| Other income (expenses) | 116,277 | - | - | - | 116,277 | (61,011) |
| Interest expense | (809,769) | (888,188) | - | - | (1,697,957) | (1,819,311) |
| Bond issuance costs | (296,860) | (89,314) | - | - | (386,174) | - |
| Loss on asset disposal | - | - | - | - | - | (66) |
| Total Non-Operating Revenues (Expenses) | 4,267,899 | (166,864) | 285,426 | - | 4,386,461 | 3,458,005 |
| Income (Loss) Before Capital Contributions | 776,809 | (3,640,060) | (1,944,373) | - | (4,807,624) | (5,389,859) |
| Capital Contributions: | | | | | | |
| Capacity and other fees | 1,738,557 | 1,864,448 | 2,107,476 | - | 5,710,481 | 20,091,885 |
| Changes in Net Position | 2,515,366 | (1,775,612) | 163,103 | - | 902,857 | 14,702,026 |
| Net Position at Beginning of Year | 89,565,575 | 89,380,631 | 33,293,022 | - | 212,239,228 | 197,537,202 |
| Net Position at End of Year | \$ 92,080,941 | 87,605,019 | 33,456,125 | - | 213,142,085 | 212,239,228 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT
Statement of Cash Flows
Year ended June 30, 2024
(with comparative information for prior year)

| | Water | Sewer | Recycled Water | 2024 | 2023 |
|---|----------------------|-------------------|--------------------|--------------------|--------------------|
| Cash Flows from Operating Activities: | | | | | |
| Receipts from customers | \$ 14,025,262 | 13,224,634 | 1,529,282 | 28,779,178 | 29,069,239 |
| Receipts from interfund services provided | 207,561 | - | - | 207,561 | 214,895 |
| Payments to suppliers | (8,941,350) | (6,955,341) | (835,778) | (16,732,469) | (15,442,569) |
| Employment related payments | (5,580,178) | (4,640,520) | (1,327,453) | (11,548,151) | (11,195,031) |
| Net Cash Provided by (used for) Operating Activities | <u>(288,705)</u> | <u>1,628,773</u> | <u>(633,949)</u> | <u>706,119</u> | <u>2,646,534</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | | |
| Capital contributions | 1,756,054 | 1,864,448 | 1,068,476 | 4,688,978 | 19,968,544 |
| Cash paid for capital assets | (7,883,978) | (7,036,065) | (2,890,331) | (17,810,374) | (25,509,137) |
| Proceeds from long-term debt issuance | 66,852,500 | 20,352,500 | - | 87,205,000 | 3,410,836 |
| Proceeds from premium on long-term debt | 2,538,166 | 601,416 | - | 3,139,582 | - |
| Issuance costs on long-term debt | (296,860) | (89,314) | - | (386,174) | - |
| Proceeds from loans | - | 290,428 | - | 290,428 | - |
| Principal paid on capital debt | (4,110,450) | (688,396) | - | (4,798,846) | (4,307,827) |
| Interest paid on capital debt | (979,359) | (1,089,254) | - | (2,068,613) | (2,119,702) |
| Net Cash Provided by (used for) Capital and Related Financing Activities | <u>57,876,073</u> | <u>14,205,763</u> | <u>(1,821,855)</u> | <u>70,259,981</u> | <u>(8,557,286)</u> |
| Cash Flows from Non-Capital Financing Activities: | | | | | |
| Property taxes received | <u>4,558,965</u> | <u>202,226</u> | <u>202,226</u> | <u>4,963,417</u> | <u>4,548,153</u> |
| Net Cash Provided by (used for) Non-Capital Financing Activities | <u>4,558,965</u> | <u>202,226</u> | <u>202,226</u> | <u>4,963,417</u> | <u>4,548,153</u> |
| Cash Flows from Investing Activities: | | | | | |
| Investment income | <u>755,157</u> | <u>660,626</u> | <u>94,848</u> | <u>1,510,631</u> | <u>722,873</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | <u>62,901,490</u> | <u>16,697,388</u> | <u>(2,158,730)</u> | <u>77,440,148</u> | <u>(639,726)</u> |
| Cash and cash equivalents at beginning of year | <u>21,653,925</u> | <u>5,973,417</u> | <u>2,847,751</u> | <u>30,475,093</u> | <u>31,114,819</u> |
| Cash and cash equivalents at end of year | <u>\$ 84,555,415</u> | <u>22,670,805</u> | <u>689,021</u> | <u>107,915,241</u> | <u>30,475,093</u> |
| Reconciliation of Statement of Net Position: | | | | | |
| Cash and investments | \$ 84,262,269 | 22,559,301 | 689,021 | 107,510,591 | 30,071,355 |
| Restricted cash and investments - Noncurrent | <u>293,146</u> | <u>111,504</u> | <u>-</u> | <u>404,650</u> | <u>403,738</u> |
| Total Cash and Cash Equivalents | <u>\$ 84,555,415</u> | <u>22,670,805</u> | <u>689,021</u> | <u>107,915,241</u> | <u>30,475,093</u> |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT
Statement of Cash Flows (Continued)
Year ended June 30, 2024
(with comparative information for prior year)

| | Water | Sewer | Recycled Water | 2024 | 2023 |
|--|---------------------|------------------|-------------------|----------------|------------------|
| Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities: | | | | | |
| Operating Income (loss) | \$ (3,491,090) | (3,473,196) | (2,229,799) | (9,194,085) | (8,847,864) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation | 4,455,760 | 4,943,993 | 1,448,829 | 10,848,582 | 10,420,437 |
| Changes in assets and liabilities: | | | | | |
| Receivables, net | (105,840) | (177,564) | (50,357) | (333,761) | 832,560 |
| Material and supplies inventory | (427,859) | - | - | (427,859) | 255,221 |
| Water inventory | (743,258) | - | - | (743,258) | 41,732 |
| Prepayments and deposits | (186,075) | (171,526) | (14,914) | (372,515) | (310,016) |
| Accounts payable and accrued liabilities | (193,273) | 64,928 | 103,600 | (24,745) | (431,789) |
| Customer deposits | (9,000) | - | - | (9,000) | (8,600) |
| Accrued payroll | 19,051 | 16,706 | 6,269 | 42,026 | (319,983) |
| Compensated absences | 100,095 | 78,259 | 19,709 | 198,063 | 254,699 |
| Net pension liability | 282,852 | 356,082 | 78,970 | 717,904 | 5,380,827 |
| OPEB liability | (100,105) | (30,587) | (8,342) | (139,034) | (126,799) |
| Change in deferred outflows of resources related to pensions | 91,941 | 6,779 | 12,202 | 110,922 | (2,541,970) |
| Change in deferred outflows of resources related to OPEB | 13,097 | 4,002 | 1,091 | 18,190 | 17,782 |
| Change in deferred inflows of resources related to pensions | (35,650) | (1,524) | (4,594) | (41,768) | (2,027,618) |
| Change in deferred inflows of resources related to OPEB | 40,649 | 12,421 | 3,387 | 56,457 | 57,915 |
| Net Cash Provided by (used for) Operating Activities | \$ (288,705) | 1,628,773 | (633,949) | 706,119 | 2,646,534 |

There were no significant noncash investing and financing activities for the years ended June 30, 2024 and 2023.

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2024
(with comparative information for prior year)

| | SCIP R-12.4 Reservoir Custodial Fund | |
|-------------------------------|---|-----------|
| | 2024 | 2023 |
| Assets: | | |
| Cash and investments (Note 2) | \$ 1,439,591 | 1,391,552 |
| Net Position: | | |
| Restricted for Bondholders | \$ 1,439,591 | 1,391,552 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year ended June 30, 2024
(with comparative information for prior year)

| | SCIP R-12.4 Reservoir Custodial Fund | |
|-----------------------------------|---|--------------|
| | 2024 | 2023 |
| Additions: | | |
| Tax assessments | \$ 2,912,403 | \$ 921,484 |
| Investment income | 50,097 | 27,739 |
| Total additions | 2,962,500 | 949,223 |
| Deductions: | | |
| Administrative costs | 50,642 | 25,201 |
| Principal paid | 2,276,719 | 215,000 |
| Interest paid | 587,100 | 600,450 |
| Total deductions | 2,914,461 | 840,651 |
| Change in Net Position | 48,039 | 108,572 |
| Net Position at Beginning of Year | 1,391,552 | 1,282,980 |
| Net Position at End of Year | \$ 1,439,591 | \$ 1,391,552 |

See accompanying notes to the basic financial statements.

Notes to the Financial Statements



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

Yucaipa Valley Water District (the District) is a special-purpose government district providing water distribution and sewer collection and treatment for consumers within its service area. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(b) Basis of Presentation

The District has the following major proprietary funds:

- Water – This fund accounts for the activities of the District's drinking water supply system.
- Sewer – This fund accounts for the activities of the District's sewage treatment plant, pumping stations, and collection systems.
- Recycled Water – This fund accounts for the activities of the District's recycled water supply system.

The SCIP R-12.4 Reservoir custodial fund utilizes the accrual basis of accounting for reporting its assets and liabilities. This fund is used to account for receipts and disbursements associated with Assessment District AD-14-01, which is administered by, but is not the liability of, the District.

(c) Basis of Accounting

Proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes apply. Property taxes are collected for the District by the Counties of San Bernardino and Riverside. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses include the costs of sales and services, the costs of employee benefits, maintenance of capital assets, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(c) Basis of Accounting (continued)

The fiduciary funds are custodial in nature and use the accrual basis of accounting. The District reports custodial funds used to account for an assessment district that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district.

(d) Capital Assets

Capital assets purchased or constructed are carried at cost. Construction costs include labor and materials. Repairs, maintenance, and minor replacements of property are charged to expense. Capitalization threshold is \$5,000.

Contributed assets are stated at acquisition value at the time received by the District. Depreciation is calculated on the straight-line method over the following estimated useful lives of the assets:

| | |
|-----------------------------|---------------|
| Structures and improvements | 10 – 50 years |
| Equipment | 4 – 10 years |

(e) Inventories

Material and supplies inventory consists primarily of materials used in the construction and maintenance of the water system and is valued at the lower of cost, using the average cost method, or market. Inventory uses the consumption method whereby they are reported as an asset and expensed as they are consumed.

Water inventory consists of native groundwater and purchased water holdings in the USGS Well. Water inventory is valued at cost using the first-in/first-out (FIFO) method.

(f) Cash and Cash Equivalents

All cash and investments are held in the District's cash management pool. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Therefore, for purposes of the statement of cash flows, the District considers the entire pooled cash and investment balance to be cash and cash equivalents.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(g) Investments

Investments are reported at fair value, which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value.

(h) Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. As of June 30, 2024, the District had no investments with recurring fair value measurements. In determining fair value, the District’s custodians use various methods including market and income approaches. Based on these approaches, the District’s custodians utilize certain assumptions that market participants would use in pricing the asset or liability. The District’s custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of the District’s investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including the District’s own assumptions in determining the fair value of instruments).

(i) Property tax

Under California law, property taxes are assessed and collected by the counties up to one percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to entities based on complex formulas. The property tax calendar for San Bernardino and Riverside County is as follows:

| | |
|------------------|---------------------------|
| Lien date | January 1 |
| Levy date | July 1 |
| Due date | November 1 and February 1 |
| Collection dates | December 10 and April 10 |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(j) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(k) Uncollectible Accounts

The District provides an allowance for doubtful accounts for all accounts deemed uncollectible. As of June 30, 2024, this allowance was estimated at \$22,118 in the Water Fund and \$36,500 in the Sewer Fund.

(l) Credit/Market Risk

The District provides water, sewer, and recycled water services to local residential and commercial customers. As part of normal operating practices, credit is granted to local customers, on an unsecured basis.

(m) Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

(n) Net Position

Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

Restricted net position consists of those restricted assets reduced by liabilities related to those assets.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment of capital assets or the restricted component of net position.

(o) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. The following timeframes are used for pension reporting:

| | |
|--------------------|--------------------------------|
| Valuation Date | June 30, 2022 |
| Measurement Date | June 30, 2023 |
| Measurement Period | June 30, 2022 to June 30, 2023 |

(p) Other Post-Employment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2023 |
| Measurement Period | July 1, 2022 to June 30, 2023 |

(q) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net positions that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The District has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow (revenue) until that time. The District has two items that qualify for reporting in this category, deferred inflow related to pensions and OPEB.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies (Continued)

(r) Comparative Financial Statements

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles.

Accordingly, such information should be read in conjunction with the government’s prior year financial statements, from which selected financial data was derived. The District has reclassified certain prior year information to conform with current year presentations.

(2) Cash and Investments

Cash and investments are classified as the accompanying financial statements as follows:

| | |
|--------------------------------------|----------------|
| Statement of Net Position | |
| Cash and investments | \$ 107,510,591 |
| Restricted investments - non-current | 404,650 |
| | |
| Statement of Fiduciary Net Position | |
| Cash and cash equivalents | 1,439,591 |
| Total Cash and Investments | \$ 109,354,832 |

Cash and investments as of June 30, 2024, consist of the following:

| | |
|----------------------------|----------------|
| Cash | \$ 1,906,087 |
| Investments | 107,448,745 |
| Total Cash and Investments | \$ 109,354,832 |

Investments Authorized by the District’s Investment Policy

The table below identifies the investment types that are authorized for the Yucaipa Valley Water District by the California Government Code and the District’s policy, whichever is more restricted. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the Districts investment policy.

| Authorized Investments | Maximum Maturity | Percentage of Portfolio | Investment in One Issuer |
|-------------------------------------|------------------|-------------------------|--------------------------|
| U.S. Government Securities | 5 years | None | None |
| U.S. Treasury Obligations | 5 years | None | None |
| Bank Demands | N/A | None | None |
| Local Agency Investment Fund (LAIF) | N/A | None | \$30 million |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(2) Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by the bond trustee is governed by provisions of debt agreement, rather than the general provisions of the California Government Code or the District’s investment policy. The table below identifies the investment types that are authorized for investment held by bond trustee. The table also identifies certain provisions of debt agreement that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investments | Maximum Maturity | Percentage of Portfolio | Investment in One Issuer |
|-------------------------------------|------------------|-------------------------|--------------------------|
| U.S. Treasury Securities | None | None | None |
| U.S. Agency Securities | None | None | None |
| Municipal Bonds | None | None | None |
| Banker's Acceptances | 1 year | 40% | 30% |
| Commercial Paper | 270 days | 25% | 10% |
| Repurchase Agreements | 1 year | None | None |
| Medium Term Notes | 5 years | None | None |
| Negotiable Certificates of Deposit | None | 30% | None |
| Money Market Mutual Funds | None | 20% | 10% |
| Local Agency Investment Fund (LAIF) | None | None | None |

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity as of June 30, 2024.

| Investment Type | Total | Remaining Maturity (in Months) | |
|---------------------------|-----------------------|-----------------------------------|--------------------|
| | | 12 Months or Less | 13 to 24 Months |
| U.S. Treasury Obligations | \$ 23,324,903 | 19,262,086 | 4,062,817 |
| LAIF | 35,106 | 35,106 | - |
| CAMP | 83,304,697 | 83,304,697 | - |
| Money Market Funds | 784,039 | 784,039 | - |
| Total | <u>\$ 107,448,745</u> | <u>103,385,928</u> | <u>4,062,817</u> |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(2) Cash and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code or the District’s Investment Policy, or debt agreements, and the S&P ratings as of June 30, 2024 for each investment type.

The District’s rating as of the year ended June 30, 2024 for each investment type are as follows:

| Investment Type | Total | Minimum Legal Rating | Exempt From Disclosure | Not Rated | AAA |
|---------------------------|-----------------------|----------------------------|------------------------------|---------------|-------------------|
| U.S. Treasury Obligations | \$ 23,324,903 | N/A | 23,324,903 | - | - |
| LAIF | 35,106 | N/A | - | 35,106 | - |
| CAMP | 83,304,697 | AAA | - | - | 83,304,697 |
| Money Market Funds | 784,039 | AAA | - | - | 784,039 |
| Total | <u>\$ 107,448,745</u> | | <u>23,324,903</u> | <u>35,106</u> | <u>83,304,697</u> |

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured deposits.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(2) Cash and Investments (Continued)

Fair Value Measurement

The District categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The District has the following recurring fair value measurements as of June 30, 2024:

| Investment Type | Investments not Subject to Fair Value Hierarchy | Fair Value Hierarchy | | | Total |
|--------------------------|--|----------------------|----------|----------|--------------------|
| | | Level 1 | Level 2 | Level 3 | |
| U.S Treasury Obligations | \$ - | 23,324,903 | - | - | 23,324,903 |
| LAIF | 35,106 | - | - | - | 35,106 |
| CAMP | 83,304,697 | - | - | - | 83,304,697 |
| Money Market Funds | 784,039 | - | - | - | 784,039 |
| Total | \$ 84,123,842 | 23,324,903 | - | - | 107,448,745 |

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals to and from LAIF are transferred on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, LAIF is based on inputs not categorized as Level 1, Level 2, or Level 3. This external pool has no limitations or restrictions on participant withdrawals.

Investment in California Asset Management Program (CAMP)

The City is a voluntary participant in CAMP, a California Joint Powers Authority that falls under California Government Code Section 53601(p). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500, et seq., or the Act) for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. In accordance with Section 53601(p) of the California Government Code, CAMP’s investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601. The City reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. The Pool is required to maintain an average maturity of less than 60 days and is rated AAA by Standard & Poor’s national rating agency. There are no restrictions on participant withdrawals.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(3) Capital Assets

Capital assets are as follows for the year ended June 30, 2024:

| Water Fund | Balance June 30, 2023 | Additions | Deletions | Balance June 30, 2024 |
|--|--------------------------|--------------------|------------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ 5,700,274 | 982,392 | - | 6,682,666 |
| Water rights | 497,340 | - | - | 497,340 |
| Construction in progress | <u>1,438,294</u> | <u>4,310,910</u> | <u>(750,434)</u> | <u>4,998,770</u> |
| Total capital assets not being depreciated | <u>7,635,908</u> | <u>5,293,302</u> | <u>(750,434)</u> | <u>12,178,776</u> |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 159,229,837 | 2,932,235 | (94,943) | 162,067,129 |
| Equipment | <u>6,861,146</u> | <u>408,875</u> | <u>(4,656)</u> | <u>7,265,365</u> |
| Total capital assets being depreciated | <u>166,090,983</u> | <u>3,341,110</u> | <u>(99,599)</u> | <u>169,332,494</u> |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (62,583,350) | (4,107,829) | 94,943 | (66,596,236) |
| Equipment | <u>(4,791,643)</u> | <u>(347,931)</u> | <u>4,656</u> | <u>(5,134,918)</u> |
| Total accumulated depreciation | <u>(67,374,993)</u> | <u>(4,455,760)</u> | <u>99,599</u> | <u>(71,731,154)</u> |
| Total capital assets being depreciated, net | <u>98,715,990</u> | <u>(1,114,650)</u> | <u>-</u> | <u>97,601,340</u> |
| Water Fund capital assets, net | <u>\$106,351,898</u> | <u>4,178,652</u> | <u>(750,434)</u> | <u>109,780,116</u> |

Depreciation expense was \$4,455,760 for the year ended June 30, 2024.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(3) Capital Assets (Continued)

| Sewer Fund | Balance June 30, 2023 | Additions | Deletions | Balance June 30, 2024 |
|---|--------------------------|--------------------|------------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ 2,589,783 | 252,554 | - | 2,842,337 |
| Water rights | 9,254,678 | - | - | 9,254,678 |
| Construction in progress | <u>2,412,706</u> | <u>5,354,574</u> | <u>(273,495)</u> | <u>7,493,785</u> |
| Total capital assets not being depreciated | <u>14,257,167</u> | <u>5,607,128</u> | <u>(273,495)</u> | <u>19,590,800</u> |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 189,446,692 | 1,702,432 | (43,058) | 191,106,066 |
| Equipment | <u>1,581,742</u> | <u>-</u> | <u>(173,276)</u> | <u>1,408,466</u> |
| Total capital assets being depreciated | <u>191,028,434</u> | <u>1,702,432</u> | <u>(216,334)</u> | <u>192,514,532</u> |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (88,033,503) | (4,924,591) | 43,058 | (92,915,036) |
| Equipment | <u>(1,292,489)</u> | <u>(19,402)</u> | <u>173,276</u> | <u>(1,138,615)</u> |
| Total accumulated depreciation | <u>(89,325,992)</u> | <u>(4,943,993)</u> | <u>216,334</u> | <u>(94,053,651)</u> |
| Total capital assets being depreciated, net | <u>101,702,442</u> | <u>(3,241,561)</u> | <u>-</u> | <u>98,460,881</u> |
| Sewer Fund capital assets, net | <u>\$115,959,609</u> | <u>2,365,567</u> | <u>(273,495)</u> | <u>118,051,681</u> |

Depreciation expense was \$4,943,993 for the year ended June 30, 2024.

| Recycled Water Fund | Balance June 30, 2023 | Additions | Deletions | Balance June 30, 2024 |
|---|--------------------------|--------------------|------------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ - | 210,210 | - | 210,210 |
| Construction in progress | <u>818,936</u> | <u>2,126,867</u> | <u>(394,115)</u> | <u>2,551,688</u> |
| Total capital assets not being depreciated | <u>818,936</u> | <u>2,337,077</u> | <u>(394,115)</u> | <u>2,761,898</u> |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 43,088,876 | 947,369 | - | 44,036,245 |
| Equipment | <u>147,000</u> | <u>-</u> | <u>-</u> | <u>147,000</u> |
| Total capital assets being depreciated | <u>43,235,876</u> | <u>947,369</u> | <u>-</u> | <u>44,183,245</u> |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (12,526,029) | (1,448,829) | - | (13,974,858) |
| Equipment | <u>(147,000)</u> | <u>-</u> | <u>-</u> | <u>(147,000)</u> |
| Total accumulated depreciation | <u>(12,673,029)</u> | <u>(1,448,829)</u> | <u>-</u> | <u>(14,121,858)</u> |
| Total capital assets being depreciated, net | <u>30,562,847</u> | <u>(501,460)</u> | <u>-</u> | <u>30,061,387</u> |
| Recycled Water Fund capital assets, net | <u>\$ 31,381,783</u> | <u>1,835,617</u> | <u>(394,115)</u> | <u>32,823,285</u> |

Depreciation expense was \$1,448,829 for the year ended June 30, 2024.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(4) Changes in Long-Term Liabilities

A summary of changes in long-term liabilities balances for the fiscal year ended June 30, 2024 are as follows:

| | Balance | | | Balance | Due Within |
|-------------------------------|----------------------|-------------------|--------------------|--------------------|------------------|
| | June 30, 2023 | Additions | Deletions | June 30, 2024 | One Year |
| 2022A Refunding Revenue Bonds | \$ 33,980,000 | - | (595,000) | 33,385,000 | 610,000 |
| 2022B Refunding Revenue Bonds | 22,110,000 | - | (3,335,000) | 18,775,000 | 3,390,000 |
| Unamortized premium 2022A | 7,887,682 | - | (275,152) | 7,612,530 | 275,152 |
| 2024A Interim Notes | - | 81,410,000 | - | 81,410,000 | - |
| 2024B Revenue Bonds | - | 5,795,000 | - | 5,795,000 | 280,000 |
| Unamortized premium 2024A | - | <u>3,139,583</u> | <u>(104,313)</u> | <u>3,035,270</u> | <u>104,313</u> |
| Total Revenue Bonds | <u>63,977,682</u> | <u>90,344,583</u> | <u>(4,309,465)</u> | <u>150,012,800</u> | <u>4,659,465</u> |
| | | | | | |
| Calimesa Recycled Water Line | 2,635,386 | 290,428 | (93,398) | 2,832,418 | 85,990 |
| Kaiser Premier LLC Loan | <u>775,450</u> | <u>-</u> | <u>(775,450)</u> | <u>-</u> | <u>-</u> |
| Total Loans | <u>3,410,836</u> | <u>290,428</u> | <u>(868,848)</u> | <u>2,832,418</u> | <u>85,990</u> |
| | | | | | |
| Compensated absences | <u>1,631,809</u> | <u>990,429</u> | <u>(792,366)</u> | <u>1,829,872</u> | <u>607,475</u> |
| | | | | | |
| Total Long-term Liabilities | <u>\$ 69,020,327</u> | <u>91,625,440</u> | <u>(5,970,679)</u> | <u>154,675,090</u> | <u>5,352,930</u> |

Refunding Revenue Bonds Series 2022A and 2022B

In 2022, the District sold refunding revenue bonds in the amount of \$34,685,000 and \$25,400,000 to refund the 2015A Certificates of Participation, to pay delivery costs of the certificates, and pay certain outstanding contracts with the California State Water Resources Control Board. The Refunding Bonds began maturing on February 1, 2022 with semi-annual interest payments due March 1 and September 1. The 2022A bonds have various interest rates from 4.00 to 5.00 percent. Principal payments are due annually September 1 at various amounts from \$510,000 to \$3,505,000. The final principal payment of the certificates is scheduled for September 1, 2051. The 2022B bonds have various interest rates from 1.23 to 2.55 percent. Principal payments are due annually September 1 at various amounts from \$1,105,000 to \$3,695,000. The final principal payment of the 2022B certificates is scheduled for September 1, 2029. The bonds are subject to optional redemption as a whole or in part on any date in order of maturity as directed by the District.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(4) Changes in Long-Term Liabilities (Continued)

Maturities of the revenue refunding bonds are as follows:

| Fiscal Year Ending | 2022 Refunding Revenue Bonds Series A | | |
|--------------------|---------------------------------------|-------------------|-------------------|
| | Principal | Interest | Total |
| 2025 | \$ 610,000 | 1,588,950 | 2,198,950 |
| 2026 | 645,000 | 1,557,575 | 2,202,575 |
| 2027 | 680,000 | 1,524,450 | 2,204,450 |
| 2028 | 715,000 | 1,489,575 | 2,204,575 |
| 2029 | 750,000 | 1,452,950 | 2,202,950 |
| 2030-2034 | 14,425,000 | 5,324,125 | 19,749,125 |
| 2034-2039 | 5,260,000 | 2,700,300 | 7,960,300 |
| 2040-2044 | 3,290,000 | 2,002,675 | 5,292,675 |
| 2045-2049 | 4,065,000 | 1,226,775 | 5,291,775 |
| 2050-2052 | 2,945,000 | 225,625 | 3,170,625 |
| Total | \$ 33,385,000 | 19,093,000 | 52,478,000 |

| Fiscal Year Ending | 2022 Refunding Revenue Bonds Series B | | |
|--------------------|---------------------------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2025 | \$ 3,390,000 | 378,263 | 3,768,263 |
| 2026 | 3,455,000 | 313,698 | 3,768,698 |
| 2027 | 3,525,000 | 239,858 | 3,764,858 |
| 2028 | 3,605,000 | 159,982 | 3,764,982 |
| 2029 | 3,695,000 | 73,441 | 3,768,441 |
| 2030 | 1,105,000 | 14,089 | 1,119,089 |
| Total | \$ 18,775,000 | 1,179,331 | 19,954,331 |

Interim Notes and Revenue Bonds Series 2024A and 2024B

In 2024, the District sold interim notes and revenue bonds in the amount of \$81,410,000 and \$5,795,000 to finance the acquisition of capital improvements and to pay delivery costs of the certificates. The Interim Notes began maturing on May 1, 2024 with semi-annual interest payments due December 1 and June 1. The 2024A notes have an interest rate of 5.00 percent. The only principal payment of the certificates is scheduled on June 1, 2026. The Revenue Bonds began maturing on May 1, 2024 with semi-annual interest payments due December 1 and June 1. The 2024B bonds have an interest rate of 5.00 percent. Principal payments are due annually June 1 at various amounts from \$280,000 to \$530,000. The final principal payment of the 2024B certificates is scheduled for June 1, 2039. The bonds are subject to optional redemption as a whole or in part on any date in order of maturity as directed by the District.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(4) Changes in Long-Term Liabilities (Continued)

| Fiscal Year Ending | 2024 Interim Notes Series A | | |
|--------------------|-----------------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2025 | \$ - | 3,878,282 | 3,878,282 |
| 2026 | 81,410,000 | 4,070,500 | 85,480,500 |
| | <u>\$ 81,410,000</u> | <u>7,948,782</u> | <u>89,358,782</u> |

| Fiscal Year Ending | 2024 Revenue Bonds Series B | | |
|--------------------|-----------------------------|------------------|------------------|
| | Principal | Interest | Total |
| 2025 | \$ 280,000 | 276,067 | 556,067 |
| 2026 | 280,000 | 275,750 | 555,750 |
| 2027 | 295,000 | 261,750 | 556,750 |
| 2028 | 310,000 | 247,000 | 557,000 |
| 2029 | 325,000 | 231,500 | 556,500 |
| 2030-2034 | 1,895,000 | 895,500 | 2,790,500 |
| 2035-2039 | 2,410,000 | 373,250 | 2,783,250 |
| | <u>\$ 5,795,000</u> | <u>2,560,817</u> | <u>8,355,817</u> |

State Revolving Fund Loan – Calimesa Recycled Water Line

In February 2022, the District entered into a loan agreement (Calimesa Recycled Water Line) with the State of California Water Resources Control Board (SWRCB) to provide the funding for Recycled Water Fund projects. The District received the amount of \$2,635,386. The loan accrues interest at a rate of 0.9 percent annually on amounts drawn. Repayment will be made in 30 annual installments. The first payment occurred in December 2023.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(4) Changes in Long-Term Liabilities (Continued)

Maturities of the State Revolving Fund Loan are as follows:

| Fiscal Year Ending | State Revolving Fund Loan - Calimesa Recycled Water Line | | |
|--------------------|--|------------------|------------------|
| | Principal | Interest | Total |
| 2025 | \$ 85,990 | 25,515 | 111,505 |
| 2026 | 86,764 | 77,369 | 164,133 |
| 2027 | 87,544 | 77,913 | 165,457 |
| 2028 | 88,333 | 78,463 | 166,796 |
| 2029 | 89,128 | 79,017 | 168,145 |
| 2030-2034 | 457,817 | 403,574 | 861,391 |
| 2035-2039 | 478,791 | 418,195 | 896,986 |
| 2040-2044 | 500,728 | 433,486 | 934,214 |
| 2045-2049 | 523,670 | 449,478 | 973,148 |
| 2050-2053 | 433,653 | 371,588 | 805,241 |
| Total | <u>\$ 2,832,418</u> | <u>2,414,598</u> | <u>5,247,016</u> |

(5) Revenue Pledged

Refunding Revenue Bonds Series 2022A and 2022B

The District has pledged future water and sewer fund revenues, net of specified operating expenses, to repay \$60,085,000 in refunding revenue bonds (2022 bonds) as disclosed in Note 4. Net revenues are defined as operating income, less specified operating expenses, plus specified non-operating income. Net revenues are anticipated to equal at least 120 percent of annual principal and interest payments.

The total principal and interest remaining to be paid on the 2022 bonds is \$72,432,331. Principal and interest paid for the current year was \$5,980,506 and total net revenues were \$14,305,181. For the state revolving fund loans recorded in the Sewer Fund, the District has pledged all revenues and amounts legally available to repay the loans.

Interim Notes and Revenue Bonds Series 2024A and 2024B

The District has pledged future water and sewer fund revenues, net of specified operating expenses, to repay \$87,205,000 in interim notes and revenue bonds (2024 bonds) as disclosed in Note 4. Net revenues are defined as operating income, less specified operating expenses, plus specified non-operating income. Net revenues are anticipated to equal at least 120 percent of annual principal and interest payments.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(5) Revenue Pledged (Continued)

The total principal and interest remaining to be paid on the 2024A and B debt is \$97,714,559. Principal and interest was not due in the current year. The first payment is due December 1, 2024. For the state revolving fund loans recorded in the Sewer Fund, the District has pledged all revenues and amounts legally available to repay the loans.

(6) Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan ("Plan"), a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System ("CalPERS").

Benefit provisions under the Plan are established by State statute and may be amended by the District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information. These reports can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law ("PERL"), the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plans' authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

The Plan's provisions and benefits in effect at June 30, 2024 are summarized as follows:

| | Miscellaneous Plans | |
|---|-----------------------------|--------------------------------|
| | Classic Tier 1 | PEPRA Tier 2 |
| | Prior to January 1, 2013 | On or after January 1, 2013 |
| Hire date | | |
| Benefit formula | 2% @ 60 | 2% @ 62 |
| Benefit vesting schedule | 5 years of service | 5 years of service |
| Benefits payments | monthly for life | monthly for life |
| Retirement age | 60 | 62 |
| Monthly benefits, as a % of eligible compensation | 2.000% | 2.000% |
| Required employee contribution rates | 6.930% | 7.750% |
| Required employer contribution rates | 10.660% | 7.680% |

Members covered by Benefit Terms

At June 30, 2022 (Valuation Date), the following members were covered by the benefit terms:

| Plan Members | Miscellaneous Plans | | Total |
|------------------------------------|---------------------|-----------------|-------|
| | Classic Tier 1 | PEPRA Tier 2 | |
| Active members | 24 | 45 | 69 |
| Transferred and terminated members | 38 | 11 | 49 |
| Retired members and beneficiaries | 61 | - | 61 |
| Total plan members | 123 | 56 | 179 |

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements are classified as plan member contributions.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2023 (the measurement date) the total pension liability was determined by the June 30, 2022 valuation. The June 30, 2023 pension liability was based on the following actuarial methods and assumptions.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

| | |
|----------------------------------|---|
| Actuarial Cost Method | Entry Age Normal in accordance with the requirement of GASB Statement No. 68 |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds. |
| Post Retirement Benefit Increase | The lesser of contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.3% thereafter |

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

The expected real rates of return by asset class are as follows:

| Asset Class ¹ | Assumed Asset Allocation | Real Return ^{1,2} |
|----------------------------------|--------------------------|----------------------------|
| Global Equity - Cap-weighted | 30.00% | 4.54% |
| Global Equity - Non-Cap weighted | 12.00% | 3.84% |
| Private Equity | 13.00% | 7.28% |
| Treasury | 5.00% | 0.27% |
| Mortgage-backed Securities | 5.00% | 0.50% |
| Investment Grade Corporates | 10.00% | 1.56% |
| High Yield | 5.00% | 2.27% |
| Emerging Market Debt | 5.00% | 2.48% |
| Private Debt | 5.00% | 3.57% |
| Real Assets | 15.00% | 3.21% |
| Leverage | -5.00% | -0.59% |
| | 100.00% | |

¹An expected inflation of 2.30% used for this period.

²Figures are based on the 2021 Asset Liability Management study.

Allocation of Net Pension Liability and Pension Expense to Individual Employers

The following table shows the District’s proportionate share of the net pension liability over the measurement period.

The proportion of the net pension liability was based on a projection of the District’s long term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for the plan as of June 30, 2023 and 2024 was as follows:

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

| | Increase (Decrease) | | |
|----------------------------|----------------------------|--------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (c) = (a) - (b) |
| Balance at June 30, 2023 | \$ 39,682,312 | 31,354,447 | 8,327,865 |
| Balance at June 30, 2024 | 42,304,873 | 33,259,104 | 9,045,769 |
| Net changes during 2023-24 | <u>\$ 2,622,561</u> | <u>1,904,657</u> | <u>717,904</u> |

| | Percentage Share of Risk Pool | | |
|-------------------------|-------------------------------|-----------------------|-----------------------------------|
| | Fiscal Year Ending | Fiscal Year Ending | Change Increase/ (Decrease) |
| | June 30, 2024 | June 30, 2023 | (Decrease) |
| Measurement Date | June 30, 2023 | June 30, 2022 | |
| Percentage of Risk Pool | | | |
| Net Pension Liability | 0.18642% | 0.18500% | 0.00142% |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount that is one percentage-point lower (5.90 percent) or one percentage point higher (7.90 percent) than the current rate:

| Plan Type | Plan's Net Pension Liability | | |
|--------------------|------------------------------|--------------------------|-----------------------|
| | Discount Rate - 1% | Current Discount Rate | Discount Rate + 1% |
| | 5.90% | 6.90% | 7.90% |
| Miscellaneous Plan | \$ 14,767,322 | 9,045,769 | 4,336,438 |

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net pension are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

The amortization period differs depending on the source of the gain or loss:

| | |
|--|--|
| Net difference between projected and actual earnings | 5-year straight-line amortization |
| All other amounts | Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period. |

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts should be amortized over the EARSL of members provided with pensions through the Plan. The EARSL for the Plan for the measurement date ending June 30, 2023 is 3.8 years, which was obtained by dividing the total service years of 600,538 (the sum of remaining service lifetimes of the active employees) by 160,073 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to zero. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the District recognized pension expense of \$1,456,882 for the Plan. As of June 30, 2024, the District reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

| Account Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Pension contributions made after the measurement date | \$ 610,825 | - |
| Changes of assumptions | 546,134 | - |
| Differences between expected and actual experience | 462,107 | 71,684 |
| Differences between projected and actual earnings on pension plan investments | 1,464,591 | - |
| Change in employer's proportion | 342,554 | 1,321,379 |
| Total Deferred Outflows/(Inflows) of Resources | \$ 3,426,211 | 1,393,063 |

\$610,825 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(6) Defined Benefit Pension Plan (Continued)

Other amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

| Amortization Period Fiscal Year Ended June 30 | Deferred Outflows/(Inflows) of Resources |
|---|--|
| 2025 | \$ 255,558 |
| 2026 | 183,159 |
| 2027 | 941,581 |
| 2028 | <u>42,025</u> |
| Total | <u>\$ 1,422,323</u> |

(7) Other Post-Employment Benefits (OPEB)

General Information about the OPEB Plan

Plan Description

The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

Benefits Provided

The District pays the retired employee's medical premium until the age of 65, with the requirement that the employee is vested with ten (10) years of regular, uninterrupted service and is at least 55 years of age at retirement. Employees hired after July 1, 1999 are not eligible for any retiree medical benefits. The District CalPERS PEMHCA administrative fee, or 0.27% of premium.

Plan Membership

At June 30, 2023, membership consisted of the following:

| | |
|--|-----------------|
| Active members | 4 |
| Inactive plan members or beneficiaries currently receiving benefit payments | <u>3</u> |
| Total plan members | <u><u>7</u></u> |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(7) Other Post-Employment Benefits (OPEB) (Continued)

Contributions

The contribution requirements of Plan members and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements.

Total OPEB Liability

The District’s Total OPEB liability was measured as of June 30, 2023 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions

The Total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Actuarial Cost Method | Entry Age, Level Percent of Pay |
| Actuarial Assumptions: | |
| Recognition of deferred inflows and outflows of resources | Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB |
| Salary increases | 2.80 percent |
| Inflation rate | 2.50 percent |
| Healthcare cost trend rate | 5.50 percent for 2023 through 2034; 4.50 percent for 2035 through 2074; and 4.00 percent for 2075 and later years |

Mortality rates were based on the most recent experience study for CalPERS members. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the most recent applicable experience study and a review of plan experience during the period of July 1, 2021 to June 30, 2023.

Discount Rate

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan’s fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(7) Other Post-Employment Benefits (OPEB) (Continued)

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The District does not have an irrevocable trust account for prefunding OPEB liabilities. The discount rate used to measure the total OPEB liability was based on the Fidelity GO AA 20-year municipal index.

The discount rate used to measure the Total OPEB liability was 3.86 percent. The District’s Total OPEB liability is based on these requirements and the following information:

| <u>Reporting Date</u> | <u>Measurement Date</u> | <u>Fidelity GO AA 20 Years Municipal Index</u> | <u>Discount Rate</u> |
|-----------------------|-------------------------|--|----------------------|
| June 30, 2024 | June 30, 2023 | 3.86% | 3.86% |

Schedule of Changes in Total OPEB Liability (June 30, 2022 to June 30, 2023)

| | |
|--|-------------------|
| Total OPEB Liability | \$ 6,436 |
| Service Cost | 21,426 |
| Interest | (120,388) |
| Difference between expected and actual | (18,017) |
| Changes of assumptions | (28,491) |
| Benefit payments ¹ | <u>(139,034)</u> |
| Net Change in total OPEB Liability | 588,323 |
| Total OPEB Liability - June 30, 2022 (a) | <u>588,323</u> |
| Total OPEB Liability - June 30, 2023 (b) | <u>\$ 449,289</u> |

¹ Amount includes any implicit subsidy associated with benefits paid.

Sensitivity of the Total OPEB liability to changes in the discount rate

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage-point higher than the current discount rate:

| | 1% Decrease 2.86% | Discount Rate 3.86% | 1% Increase 4.86% |
|-------------------------|----------------------|------------------------|----------------------|
| Total OPEB liability \$ | 486,939 | 449,289 | 416,830 |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(7) Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that one percentage point lower or one percentage point higher than the current discount rate:

| | 1% Decrease (4.50% decreasing to 3.00%) | Trend Rate (5.50% decreasing to 4.00%) | 1% Increase (6.50% decreasing to 5.00%) |
|-------------------------|---|--|---|
| Total OPEB liability \$ | 413,545 | 449,289 | 491,432 |

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The District’s OPEB credit was \$42,522 for the fiscal year ended June 30, 2024. As of fiscal year ended June 30, 2024, the District’s deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

| Account Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Difference between expected and actual experience | \$ - | 96,000 |
| Changes in assumptions or other inputs | 6,937 | 49,977 |
| Contributions subsequent to measurement date | 32,978 | - |
| Total | \$ 39,915 | 145,977 |

The \$32,978 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follow:

| Fiscal Year Ended June 30 | Deferred Outflows/(Inflows) of Resources |
|------------------------------|--|
| 2025 | \$ (70,149) |
| 2026 | (39,758) |
| 2027 | (29,133) |
| Total | \$ (139,040) |



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(8) Commitments and Contingencies

Construction Contracts

The District has entered into contracts for various services and projects that will require payments in future fiscal years. At June 30, 2024, the District had capital projects under construction with an estimated cost to complete of approximately \$15,044,243.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(9) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2024, the District purchased insurance through various commercial carriers to cover these risks with various limits as follows:

| | |
|---|--|
| Auto: | A combined single limit of \$1,000,000. |
| Crime: | Coverage limit of \$250,000. |
| Cyber Liability: | Coverage limit of \$3,000,000. |
| Environmental Legal Liability: | Coverage limit of \$3,000,000. |
| Excess: | Coverage limit of \$10,000,000. |
| General Liability: | Coverage limit of \$1,000,000 with an aggregate limit of \$10,000,000. |
| Public Officials and Management Liability: | Coverage limit of \$1,000,000 with an aggregate limit of \$10,000,000. |
| Real Property & Business Personal Property: | Coverage limit of \$125,295,897. |

The District has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years and there were no reductions in the District’s insurance coverage during the years ending June 30, 2024. Liabilities are recorded when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR).



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2024

(10) Assessment District

The District acts in a fiduciary capacity for an Assessment District that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district. The bonds issued by the assessment district are payable solely from the revenues of annual special taxes levied against land within the district and do not constitute an indebtedness of the Yucaipa Valley Water District. Yucaipa Valley Water District is not liable for the bonds but acts as an agent for the bondholders. Since the District is acting in an agency capacity, the assets and liabilities of the assessment district have been excluded from the District's statement of net position. The amount outstanding on the bonds on June 30, 2024 was \$9,670,000.

Required Supplementary Information



YUCAIPA VALLEY WATER DISTRICT
Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability - Last Ten Years

Year ended June 30, 2024

| Measurement Date | <u>6/30/2023</u> | <u>6/30/2022</u> | <u>6/30/2021</u> | <u>6/30/2020</u> | <u>6/30/2019</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Proportion of the collective net pension liability | 0.18090% | 0.17798% | 0.05449% | 0.06589% | 0.06508% |
| Proportionate share of the collective net pension liability | \$ 9,045,769 | 8,327,865 | 2,947,038 | 7,168,751 | 6,668,450 |
| Covered payroll | \$ 6,383,315 | 5,784,967 | 5,799,061 | 5,180,114 | 5,478,278 |
| Proportionate share of the collective net pension liability as a percentage of covered payroll | 141.71% | 143.96% | 50.82% | 138.39% | 121.73% |
| Plan fiduciary net position as a percentage of the total pension liability | 78.62% | 79.01% | 91.88% | 79.13% | 79.36% |

Notes to schedule:

Summary of Changes of Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes).

Changes in Assumptions: There were no assumption changes in 2023.

**YUCAIPA VALLEY WATER DISTRICT
Required Supplementary Information**

Schedule of the District's Proportionate Share of the Net Pension Liability - Last Ten Years

Year ended June 30, 2024

| Measurement Date | <u>6/30/2018</u> | <u>6/30/2017</u> | <u>6/30/2016</u> | <u>6/30/2015</u> | <u>6/30/2014</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Proportion of the collective net pension liability | 0.64090% | 0.06580% | 0.06547% | 0.06295% | 0.07950% |
| Proportionate share of the collective net pension liability | 6,176,087 | 6,525,230 | 5,665,084 | 4,320,667 | 4,947,010 |
| Covered payroll | 4,973,515 | 5,752,996 | 5,611,132 | 5,411,972 | 5,245,090 |
| Proportionate share of the collective net pension liability as a percentage of covered payroll | 124.18% | 113.42% | 100.96% | 79.84% | 94.32% |
| Plan fiduciary net position as a percentage of the total pension liability | 79.67% | 73.31% | 73.31% | 73.31% | 73.31% |

Notes to schedule:

Summary of Changes of Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes).

Changes in Assumptions: There were no assumption changes in 2023.

YUCAIPA VALLEY WATER DISTRICT
Required Supplementary Information

Schedule of the District's Proportionate Contributions to the Pension Plan - Last Ten Years

Year ended June 30, 2024

| | <u>6/30/2024</u> | <u>6/30/2023</u> | <u>6/30/2022</u> | <u>6/30/2021</u> | <u>6/30/2020</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 610,824 | 508,732 | 488,766 | 493,241 | 659,622 |
| Contribution in relation to the actuarially determined contribution | <u>610,824</u> | <u>508,732</u> | <u>488,766</u> | <u>493,241</u> | <u>659,622</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| District's covered payroll | \$ 6,394,582 | 6,383,315 | 5,784,967 | 5,799,061 | 5,180,114 |
| Contributions as a percentage of covered payroll | 9.55% | 7.97% | 8.45% | 8.51% | 12.73% |

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2024 were from the June 30, 2021 public agency valuations.

| | |
|-----------------------------------|---|
| Actuarial Cost Method | Entry Age |
| Amortization Method/Period | Level of Percent of Payroll |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by |
| Payroll Growth | 2.80% |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds |
| Post Retirement Benefit Increases | Contract COLA up to 2.30% until Purchasing Power Protection Floor Purchasing Power applies, 2.30% thereafter |

The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report that can be found on the CalPERS website.

YUCAIPA VALLEY WATER DISTRICT

Required Supplementary Information

Schedule of the District's Proportionate Contributions to the Pension Plan - Last Ten Years

Year ended June 30, 2024

| | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> | <u>6/30/2016</u> | <u>6/30/2015</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | 919,668 | 752,731 | 697,729 | 882,127 | 570,529 |
| Contribution in relation to the actuarially determined contribution | <u>919,668</u> | <u>752,731</u> | <u>697,729</u> | <u>882,127</u> | <u>570,529</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| District's covered payroll | 5,478,278 | 4,973,515 | 5,752,996 | 5,611,132 | 5,411,972 |
| Contributions as a percentage of covered payroll | 16.79% | 15.13% | 12.13% | 15.72% | 10.54% |

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2024 were from the June 30, 2021 public agency valuations.

| | |
|-----------------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method/Period | Level of Percent of Payroll |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Payroll Growth | 2.80% |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds |
| Post Retirement Benefit Increases | Contract COLA up to 2.30% until Purchasing Power Protection Floor Purchasing Power applies, 2.30% thereafter |

The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report that can be found on the CalPERS website.

YUCAIPA VALLEY WATER DISTRICT
Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Years

Year ended June 30, 2024

| Measurement Date | <u>6/30/2023</u> | <u>6/30/2022</u> | <u>6/30/2021</u> | <u>6/30/2020</u> | <u>6/30/2019</u> |
|---|-------------------|------------------|------------------|------------------|------------------|
| Total OPEB Liability | | | | | |
| Service cost | \$ 6,436 | 11,542 | 5,950 | 6,862 | 5,691 |
| Interest on the Total OPEB liability | 21,426 | 13,490 | 17,610 | 21,488 | 26,592 |
| Difference between expected and actual experience | (120,388) | - | (43,762) | - | (70,844) |
| Changes in assumptions | (18,017) | (103,438) | 41,629 | 46,810 | 46,365 |
| Benefit payments | <u>(28,491)</u> | <u>(48,393)</u> | <u>(38,055)</u> | <u>(45,768)</u> | <u>(68,079)</u> |
| Net change in Total OPEB liability | (139,034) | (126,799) | (16,628) | 29,392 | (60,275) |
| Total OPEB liability - beginning | <u>588,323</u> | <u>715,122</u> | <u>731,750</u> | <u>702,358</u> | <u>762,633</u> |
| Total OPEB liability - ending | <u>\$ 449,289</u> | <u>588,323</u> | <u>715,122</u> | <u>731,750</u> | <u>702,358</u> |
| Plan fiduciary net position as a percentage of the Total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered-employee payroll | \$ 768,495 | 808,699 | 740,537 | 736,531 | 1,041,057 |
| Total OPEB liability as a percentage of covered-employee payroll | 58.46% | 72.75% | 96.57% | 99.35% | 67.47% |

*Future years' information will be displayed up to 10 years as information becomes available.

YUCAIPA VALLEY WATER DISTRICT
Audit Communications
Year ended June 30, 2024

YUCAIPA VALLEY WATER DISTRICT

Audit Communications

Year ended June 30, 2024

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Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REQUIRED AUDIT COMMUNICATIONS

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

We have audited the financial statements of Yucaipa Valley Water District (District) as of and for the year ended June 30, 2024 and have issued our report thereon dated November 4, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 20, 2024 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. 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. Accordingly, as part of our audit, we considered the internal control of District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated November 4, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in a letter dated May 20, 2024.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and our firm have complied with all relevant ethical requirements regarding independence.

We identified self-review threats to independence as a result of non-attest services provided. Those non-attest services included the preparation of the financial statements and recording journal entries detected during the audit process. To mitigate the risk, management has compared the draft financial statements and footnotes to the underlying accounting records to verify accuracy and has reviewed a disclosure checklist to ensure footnotes are complete and accurate.

Additionally, we utilize a quality control reviewer to perform a second review of journal entries and the financial statements. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

Risk of material misstatement in inventory. We observed the District's physical inventory count at year-end and performed test counts of certain items.

Risk of errors recording new debt. We reviewed bond documents and journal entries recording the 2024A Interim Notes and the 2024B Refunding Bonds to ensure the new and refunded debt transactions were recorded correctly. We ensured that financial statements contain complete and accurate disclosures of the new debt.

Risk of federal grant noncompliance. We have evaluated District's federal grants to determine which grants are required to be audited under the Federal Uniform Guidance and tested those grants for compliance.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the net pension liability, total OPEB liability, and related amounts are based on an actuarial evaluation. We evaluated the key factors and assumptions used

to develop the net pension liability, total OPEB liability, and related amounts and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting District's financial statements was:

The disclosure of the Pension Liability in Note 6 to the financial statements describes the District's pension obligations, and the disclosure of the Total OPEB Liability in Note 7 to the financial statements describes the District's Total OPEB obligations.

The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate 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 and each applicable opinion unit. We identified no uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

- To record grants receivable related to expenditures incurred during the fiscal year that had not yet been billed and collected for the ARPA grant
- To increase the cash balance in the custodial fund related to amounts collected to pay debt without government commitment

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 4, 2024.

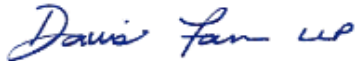
Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

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

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California
November 4, 2024



Davis Farr LLP
 18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
 Main: 949.474.2020 | Fax: 949.263.5520

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
 Yucaipa Valley Water District
 Yucaipa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Yucaipa Valley Water District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described below, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

(1) Adjustments Detected During the Audit

During our audit, we identified material errors in the accounting records that required correcting adjusting journal entries as follows:

- The District had not recorded certain transactions related to fiduciary funds from September 2023 through December 2023, resulting in a discrepancy between the confirmed cash balances and the amounts recorded in the

District's accounting records of approximately \$759,000 at June 30, 2024. This is also evidence that the investment account is not reconciled monthly.

- o The District incurred over \$1 million of eligible project costs during the fiscal year but had not yet billed and collected money for the ARPA grant. The District should have recorded a receivable and revenue for the amount subsequently billed to the granting agency.

Potential Effect

The financial statements could be materially misstated if year-end adjustments are not recorded, and amounts are not reconciled to the subsidiary records.

Recommendation

Auditing standards indicate that material adjustments identified through the audit process are evidence of a weakness in the District's internal control structure. Efforts should be made to enhance the District's year-end closing procedures to include areas that resulted in audit adjustments. Those efforts should include reconciling the cash and investment balances in total from the bank and investment statements to the District's accounting records. Year-end closing effort should also include ongoing review of Grant contracts and recording receivables timely.

Management's Comments Regarding Corrective Actions Planned

- a. Although District staff reconciles all accounts on a monthly basis, during the financial audit, staff determined there was an error in the September 2023 reconciliation that created a single variance of \$756,000 as well as other nominal amounts in the fiduciary account. District staff has implemented an additional step in the reconciliation process to ensure this error does not occur again in the future. District staff will ensure that all Journal Entries continue to be completed on a monthly basis and will verify that cash balances amongst the accounts as part of the year end process.
- b. As a result of the requirements of the ARPA grant, the District must bill the reimbursement requests on a quarterly basis after the quarter has ended. For the quarter April 2024-June 2024, \$1,039,000 was invoiced on July 3, 2024. In the future, the District will record a receivable for these types of reimbursements. In addition, for capital projects, District staff will continue to have an annual meeting in February, prior to the pre-audit, to discuss capital projects, the completion date of these projects, as well as the anticipated date the capital project is put to use.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our engagement and above. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Irvine, California
November 4, 2024

YUCAIPA VALLEY WATER DISTRICT
New Accounting Standards Not Yet Effective
Year ended June 30, 2024

GASB Statement No. 101, Compensated Absences

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

The standard will generally be effective for the fiscal year ending June 30, 2025.

GASB Statement No. 102, Certain Risk Disclosures

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk

The standard will generally be effective for the fiscal year ending June 30, 2025.

GASB Statement No. 103, Financial Reporting Model Improvements

This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

The standard will generally be effective for the fiscal year ending June 30, 2025.



Davis Farr LLP
 18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
 Main: 949.474.2020 | Fax: 949.263.5520

Ms. Allison Edmisten, Chief Financial Officer
 Yucaipa Valley Water District
 Yucaipa, CA 92399

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below on the debt service coverage calculation for the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds as of June 30, 2024. Management of Yucaipa Valley Water District (District) is responsible for compliance with Rate Covenant requirements.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in reviewing the Debt Service Coverage Calculation for the year ending June 30, 2024 prepared in accordance with the Rate Covenant requirements of the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the results of those procedures are as follows:

1. The bond covenants of the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds describe the Debt Service Coverage requirement as follows: "...the District, to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System, which are reasonably expected, to be at least sufficient to yield during such Fiscal year, Net Water System Revenues equal to 120% of the Debt Service payable" "...for any period of calculation, all Water System Revenues for such Fiscal Year less the Operation and Maintenance costs for such Fiscal Year."

We obtained the District's Debt Service Coverage Calculation for the fiscal year ended June 30, 2024. The Calculation is included as Exhibit 1. We compared the format of the calculation to the requirements as defined in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

2. We obtained the audited financial statements of the District for the year ended June 30, 2024. We compared the financial information presented on the Calculation to the District's audited financial statements.

Results: We noted no exceptions as a result of our procedures.

Yucaipa Valley Water District
Page 2

3. We reviewed the mathematical accuracy of the Calculation.

Results: We noted no exceptions as a result of our procedures.

4. We compared the Debt Service Coverage percentage as determined by the Calculation for compliance with the Debt Service Coverage percentage requirement as identified in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

* * * * *

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Debt Service Coverage Calculation for the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Irvine, California
November 4, 2024

Exhibit 1

Yucaipa Valley Water District
 Computation of Net Revenue and Revenue Coverage Requirement
 Revenue Bonds Series 2022A and Refunding Revenue Bonds 2022B

| | <u>FY 2023-24 Actual</u> |
|--|------------------------------|
| REVENUES: | |
| Operating revenue | \$ 14,347,663 |
| Other revenues | <u>7,111,791</u> |
| Total System Revenues | 21,459,454 |
| Operations & Maintenance Expenses | <u>(5,794,228)</u> |
| NET REVENUE | <u>\$ 15,665,226</u> |
| ANNUAL DEBT SERVICE REQUIREMENTS: | |
| Principal | \$ 5,980,506 |
| Interest | <u>2,050,506</u> |
| ANNUAL DEBT SERVICE REQUIREMENT | 8,031,012 |
| COVERAGE RATIO REQUIRED | <u>120.00%</u> |
| TOTAL ANNUAL COVERAGE REQUIREMENT | 9,637,214 |
| LESS NET REVENUE | <u>15,665,226</u> |
| EXCESS OF NET REVENUE OVER | |
| ANNUAL COVERAGE REQUIREMENT | <u>\$ 6,028,012</u> |
| ACTUAL COVERAGE RATIO | 195.06% |

Notes:

- (1) For purposes of the above computation, the cost of retiree health insurance has been included in operations and maintenance costs when premiums are paid by the District. Noncash accruals associated with future payments have not been included in the amount of operations and maintenance costs shown above.



Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Ms. Allison Edmisten, Chief Financial Officer
Yucaipa Valley Water District
Yucaipa, CA 92399

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below on the debt service coverage calculation for the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds as of June 30, 2024. Management of Yucaipa Valley Water District (District) is responsible for compliance with Rate Covenant requirements.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in reviewing the Debt Service Coverage Calculation for the year ending June 30, 2024 prepared in accordance with the Rate Covenant requirements of the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the results of those procedures are as follows:

1. The bond covenants of the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds describe the Debt Service Coverage requirement as follows: "...the District, to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System, which are reasonably expected, to be at least sufficient to yield during such Fiscal year, Net Water System Revenues equal to 120% of the Debt Service payable" "...for any period of calculation, all Water System Revenues for such Fiscal Year less the Operation and Maintenance costs for such Fiscal Year."

We obtained the District's Debt Service Coverage Calculation for the fiscal year ended June 30, 2024. The Calculation is included as Exhibit 1. We compared the format of the calculation to the requirements as defined in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

2. We obtained the audited financial statements of the District for the year ended June 30, 2024. We compared the financial information presented on the Calculation to the District's audited financial statements.

Results: We noted no exceptions as a result of our procedures.

Yucaipa Valley Water District
Page 2

3. We reviewed the mathematical accuracy of the Calculation.

Results: We noted no exceptions as a result of our procedures.

4. We compared the Debt Service Coverage percentage as determined by the Calculation for compliance with the Debt Service Coverage percentage requirement as identified in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

* * * * *

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Debt Service Coverage Calculation for the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Irvine, California
November 4, 2024

Exhibit 1

Yucaipa Valley Water District
 Computation of Net Revenue and Revenue Coverage Requirement
 Interim Notes Series 2024A and Revenue Bonds 2024B

| | FY 2023-24 Actual |
|---|----------------------|
| REVENUES: | |
| Operating revenue | \$ 14,347,663 |
| Other revenues | 7,111,791 |
| Total System Revenues | 21,459,454 |
| Operations & Maintenance Expenses | (5,794,228) |
| NET REVENUE | \$ 15,665,226 |
| ANNUAL DEBT SERVICE REQUIREMENTS: | |
| Principal | \$ 5,980,506 |
| Interest | - |
| ANNUAL DEBT SERVICE REQUIREMENT | 5,980,506 |
| COVERAGE RATIO REQUIRED | 120.00% |
| TOTAL ANNUAL COVERAGE REQUIREMENT | 7,176,607 |
| LESS NET REVENUE | 15,665,226 |
| EXCESS OF NET REVENUE OVER ANNUAL COVERAGE REQUIREMENT | \$ 8,488,619 |
| ACTUAL COVERAGE RATIO | 261.94% |

Notes:

- (1) For purposes of the above computation, the cost of retiree health insurance has been included in operations and maintenance costs when premiums are paid by the District. Noncash accruals associated with future payments have not been included in the amount of operations and maintenance costs shown above.



Date: November 19, 2024

Task: N/A

Prepared By: Allison Edmisten, Chief Financial Officer

Subject: Ratification of the Workers' Compensation Insurance Policy Renewal for 2024-25

Recommendation: That the Board ratify the contract with State Compensation Insurance Fund for workers' compensation insurance for October 31, 2024, through October 31, 2025, for an estimated amount of \$375,769.08.

Yucaipa Valley Water District currently has a workers' compensation insurance policy with EPIC Brokers with insurance coverage provided by Berkshire and Hathaway.

In the beginning of October 2024, District staff began the renewal process for workers compensation insurance as the current policy expired on October 31, 2024. On October 14, 2024, District staff received the response for quotes. Over 30+ markets were contacted for quotes, but many declined to respond, most likely as a result of our loss information mentioned below. Only two companies responded, and the initial quotes were over a 17% increase. After further discussions with the District's insurance broker, a revised quote from Redwood F&C Berkshire Hathaway, the current carrier, was received but was still an 8.5% increase. The District also received a quote from State Fund insurance which is a \$101,797 reduction or a 22% decrease from the current year premium of \$456,130. District staff also reached out to ACWA JPIA for a quote, but the agency is not accepting new policies at this time and declined to quote.

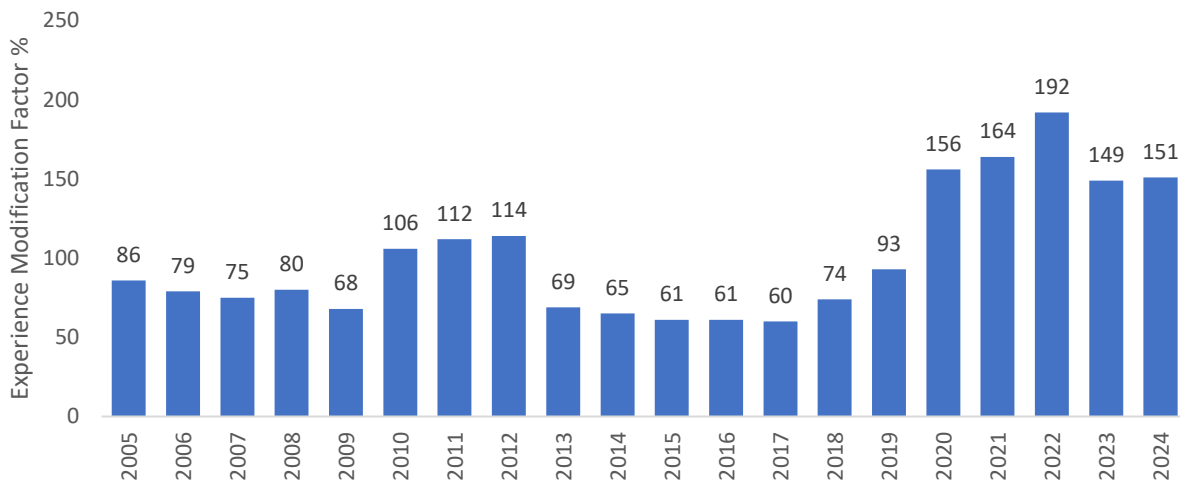
As a result of the current policy set to expire on October 31, 2024, District staff moved forward with the renewal for workers' compensation insurance in order to avoid a lapse in coverage. The estimated policy premium of \$354,333 is based on estimated payroll.

The Experience Modification percentage increased from 149% in the 2023-24 policy to 151% in the 2024-25 policy. This experience modification represents the rolling average of the losses for the oldest 3 to 4 years. This does not reflect the District safety record; the District maintains a good safety record that has allowed the broker to obtain multiple competitive quotes. Also taken into consideration is COVID-19 Pandemic and the Governors Order requiring Worker Compensation to bear the cost of employee work related illness due to COVID-19. Finally, the District's payroll costs increased 19% compared to the prior year.

| Policy Period | Actual Losses | # of Claims |
|----------------------------|---------------|-------------|
| 11/01/2023 – 10/31/2024 | \$0 | 0 |
| 11/01/2022 – 10/31/2023 | \$32,563 | 4 |
| 11/01/2021 – 10/31/2022 | \$128,760 | 6 |
| 11/01/2020 – 10/31/2021 | \$158,007 | 12 |
| Calculated Experience Mod. | 151% | |

The table details the actual losses for the last five years that affect the Experience Modification Factor. The calculation methodology is below.

YVWD Experience Modification Factor Percentage



The chart above provides the historical Experience Modification Factor percentages from 2005 to 2024. District staff recommends that the Board ratifies the policy with State Fund due to the proposal cost, and experience in the workers’ compensation insurance market.

Financial Consideration

Funding for the insurance is included in the fiscal year 2024-25 budget and will be split between all funds (Water 45%, Sewer 45%, Recycled Water 10%) Workers Compensation expense accounts. The total annual amount is \$375,769.08, which is the premium amount of \$354,333 plus administrative costs and fees.

| Fund | % Allocation | G/L Account | Amount |
|----------------|--------------|--------------|----------------------|
| Water | 45% | 02-506-50019 | \$ 169,096.09 |
| Sewer | 45% | 03-506-50019 | \$ 169,096.09 |
| Recycled Water | 10% | 04-506-50019 | \$ 37,576.90 |
| Total | | | \$ 375,769.08 |

YUCAIPA VALLEY WATER DISTRICT

Workers Compensation Renewal Comparison



| Policy Term | | 10/31/2023 to 10/31/2024 | 10/31/2024 to 10/31/2025 | 10/31/2024 to 10/31/2025 | | | | |
|----------------|------------|---|--------------------------|--------------------------|----------|---------------------|-----------|----------------------|
| Carrier | | Redwood / BHHC | Redwood / BHHC | State Fund | | | | |
| AM Best Rating | | A ++ XV | A ++ XV | | | | | |
| | | REVISED 10/17/24 | | | | | | |
| State | Class Code | Description | Estimated Payroll | Base Rate | Net Rate | Estimated Payroll | Base Rate | Net Rate |
| CA | 7520 | Waterworks Ops | \$4,649,325 | 5.69 | 5.72 | \$5,481,214 | 5.02 | 5.19 |
| CA | 7580 | Sanitation | \$3,164,262 | 5.47 | 5.50 | \$3,812,769 | 4.92 | 5.09 |
| CA | 8742 | Salespersons-O/S | \$703,803 | 0.62 | 0.62 | \$673,144 | 0.53 | 0.55 |
| CA | 8810 | Clerical – NOC | \$2,619,562 | 0.44 | 0.44 | \$3,277,443 | 0.37 | 0.38 |
| | | Total Annual Payroll | \$11,136,952 | | | \$13,244,570 | | \$13,244,570 |
| | | Experience Modification | 1.49% | | | 1.51% | | 1.51% |
| | | Waiver of Subrogation-City of Riverside | \$350 | | | \$350 | | 3% premium surcharge |
| | | * Estimated Annual Premium | \$456,130 | | | \$494,824 | | \$354,333 |

*Premium Does Not Include State Taxes and Fees

Notes:

Redwood/BHHC - montly installments
 State Fund-monthly payroll reporting



Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399

EDGEWOOD PARTNERS INS CENTER
SHELLY BIRDZELL
Quote ID# 803067220
Quote Date: 10/16/2024

State Compensation Insurance Fund

State Fund has operated for more than 100 years and is California’s leading provider of workers’ compensation insurance. State Fund offers comprehensive workers’ compensation products and services that provide a strong and stable option for employers and injured employees with fast, reliable claims service and medical and indemnity benefits. State Fund’s loss prevention services and return to work programs—provided to policyholders at no additional cost—ultimately help save money for employers.

Workers’ Compensation Quote Summary

| | |
|---|---------------------|
| Base Premium | \$427,392.85 |
| Standard Premium | \$645,363.20 |
| Estimated Annual Premium | \$354,333.00 |
| Mandatory Surcharges | \$21,436.08 |
| Estimated Premium & Surcharges | \$375,769.08 |

Coverage Period: 10/31/2024 at 12:01 a.m. to 10/31/2025 at 12:01 a.m.

Please be advised, this quote is good until 11/7/2024. To begin coverage, State Fund must be notified of the desire to bind prior to the quote expiration date, followed by timely payment. This quote is not an insurance policy.

The estimated annual premium is primarily based on the payroll for your employees, and the type of work they perform, which was provided by you or your broker. Please review the information to confirm the payroll is accurate and assigned to the correct job classification.

This quote is based upon information provided to State Fund. All information supplied by you is subject to verification (before or after bind). Material change or misrepresentation of information discovered during the verification process may result in re-pricing, rescission, or cancellation of the policy.



Estimated Base Premium Calculation

10/31/2024 - 10/31/2025

| Location Number | Number of Full-Time Employees | Number of Part-Time Employees | Class Code | Description | Base Rate | Estimated Payroll | Estimated Base Premium |
|-----------------------------------|-------------------------------|-------------------------------|------------|----------------------------|-----------|------------------------|------------------------|
| 1 | 29 | 0 | 7520-1 | WATER COMPANIES | 4.51 | \$5,481,214.00 | \$247,202.75 |
| 1 | 21 | 0 | 7580-1 | SANITATION DISTRICTS OPTS. | 4.33 | \$3,812,769.00 | \$165,092.90 |
| 1 | 4 | 0 | 8742-1 | SALESPERSONS-OUTSIDE | 0.49 | \$673,144.00 | \$3,298.41 |
| 1 | 13 | 0 | 8810-1 | CLERICAL OFFICE EMPLOYEES | 0.36 | \$3,277,443.00 | \$11,798.79 |
| Total Before Modifications | | | | | | \$13,244,570.00 | \$427,392.85 |

Class Code and Rate Summary

| Class Code | Coverage Period 10/31/2024 - 10/31/2025 | | |
|------------|--|----------------------|----------|
| | Base Rate | Interim Billing Rate | Net Rate |
| 7520-1 | 4.51 | 2.48 | 3.74 |
| 7580-1 | 4.33 | 2.38 | 3.59 |
| 8742-1 | 0.49 | 0.27 | 0.41 |
| 8810-1 | 0.36 | 0.20 | 0.30 |

The interim billing rate is the estimated class code base rate after any modifications and discounts have been applied. Final billing rates will be based on the actual payroll reported and subject to audit.



Modifications and Premium Calculations

10/31/2024 - 10/31/2025

| | | |
|---|---------|---------------------|
| Estimated Base Premium | | \$427,392.85 |
| Experience Modification | 151% | |
| Standard Premium | | \$645,363.20 |
| Rating Plan Modifier | 0.61800 | |
| Premium Discount | 0.88842 | |
| Estimated Annual Premium | | \$354,333.00 |
| Mandatory Surcharges | | \$21,436.08 |
| Estimated Premium and Surcharges | | \$375,769.08 |

All policies are subject to surcharges mandated by California law in rates approved by the Department of Industrial Relations. This quote reflects the currently published surcharges and rates. If new surcharges or rates applicable to this policy are published by the Department of Industrial Relations, they will be applied to your policy and reflected in your premium billing statement.

Your Experience Rating Modifier (X-Mod) shown in this quote is based on currently available information provided by the Workers' Compensation Rating Bureau (WCIRB). The X-Mod may be subject to change after your policy is issued. Any updated X-Mod will be endorsed onto your policy.



Coverage

Proposed Coverage Period: 10/31/2024 to 10/31/2025
 Employer's Liability Limit: \$1,000,000.00
 Entity: Incorporated Public Agency

Officers/Partners:

| Officer Name | Title | Status |
|--------------|-----------------|----------|
| Nyles OHarra | Officer - Other | Included |

Volunteers are not covered by your policy.

Your coverage includes the following endorsements:

| | |
|-------------------|---|
| Endorsement 0750 | Full Salary Benefits Not Insured |
| Endorsement 2065 | Certificate Holders' Notice 60 days |
| Endorsement 2512A | Experience Modification Endorsement |
| Endorsement 2570 | Waiver of Subrogation City of Riverside, 3% premium surcharge |
| Endorsement 3015 | Executive Officers - Minimum/Maximum Limits \$62,400.00 / \$159,900.00 |

Trade Name(s)

Yucaipa Valley Water District



Payment Plan

| | |
|-----------------------|-------------------|
| Billing Type: | Payroll Reporting |
| Frequency: | Monthly |
| Deposit Premium: | \$0.00 |
| Mandatory Surcharges: | \$21,436.08 |
| First Installment: | \$0.00 |

Total Due to Begin Coverage: \$21,436.08

To accept this quote and begin coverage, please click the link in the email or notification that delivered this quote to you. If you are mailing a payment, please send it to:

State Compensation Insurance Fund
PO BOX 51092
LOS ANGELES, CA 90051-5392

If sending by Certified mail, Express mail, or overnight delivery, please send it to:

Lockbox Services: #0107441
ATTN: STATE COMPENSATION INSURANCE FUND
3440 FLAIR DRIVE
EL MONTE, CA 91731-2823

In order for coverage to begin on 10/31/2024, you must accept the terms of coverage by 11/7/2024. Payment for the above amount must be received by the payment due date. (If this date falls on a legal holiday, payment is due the following business day.) Submission after this date will require a re-assessment of the terms.

Your bills are based on your Estimated Annual Premium (EAP), which may be adjusted to reflect current payroll information. Your EAP must be accurate to avoid an unexpectedly large premium bill. Notify State Fund in the event you have an increase or decrease in payroll at any time during the policy term.

Twelve (12) payroll reports and premium payments must be submitted on a monthly basis and are due after each monthly payroll period.

Failure to submit payroll reports or premium payments when due may result in cancellation of your policy.

The minimum premium is \$1,210.00 and is **not subject to proration or refund**.



Important Information about Your Quote

Estimated Premium Disclaimer: This quote was prepared using information provided by you and/or your insurance broker, applying current underwriting guidelines and factors. The quoted premium amount to obtain coverage is an estimate. The final premium will be based on the actual premium basis, proper classifications, rates and applicable modifications at the end of your policy period. Final premium can also be affected by changes to the policy authorized by law, or the regulating governmental agency. If the final premium is more than the premium you paid us, you must pay the balance. If the final premium is less, we will issue a refund.

State Fund periodically files revisions to our rating plan, including rating factor updates that may apply to your quote or policy. This quote may include rates that are pending the authorization of the Insurance Commissioner. Any authorized rates that apply to your policy will be reflected in your premium billing statement.

The Workers' Compensation Insurance Rating Bureau (WCIRB) periodically makes updates to classification descriptions and wage thresholds. This quote reflects the classification rules in effect at the time of quoting. Subsequently published updates to these WCIRB-mandated rules may apply to your policy. Any WCIRB update that affects the pricing of the policy will be reflected in your premium billing statement.

Medical Provider Network: State Fund's Medical Provider Network (MPN) helps employers manage their medical costs through a diverse network of qualified physicians, specialists, and providers that specialize in the treatment of occupational injuries. The State Fund MPN is made up of a group of select physicians and other medical service providers within California:

- Many of the MPN physicians and providers primarily treat occupational injuries.
- Other MPN providers specialize in general areas of medicine.
- If necessary, the MPN will provide specialists to treat the injury or illness.

Using the MPN helps keep medical treatment costs in check while ensuring quality medical treatment for injured employees.

Short-Rate Cancellation: If you cancel during the policy term, final premium may be more than pro rata. Under the policy for which you've applied, final premium may be increased by the short-rate cancellation table. This penalty may be 5% to 100% depending on the length of time the policy was active.



Quote Details.

Yucaipa Valley Water District
 12770 Second Street
 Yucaipa, CA 92399

EDGEWOOD PARTNERS INS CENTER
 SHELLY BIRDZELL
 Quote ID # 803067220
 Quote Date: 10/16/2024

Coverage Period: 10/31/2024 - 10/31/2025

| | | |
|--|---------------------|------------|
| Base Premium (LCM of 1.703) | \$427,392.85 | |
| Experience Modification | 151% | |
| Estimated Standard Premium | \$645,363.20 | |
| Territory Modifier | 1.03000 | |
| Tier Modifier | 1.00000 | |
| Schedule Rating Plan Modifier | 0.60000 | |
| Rating Plan Modifier | 0.61800 | |
| Estimated Modified Premium | \$398,834.46 | |
| Estimated Premium Discount Credit Factor* | 0.88842 | |
| Estimated Annual Premium | \$354,333.00 | |
| Interim Billing Factor | 0.54904 | |
| Mandatory Surcharges | | |
| WCA Surcharge | | |
| WCFA Surcharge | 2.46040% | \$8,718.01 |
| UEBT Surcharge | 0.41220% | \$1,460.56 |
| SIBT Surcharge | 0.15050% | \$533.27 |
| OSHF Surcharge | 1.58910% | \$5,630.71 |
| LEC Surcharge | 0.72660% | \$2,574.58 |
| CIGA Surcharge | 0.71090% | \$2,518.95 |
| | 0.00000% | \$0.00 |

*Premium Discount: Modified Premium is discounted according to the following schedule:
 First \$5,000 - 0.0%
 Above \$5,000 – 11.3%



Date: November 19, 2024

Task: N/A

Prepared By: Allison M. Edmisten, Chief Financial Officer

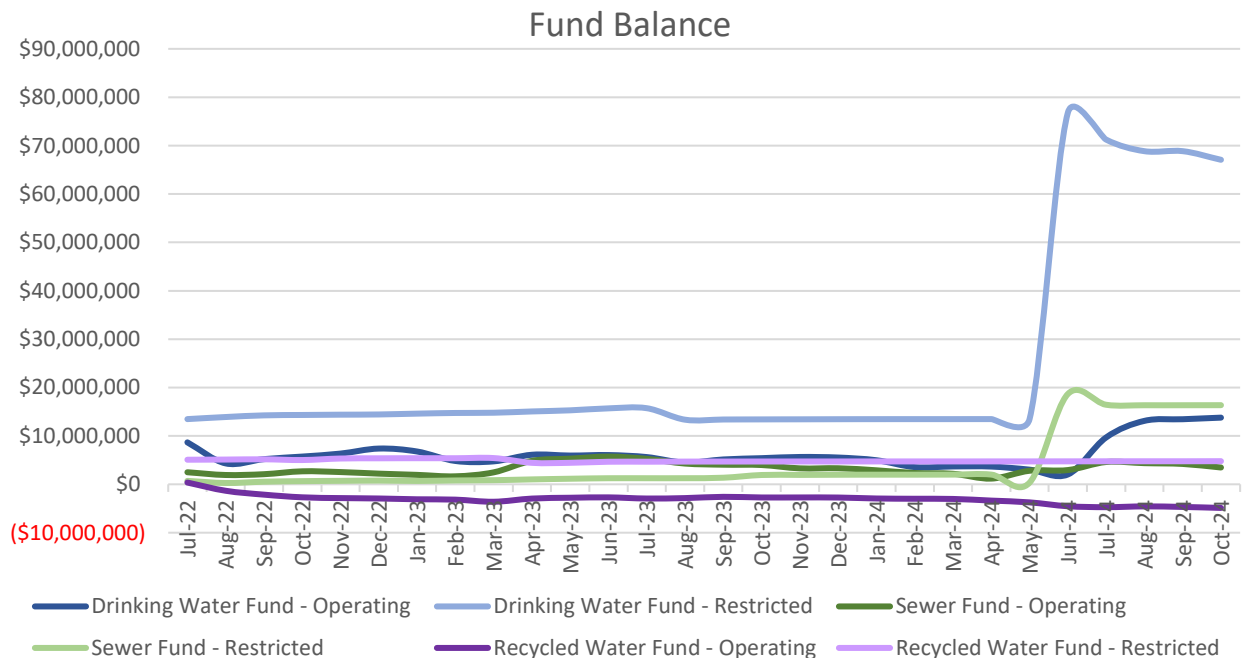
Subject: Presentation of the Unaudited Financial Report for the Period Ending on October 31, 2024

Recommendation: That the Board receive and file the unaudited financial report.

The following unaudited financial report has been prepared by the Administrative Department for your review. Please remember that the following financial information has not been audited.

Cash Fund Balance and Cash Flow Reports

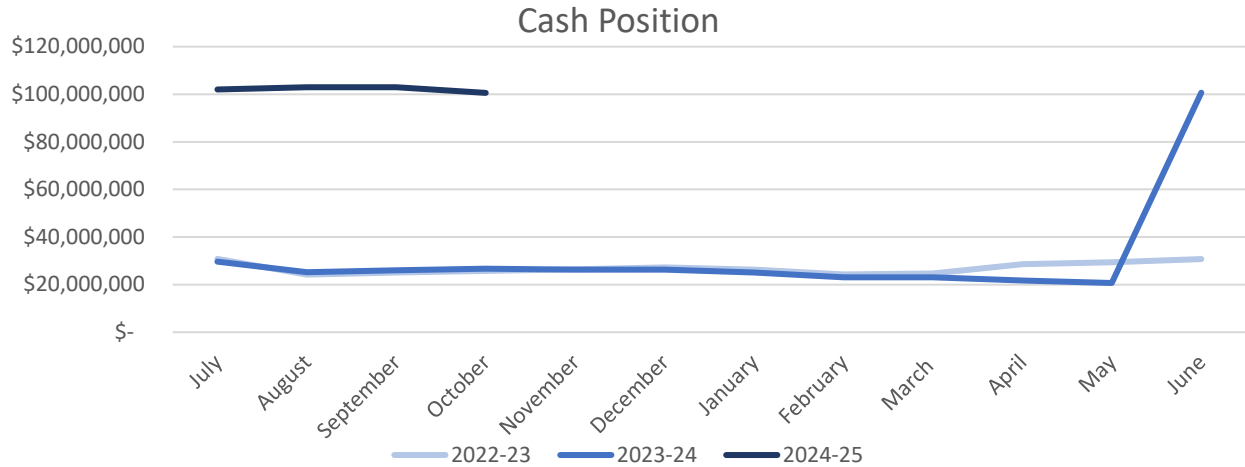
The Cash Fund Balance Report provides a summary of how the total amount of funds maintained by financial institutions is distributed throughout the enterprise and non-enterprise funds of the District. A summary of the report is as follows:



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.

Cash Fund Balance Report - October 2024

| Water Division | | GL# | Balance |
|--------------------------------------|---|--------------|-------------------------|
| Restricted | Project Fund (2022 Bonds) | 02-000-10215 | \$15,000,000.00 |
| | ID 1 Construction Funds | 02-000-10216 | \$293,145.85 |
| | ID 2 Construction Funds | 02-000-10217 | \$0.00 |
| | WIFIA Funds (2024A Bond) | 02-000-10223 | \$51,026,225.05 |
| | R-16.2 Reservoir (2024B Bond) | 02-000-10224 | \$6,500,000.00 |
| | 2022A Bond Principal | 02-000-10120 | \$0.00 |
| | FCC - Debt Service YVRWFF Phase I | 02-000-10401 | (\$12,395,035.43) |
| | FCC - Future YVRWFF Phase II & III | 02-000-10403 | (\$568,907.70) |
| | FCC - Recycled System | 02-000-10410 | (\$207,811.37) |
| | FCC - Booster Pumping Plants | 02-000-10411 | \$1,306,703.45 |
| | FCC - Pipeline Facilities | 02-000-10412 | \$2,444,381.22 |
| | FCC - Water Storage Reservoirs | 02-000-10413 | \$2,496,222.36 |
| | FCC - Excess Drinking Water | 02-000-10414 | \$1,175,929.45 |
| Subtotal Restricted Funds | | | \$67,070,852.88 |
| Operating | WIFIA Holding Account | 02-000-10309 | \$0.00 |
| | Infrastructure Reserves | 02-000-10311 | \$9,534,895.67 |
| | Sustainability Fund | 02-000-10313 | \$132,978.16 |
| | Rate Stabilization Fund | 02-000-10314 | \$500,209.14 |
| | Supplemental Water Fund - San Bernardino | 02-000-10315 | \$1,464,334.02 |
| | Supplemental Water Fund - Riverside | 02-000-10316 | \$320,081.85 |
| | Operating Funds: | | \$1,829,671.93 |
| Subtotal Operating Funds | | | \$13,782,170.77 |
| Total Water Division | | | \$80,853,023.65 |
| Sewer Division | | GL# | Balance |
| Restricted | SRF Reserve Fund - Calimesa Recycled | 03-000-10222 | \$111,504.19 |
| | WIFIA Funds (2024A Bonds) | 03-000-10223 | \$16,505,943.75 |
| | FCC - Debt Service WWTP Expansion & Upgrade | 03-000-10405 | \$3,664,486.79 |
| | FCC - Future WWTP Expansion | 03-000-10407 | \$2,644,679.04 |
| | FCC - Sewer Interceptors | 03-000-10415 | (\$182,943.05) |
| | FCC - Lift Stations | 03-000-10416 | \$652,509.30 |
| | FCC - Effluent Disposal Facilities | 03-000-10417 | (\$868,438.49) |
| | FCC - Salt Mitigation Facilities | 03-000-10418 | (\$6,174,930.71) |
| Subtotal Restricted Funds | | | \$16,352,810.82 |
| Operating | Project Fund - Encumbered | 03-000-10215 | (\$1,004,549.00) |
| | WIFIA Holding Account | 03-000-10309 | \$0.00 |
| | Infrastructure Reserves | 03-000-10311 | \$1,935,485.77 |
| | Rate Stabilization Fund | 03-000-10314 | \$499,394.90 |
| | Operating Funds: | | \$2,044,688.04 |
| Subtotal Operating Funds | | | \$3,475,019.71 |
| Total Wastewater Division | | | \$19,827,830.53 |
| Recycled Water Division | | GL# | Balance |
| Restricted | *FCC - Recycled System | 04-000-10400 | \$0.00 |
| | FCC - Recycled System | 04-000-10410 | \$529,395.18 |
| | FCC - Booster Pumping Plants | 04-000-10411 | \$402,204.00 |
| | FCC - Pipeline Facilities | 04-000-10412 | \$1,585,358.75 |
| | FCC - Water Storage Reservoirs | 04-000-10413 | \$2,006,541.45 |
| | FCC - Excess Recycled Water | 04-000-10414 | \$256,462.12 |
| | Subtotal Restricted Funds | | |
| Oper | Infrastructure Reserves | 04-000-10311 | \$412,355.59 |
| | Operating Funds: | | (\$5,291,036.57) |
| Subtotal Operating Funds | | | (\$4,878,680.98) |
| Total Recycled Water Division | | | (\$98,719.48) |
| DISTRICT TOTAL | | | \$100,582,134.71 |



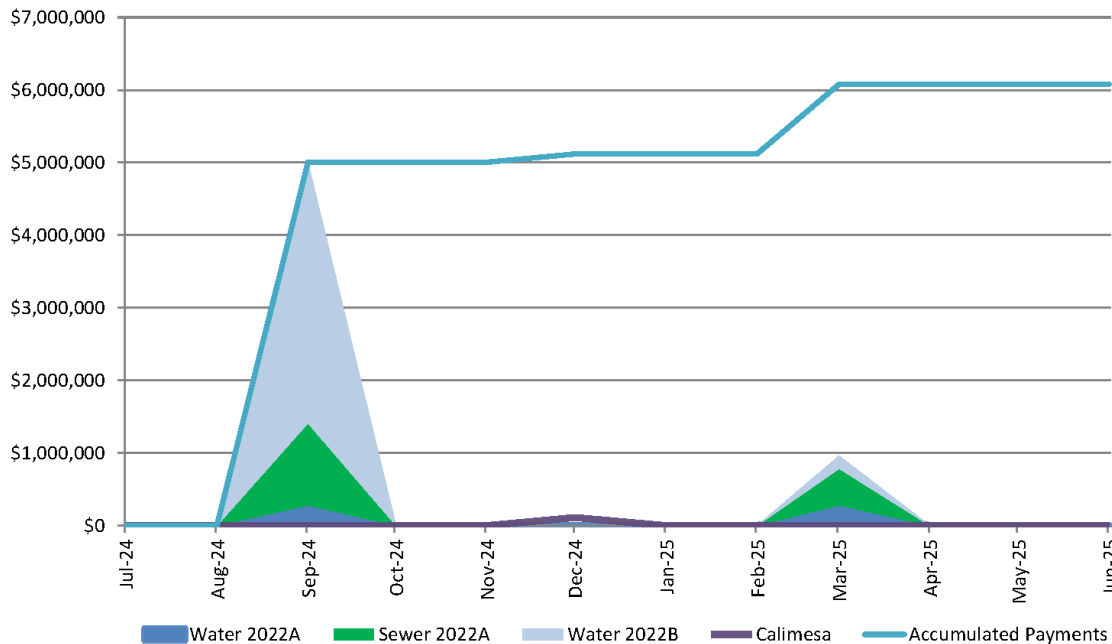
The Cash Flow Report provides a list of the debt service payment due dates and amounts as well as the cash flow requirements for debt service for each month of the fiscal year.

Cash Flow Report for Fiscal Year 2024-25

Financial Obligations for Fiscal Year 2024-25

| Due Date | Fund | Description | Term of Obligation | Amount |
|------------|-------|--|--------------------|------------------------|
| 9/1/2024 | Water | 2022A Bond Payment - YVRWFF | 2022-2052 | \$ 279,225.00 |
| 9/1/2024 | Sewer | 2022A Bond Payment - WRWRF | 2022-2053 | \$ 1,132,875.00 |
| 9/1/2024 | Water | 2022B Bond Payment - YVRWFF | 2022-2052 | \$ 3,593,793.00 |
| 12/31/2024 | Sewer | SRF - Calimesa Recycled Water Conveyance | 2022-2052 | \$ 111,504.19 |
| 3/1/2025 | Water | 2022A Bond Payment - YVRWFF | 2022-2052 | \$ 279,225.00 |
| 3/1/2025 | Sewer | 2022A Bond Payment - WRWRF | 2022-2053 | \$ 507,625.00 |
| 3/1/2025 | Water | 2022B Bond Payment - YVRWFF | 2022-2052 | \$ 174,469.50 |
| | | Total | | \$ 6,078,716.69 |

Payment Schedule and Cash Flow Requirements for Fiscal Year 2024-25



Cash Disbursement Report

The cash disbursement report lists each check and electronic payment processed during the month. All payments are reviewed by District staff for accuracy and completeness, checks are usually signed by the General Manager and one Director but may be signed by two Directors. The Chief Financial Officer will make any check, payment, invoice or supporting documentation available for review to any board member upon request.

Check Register - October 2024

| Date | Check # | Payee or Description | Amount |
|-----------|---------|--|------------|
| 10/1/2024 | 46188 | Delta Ventures Inc. | 7,500.00 |
| 10/1/2024 | 46189 | GHD Inc | 16,783.50 |
| 10/1/2024 | 46190 | Meyers Nave, A Professional Corporation | 7,865.00 |
| 10/1/2024 | 46191 | Woodard & Curran Inc. | 26,467.50 |
| 10/1/2024 | 46192 | Alpine Springs | 71.95 |
| 10/1/2024 | 46193 | Alternative Hose Incorporated | 44.15 |
| 10/1/2024 | 46194 | Amazon Capital Services, Inc | 4,960.55 |
| 10/1/2024 | 46195 | Atlas Copco Compressors, LLC | 1,490.00 |
| 10/1/2024 | 46196 | Backflow Apparatus & Valve Co. | 12,843.80 |
| 10/1/2024 | 46197 | Bay Alarm Company | 2,139.03 |
| 10/1/2024 | 46198 | Bogh Engineering Inc. | 1,494.45 |
| 10/1/2024 | 46199 | Brenntag Pacific, Inc | 4,653.03 |
| 10/1/2024 | 46200 | BSK Associates | 354.25 |
| 10/1/2024 | 46201 | California Water Environment Association | 239.00 |
| 10/1/2024 | 46202 | California Water Technologies, LLC | 12,093.68 |
| 10/1/2024 | 46203 | Charter Communications | 6,279.33 |
| 10/1/2024 | 46204 | Chase Truck Mobile Inc. | 9,955.03 |
| 10/1/2024 | 46205 | CINTAS Corporation | 1,964.91 |
| 10/1/2024 | 46206 | Clark Pest Control | 134.00 |
| 10/1/2024 | 46207 | Clinical Laboratory of San Bernardino | 10,687.50 |
| 10/1/2024 | 46208 | Core & Main LP | 20,077.84 |
| 10/1/2024 | 46209 | Daily Journal Corporation | 3,883.12 |
| 10/1/2024 | 46210 | DXP Enterprises, Inc | 695.90 |
| 10/1/2024 | 46211 | Evoqua Water Technologies LLC | 3,202.30 |
| 10/1/2024 | 46212 | Frontier Communications | 1,179.86 |
| 10/1/2024 | 46213 | GEI Consultants, Inc. | 4,687.28 |
| 10/1/2024 | 46214 | Hasa, Inc. | 13,823.10 |
| 10/1/2024 | 46215 | Kelly Services, Inc. | 2,395.45 |
| 10/1/2024 | 46216 | Konica Minolta Business Solutions | 341.52 |
| 10/1/2024 | 46217 | Koritas Tires Inc. | 1,037.74 |
| 10/1/2024 | 46218 | Krieger & Stewart, Incorporated | 285,635.05 |
| 10/1/2024 | 46219 | Les Schwab Tire Center | 234.51 |
| 10/1/2024 | 46220 | Lowe's Companies, Inc. | 1,331.95 |
| 10/1/2024 | 46221 | Merit Oil Company | 14,965.48 |
| 10/1/2024 | 46222 | NetComp Technologies, Inc. | 1,125.00 |
| 10/1/2024 | 46223 | Polydyne Inc. | 16,929.43 |
| 10/1/2024 | 46224 | Pro-Pipe & Supply, Inc. | 10,619.41 |
| 10/1/2024 | 46225 | Quadient Leasing USA, Inc | 223.21 |
| 10/1/2024 | 46226 | Quinn Company | 922.35 |
| 10/1/2024 | 46227 | SB CNTY-Fire Protection District | 2,418.00 |

Check Register - October 2024

| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|---------------|
| 10/1/2024 | 46228 | SCCI, Inc. | 750.00 |
| 10/1/2024 | 46229 | SCE Rosemead | 87.89 |
| 10/1/2024 | 46230 | South Coast A.Q.M.D. | 17,213.36 |
| 10/1/2024 | 46231 | State Water Resources Control Board | 567.00 |
| 10/1/2024 | 46232 | Superior Automotive Warehouse, Inc | 147.78 |
| 10/1/2024 | 46233 | T- Mobile | 132.60 |
| 10/1/2024 | 46234 | Terracon Consultants, Inc. | 23,090.00 |
| 10/1/2024 | 46235 | The Gas Company | 52.88 |
| 10/1/2024 | 46236 | The Toll Roads Service Center | 53.96 |
| 10/1/2024 | 46237 | Uline, Inc. | 3,973.38 |
| 10/1/2024 | 46238 | Univar Solutions USA | 9,019.57 |
| 10/1/2024 | 46239 | UPS Store#1504 | 270.00 |
| 10/1/2024 | 46240 | US Bank | 8,440.42 |
| 10/1/2024 | 46241 | USABLUBOOK | 111.33 |
| 10/1/2024 | 46242 | Verizon | 246.18 |
| 10/1/2024 | 46243 | WESTERN EXTERMINATOR COMPANY | 279.80 |
| 10/1/2024 | 46244 | Western Heights Water | 4.81 |
| 10/1/2024 | 46245 | Whipps, Inc | 51,408.50 |
| 10/1/2024 | 46246 | State Water Resources Control Board | 600.00 |
| 10/4/2024 | 46247 | California State Disbursement Unit | 397.38 |
| 10/4/2024 | 46248 | IBEW Local #1436 | 627.00 |
| 10/4/2024 | 46249 | Nippon Life Insurance Co | 2,760.48 |
| 10/4/2024 | 46250 | WageWorks Inc | 2,190.20 |
| 10/2/2024 | 46251 | WageWorks, Inc. | 265.25 |
| 10/14/2024 | 46252 | ATSI | 48,665.80 |
| 10/14/2024 | 46253 | Banner Bank | 27,347.25 |
| 10/14/2024 | 46254 | Biwater, Inc | 642,805.14 |
| 10/14/2024 | 46255 | Canyon Springs Enterprises | 519,597.80 |
| 10/14/2024 | 46256 | Geoscience Support Services, Inc. | 1,597.50 |
| 10/14/2024 | 46257 | One Stop Landscape Supply Inc | 27,857.20 |
| 10/14/2024 | 46258 | Pacific Premier Bank | 15,414.70 |
| 10/14/2024 | 46259 | Separation Processes, Inc. | 78,820.63 |
| 10/14/2024 | 46260 | Weka, Inc. | 292,879.30 |
| 10/14/2024 | 46261 | Alliant Insurance Services, Inc. | 1,517.00 |
| 10/14/2024 | 46262 | Alpine Springs | 87.45 |
| 10/14/2024 | 46263 | Amazon Capital Services, Inc | 3,299.05 |
| 10/14/2024 | 46264 | Aqua-Metric Sales Company | 12,639.08 |
| 10/14/2024 | 46265 | AT&T Mobility | 2,499.24 |
| 10/14/2024 | 46266 | Automationdirect.com Inc | 162.70 |
| 10/14/2024 | 46267 | Backflow Apparatus & Valve Co. | 331.00 |
| 10/14/2024 | 46268 | Blua Consulting LLC | 12,600.00 |
| 10/14/2024 | 46269 | BofA Credit Card | 6,627.12 |
| 10/14/2024 | 46270 | Brax Company, Inc | 15,912.25 |
| 10/14/2024 | 46271 | Brenntag Pacific, Inc | 1,135.06 |
| 10/14/2024 | 46272 | BSK Associates | 1,211.81 |
| 10/14/2024 | 46273 | California Water Environment Association | 239.00 |
| 10/14/2024 | 46274 | Calmat Company | 5,037.17 |

Check Register - October 2024

| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|---------------|
| 10/14/2024 | 46275 | Caselle, Inc. | 3,022.00 |
| 10/14/2024 | 46276 | CDW LLC | 547.59 |
| 10/14/2024 | 46277 | Center Electric Services, Inc. | 37,439.92 |
| 10/14/2024 | 46278 | Charter Communications | 2,826.61 |
| 10/14/2024 | 46279 | CINTAS Corporation | 1,309.94 |
| 10/14/2024 | 46280 | Core & Main LP | 2,937.24 |
| 10/14/2024 | 46281 | CoreLogic Solutions, LLC | 339.90 |
| 10/14/2024 | 46282 | Davis Farr LLP | 25,000.00 |
| 10/14/2024 | 46283 | Evoqua Water Technologies LLC | 3,091.52 |
| 10/14/2024 | 46284 | Fast 5 Holding Company, LLC | 112.00 |
| 10/14/2024 | 46285 | First American Data Tree, LLC | 50.00 |
| 10/14/2024 | 46286 | Fluidwell, Inc | 722.00 |
| 10/14/2024 | 46287 | Freedom Mailing Services | 7,526.10 |
| 10/14/2024 | 46288 | Frontier Communications | 253.10 |
| 10/14/2024 | 46289 | G&G Environmental Compliance, Inc | 5,163.80 |
| 10/14/2024 | 46290 | Grainger | 1,447.65 |
| 10/14/2024 | 46291 | Graybar Electric Co., Inc. | 438.50 |
| 10/14/2024 | 46292 | Hach Company | 8,663.92 |
| 10/14/2024 | 46293 | Hasa, Inc. | 3,355.59 |
| 10/14/2024 | 46294 | Home Depot U.S.A. Inc | 1,710.51 |
| 10/14/2024 | 46295 | Kaiser Premier LLC | 6,879.33 |
| 10/14/2024 | 46296 | Kelly Services, Inc. | 2,797.60 |
| 10/14/2024 | 46297 | Konica Minolta Business Solutions | 1,177.48 |
| 10/14/2024 | 46298 | MCR Technologies, Inc. | 1,584.40 |
| 10/14/2024 | 46299 | Merit Oil Company | 7,567.02 |
| 10/14/2024 | 46300 | Microsoft Corporation | 720.00 |
| 10/14/2024 | 46301 | NetComp Technologies, Inc. | 1,500.00 |
| 10/14/2024 | 46302 | Nexa Receptionists, LLC | 844.55 |
| 10/14/2024 | 46303 | North Valley Labor Compliance Srvc | 2,662.50 |
| 10/14/2024 | 46304 | Pro-Pipe & Supply, Inc. | 4,854.45 |
| 10/14/2024 | 46305 | Q Versa, LLC | 8,388.52 |
| 10/14/2024 | 46306 | Quinn Company | 3,737.86 |
| 10/14/2024 | 46307 | Safe and Sound Security Inc | 2,889.42 |
| 10/14/2024 | 46308 | San Bdn. Valley Muni. Water Dist. | 34,706.94 |
| 10/14/2024 | 46309 | SBC Tax Collector | 57.11 |
| 10/14/2024 | 46310 | Separation Processes, Inc. | 19,218.22 |
| 10/14/2024 | 46311 | SG PUMPS | 4,240.90 |
| 10/14/2024 | 46312 | South Coast A.Q.M.D. | 1,187.61 |
| 10/14/2024 | 46313 | State of California - Department of Just | 352.00 |
| 10/14/2024 | 46314 | Superior Automotive Warehouse, Inc | 86.99 |
| 10/14/2024 | 46315 | Underground Service Alert Of So. CA | 300.45 |
| 10/14/2024 | 46316 | Univar Solutions USA | 5,753.57 |
| 10/14/2024 | 46317 | UPS Store#1504 | 30.00 |
| 10/14/2024 | 46318 | USABLUBOOK | 1,900.06 |
| 10/14/2024 | 46319 | Watereuse Association | 3,198.44 |
| 10/14/2024 | 46320 | YHS Engineering Department | 2,500.00 |
| 10/14/2024 | 46321 | Yucaipa Disposal, Inc. | 3,028.58 |

Check Register - October 2024

| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|---------------|
| 10/14/2024 | 46322 | Yucaipa Valley Water District | 70,913.37 |
| 10/14/2024 | 46323 | Charter Communications | 290.99 |
| 10/14/2024 | 46324 | Charter Communications | 287.33 |
| 10/14/2024 | 46325 | AUSTIN, DAWN & JOHN | 183.52 |
| 10/14/2024 | 46326 | CHAVEZ, VALERIE | 126.54 |
| 10/14/2024 | 46327 | KOPF, PAUL | 844.30 |
| 10/14/2024 | 46328 | ROGERS, DANICA | 157.83 |
| 10/14/2024 | 46329 | STUNT WORLD INC. | 33.64 |
| 10/14/2024 | 46330 | TODORUT, ELENA | 884.62 |
| 10/18/2024 | 46331 | Doug Earnest | 763.64 |
| 10/18/2024 | 46332 | James Cansler | 763.64 |
| 10/18/2024 | 46333 | Jesse McCartney | 763.64 |
| 10/18/2024 | 46334 | Aflac | 1,965.42 |
| 10/18/2024 | 46335 | Blue Shield of California | 5,132.30 |
| 10/18/2024 | 46336 | California State Disbursement Unit | 397.38 |
| 10/18/2024 | 46337 | Standard Dental Insurance Co | 1,308.08 |
| 10/18/2024 | 46338 | Standard Insurance Vision Plan | 404.12 |
| 10/18/2024 | 46339 | WageWorks Inc | 2,190.20 |
| 10/18/2024 | 46340 | Western Dental Services Inc | 124.94 |
| 10/28/2024 | 46341 | Atkinson, Andelson, Loya, Ruud & Romo | 34.00 |
| 10/28/2024 | 46342 | Borden Excavating, Inc. | 788,499.05 |
| 10/28/2024 | 46343 | Dudek & Associates, Inc | 8,141.25 |
| 10/28/2024 | 46344 | R.I.C. Construction Co., Inc. | 61,797.50 |
| 10/28/2024 | 46345 | Rutan & Tucker, LLP | 17,340.89 |
| 10/28/2024 | 46346 | Southern California Gas Company | 76,555.96 |
| 10/28/2024 | 46347 | A & R Laboratories, Inc | 17,055.00 |
| 10/28/2024 | 46348 | American Water Chemicals | 6,404.00 |
| 10/28/2024 | 46349 | Aqua-Metric Sales Company | 30.94 |
| 10/28/2024 | 46350 | Assoc of Environmental Professionals | 250.00 |
| 10/28/2024 | 46351 | Backflow Apparatus & Valve Co. | 3,576.43 |
| 10/28/2024 | 46352 | Brenntag Pacific, Inc | 19,495.80 |
| 10/28/2024 | 46353 | BSK Associates | 1,253.04 |
| 10/28/2024 | 46354 | CAL FIRE | 1,802.15 |
| 10/28/2024 | 46355 | California Special Districts Association | 9,785.00 |
| 10/28/2024 | 46356 | California Water Environment Association | 956.00 |
| 10/28/2024 | 46357 | Cal's Towing | 100.00 |
| 10/28/2024 | 46358 | Center Electric Services, Inc. | 2,740.52 |
| 10/28/2024 | 46359 | Charter Communications | 3,473.00 |
| 10/28/2024 | 46360 | Chase Truck Mobile Inc. | 10,730.85 |
| 10/28/2024 | 46361 | CINTAS Corporation | 2,168.91 |
| 10/28/2024 | 46362 | Clark Pest Control | 134.00 |
| 10/28/2024 | 46363 | Clinical Laboratory of San Bernardino | 10,774.00 |
| 10/28/2024 | 46364 | Cobb's Printing, LLC | 323.25 |
| 10/28/2024 | 46365 | Commercial Solar Guy | 5,000.00 |
| 10/28/2024 | 46366 | Core & Main LP | 8,962.03 |
| 10/28/2024 | 46367 | Crown Ace Hardware - Yucaipa | 79.70 |
| 10/28/2024 | 46368 | Daily Journal Corporation | 2,985.51 |

Check Register - October 2024

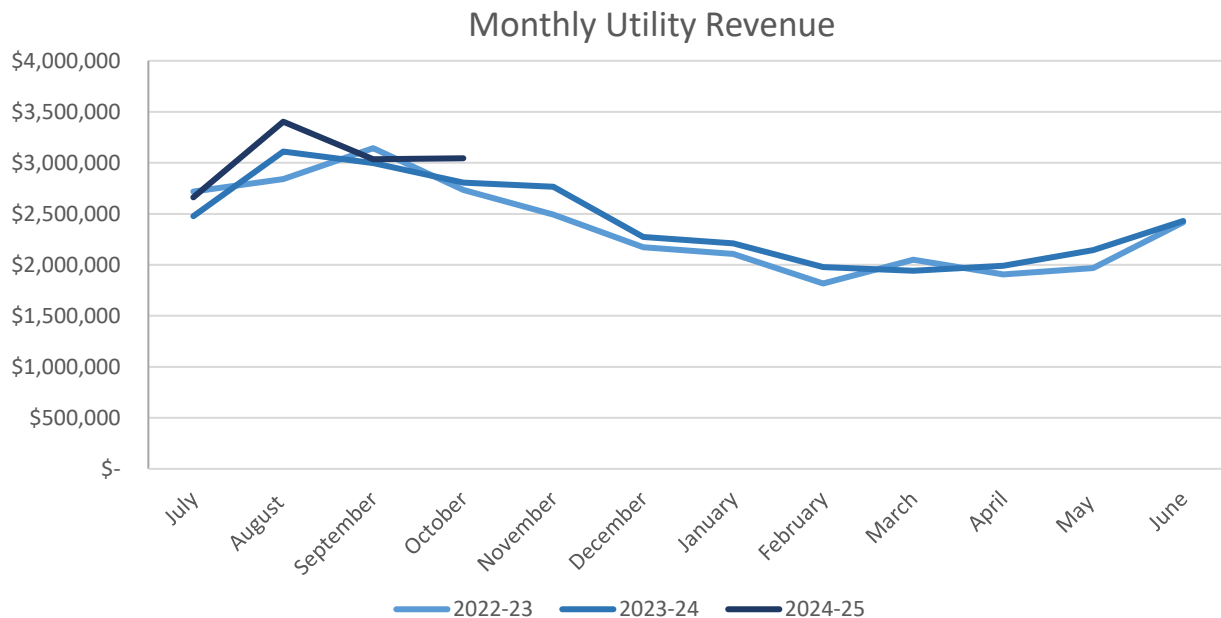
| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|----------------------------|
| 10/28/2024 | 46369 | DAVE'S PAINT N' PAPER LLC | 351.25 |
| 10/28/2024 | 46370 | DXP Enterprises, Inc | 14,104.38 |
| 10/28/2024 | 46371 | Fastenal Company | 581.54 |
| 10/28/2024 | 46372 | Freedom Mailing Services | 16.64 |
| 10/28/2024 | 46373 | Frontier Communications | 1,287.87 |
| 10/28/2024 | 46374 | Grainger | 151.08 |
| 10/28/2024 | 46375 | Hasa, Inc. | 13,459.89 |
| 10/28/2024 | 46376 | Home Depot U.S.A. Inc | 1,611.57 |
| 10/28/2024 | 46377 | Kelly Services, Inc. | 1,119.04 |
| 10/28/2024 | 46378 | King Lee Chemical, Co. | 15,846.68 |
| 10/28/2024 | 46379 | Koritas Tires Inc. | 1,527.71 |
| 10/28/2024 | 46380 | Les Schwab Tire Center | 1,503.92 |
| 10/28/2024 | 46381 | Mark Wilkes | 4,390.60 |
| 10/28/2024 | 46382 | Merit Oil Company | 8,238.17 |
| 10/28/2024 | 46383 | NCL Of Wisconsin Inc | 4,270.80 |
| 10/28/2024 | 46384 | NetComp Technologies, Inc. | 1,437.50 |
| 10/28/2024 | 46385 | Pass EDA | 50.00 |
| 10/28/2024 | 46386 | Pro-Pipe & Supply, Inc. | 2,257.44 |
| 10/28/2024 | 46387 | San Bernardino County Dept of Public Wor | 2,096.00 |
| 10/28/2024 | 46388 | SCE Rosemead | 440,420.81 |
| 10/28/2024 | 46389 | Sinclair Rock and Sand Inc. | 7,800.00 |
| 10/28/2024 | 46390 | Southern CA Emergency Medicine, Inc. | 495.00 |
| 10/28/2024 | 46391 | State Compensation Insurance Fund | 21,436.08 |
| 10/28/2024 | 46392 | State Water Resources Control Board | 5,467.50 |
| 10/28/2024 | 46393 | Sunshine Janitorial Service | 4,643.00 |
| 10/28/2024 | 46394 | The Counseling Team International | 110.00 |
| 10/28/2024 | 46395 | The Toll Roads Service Center | 25.60 |
| 10/28/2024 | 46396 | Track Technologies | 35,000.00 |
| 10/28/2024 | 46397 | Trojan Technologies | 4,314.09 |
| 10/28/2024 | 46398 | Univar Solutions USA | 6,718.88 |
| 10/28/2024 | 46399 | US Bank | 6,451.71 |
| 10/28/2024 | 46400 | US BANK / LOAN | 131,192.38 |
| 10/28/2024 | 46401 | USABLUBOOK | 1,477.82 |
| 10/28/2024 | 46402 | Verizon | 246.18 |
| 10/28/2024 | 46403 | White Cap, LP | 888.67 |
| | | | <u>4,471,818.15</u> |

Check Register - October 2024

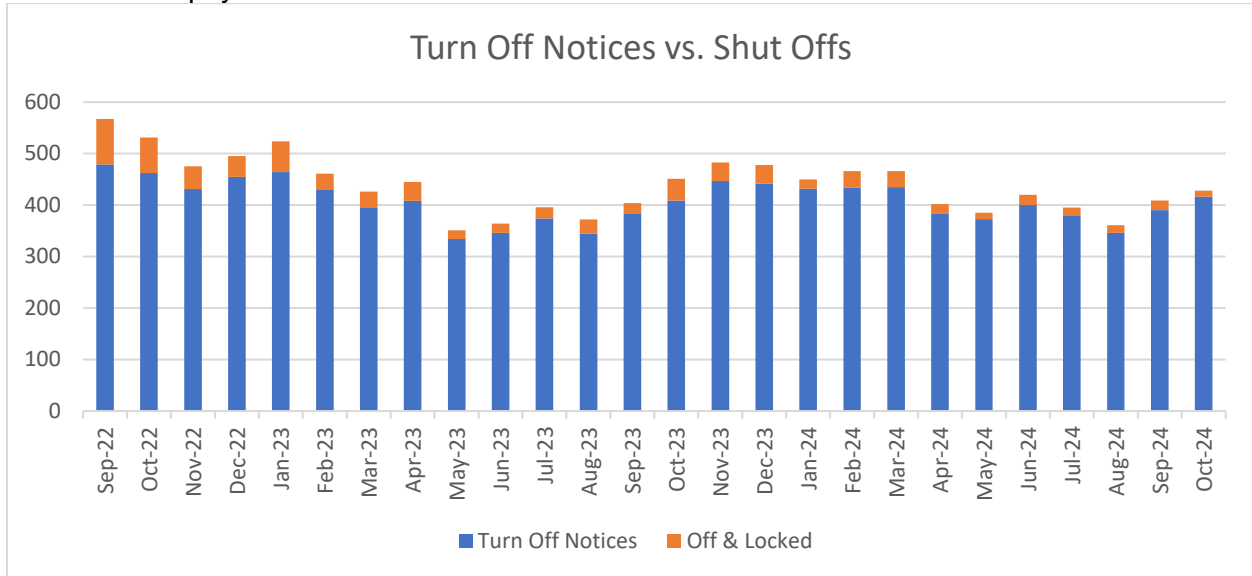
| Date | Check # | Payee or Description | Amount |
|------------|----------------|---------------------------|-------------------|
| 10/4/2024 | electronic pmt | DIRECT DEPOSIT TOTAL | 192,898.50 |
| 10/4/2024 | electronic pmt | CalPERS 457 & Loan | 36,425.80 |
| 10/4/2024 | electronic pmt | CalPERS Retirement | 45,589.98 |
| 10/4/2024 | electronic pmt | EDD - State of California | 15,353.44 |
| 10/4/2024 | electronic pmt | IRS | 80,006.64 |
| 10/4/2024 | electronic pmt | VOYA 457 Retirement Plan | 3,202.67 |
| 10/18/2024 | electronic pmt | DIRECT DEPOSIT TOTAL | 188,131.42 |
| 10/18/2024 | electronic pmt | CalPERS 457 & Loan | 31,065.27 |
| 10/18/2024 | electronic pmt | CalPERS Health Insurance | 109,847.26 |
| 10/18/2024 | electronic pmt | CalPERS Retirement | 45,935.75 |
| 10/18/2024 | electronic pmt | EDD - State of California | 15,566.93 |
| 10/18/2024 | electronic pmt | IRS | 78,608.45 |
| 10/18/2024 | electronic pmt | VOYA 457 Retirement Plan | 3,202.67 |
| | | | 845,834.78 |

Financial Account Information

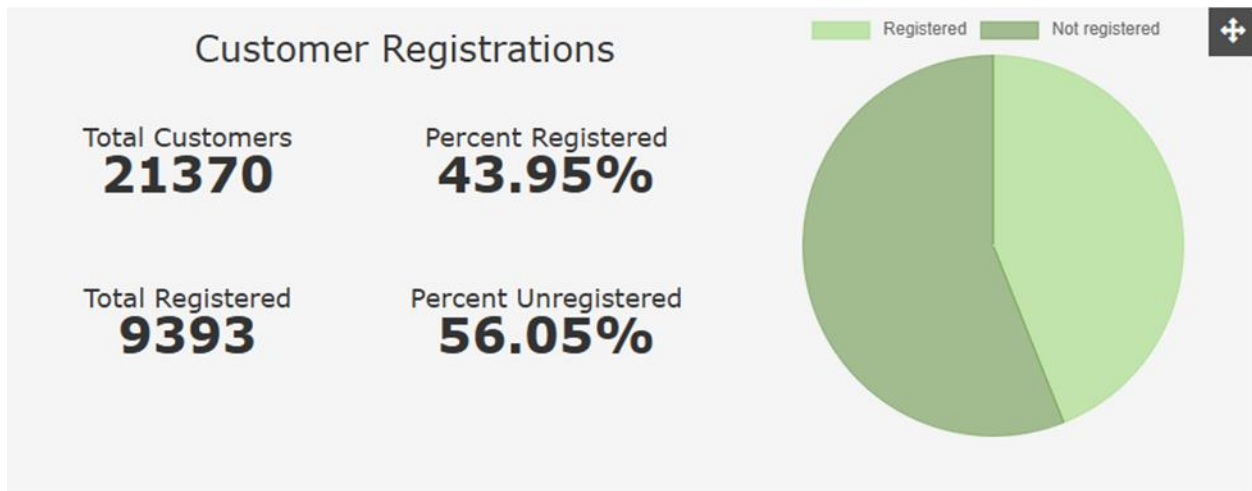
The District currently deposits all revenue received via mail or in person into the Deposit Checking account. All revenue received through Invoice Cloud is also deposited into the Deposit Checking account. The General Checking account is used as a sole processing account for all District checks and electronic 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.



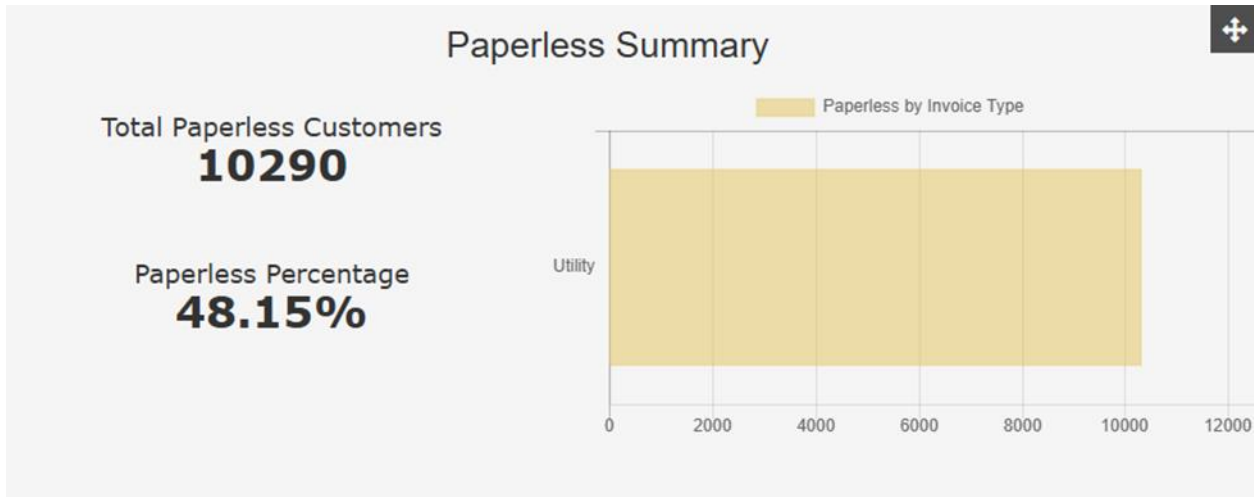
Monthly Water Shut offs: Monthly utility bills are mailed near the first of each month. Once utility bills are more than 60 days past due, turn off notices are mailed out, and the District shuts off water for non-payment once a month.



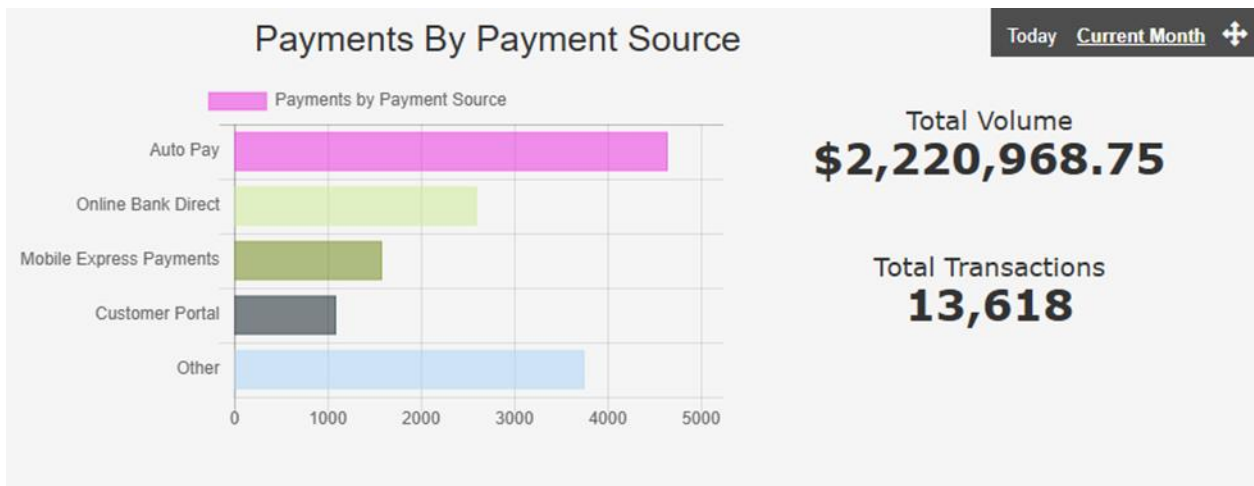
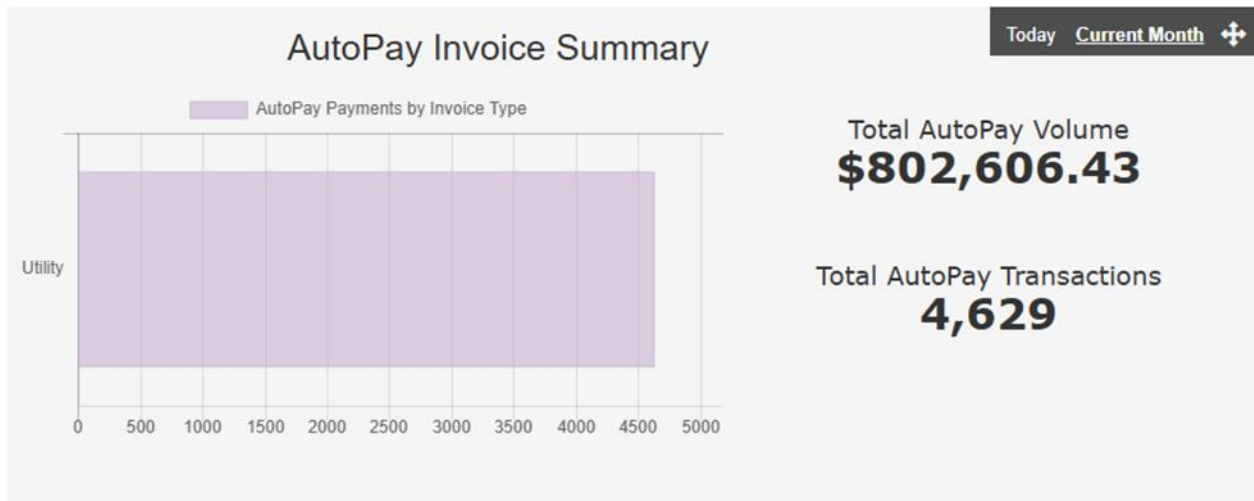
Invoice Cloud: Invoice Cloud is a third-party vendor the District utilizes to process credit card payments, echecks, online payments from customers, as well as phone payments processed without a live customer service representative.

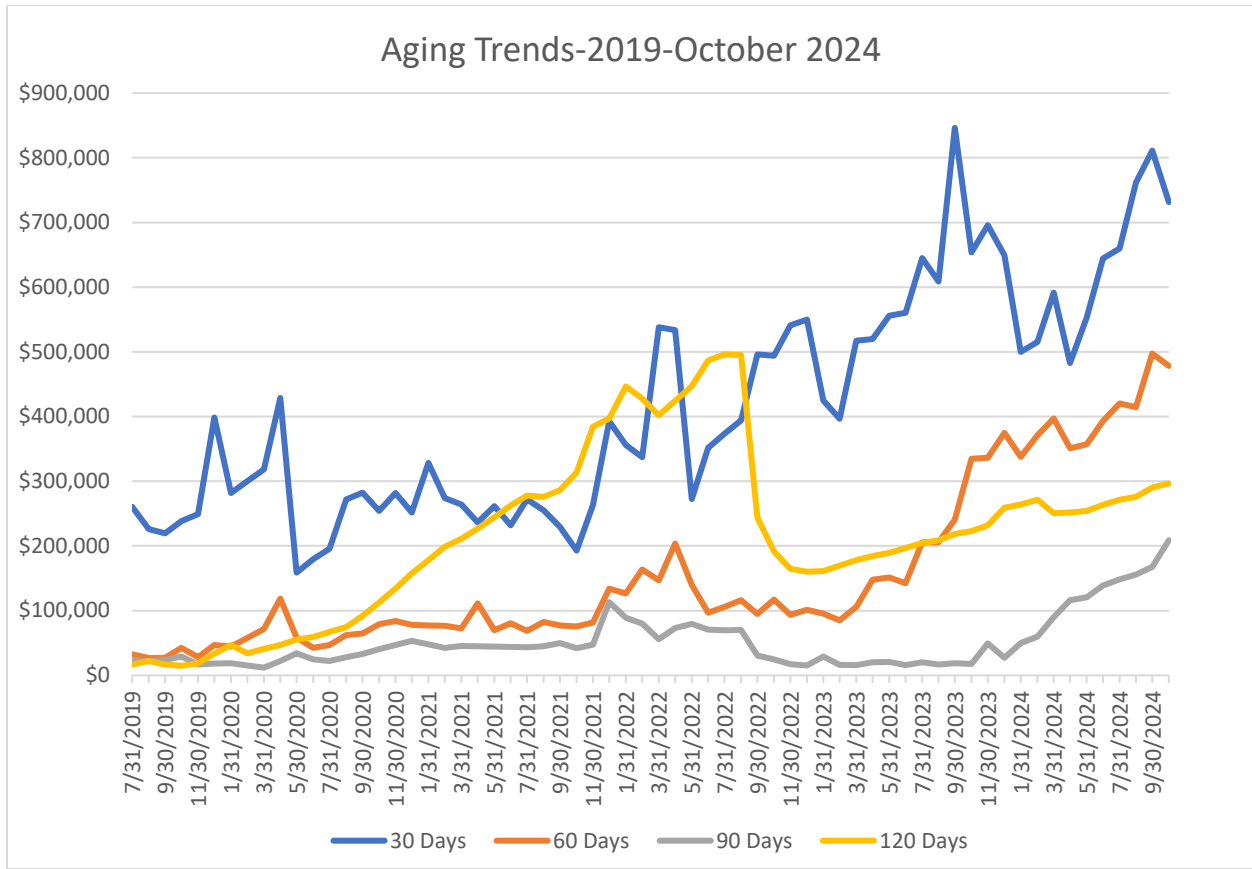


Compared to 9,310 in September (0.9% increase) and 7,278 customers on Xpress Bill Pay.

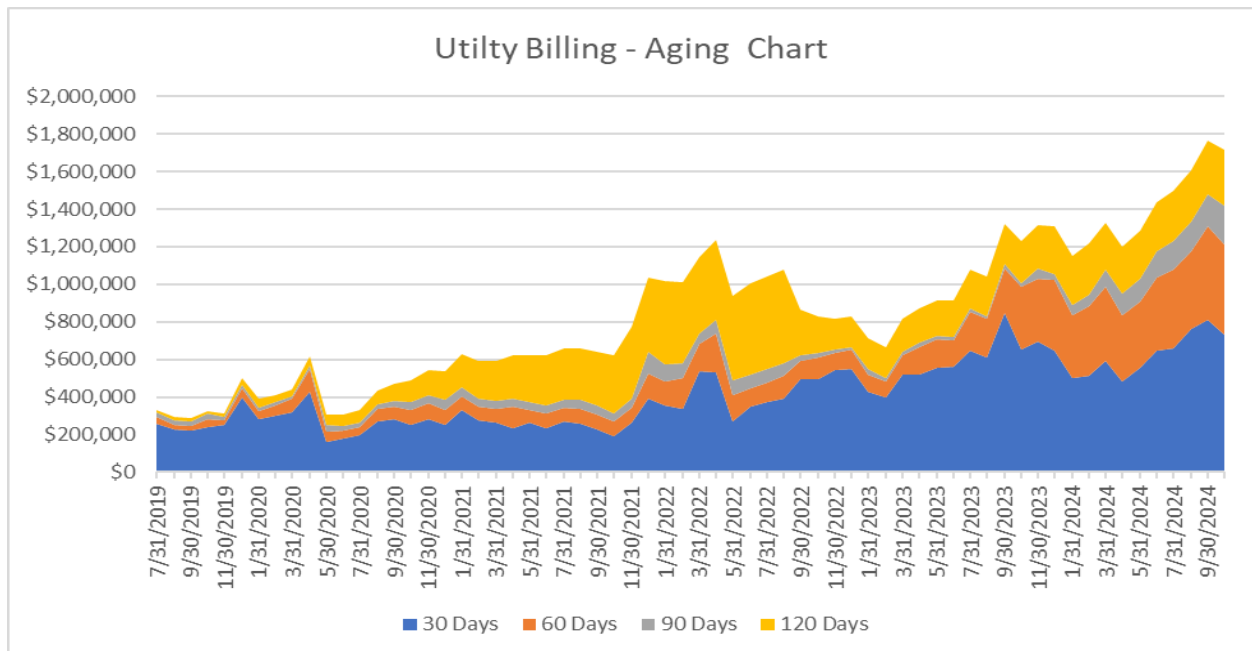


Compared to 10,219 in September (0.7% increase) and 2,455 customers on Xpress Bill Pay.





| | 30 days | 60 days | 90 days | 120 days |
|---------------------------|-----------|-----------|----------|-----------|
| Average Pre-Covid | \$271,756 | \$38,313 | \$20,889 | \$25,525 |
| Average Post Covid | \$435,447 | \$172,522 | \$55,808 | \$242,789 |
| % increase | 60.23% | 350.30% | 167.16% | 851.20% |



Management Discussion

This section is included in the monthly unaudited report to discuss items of importance that may have a financial impact on the District.

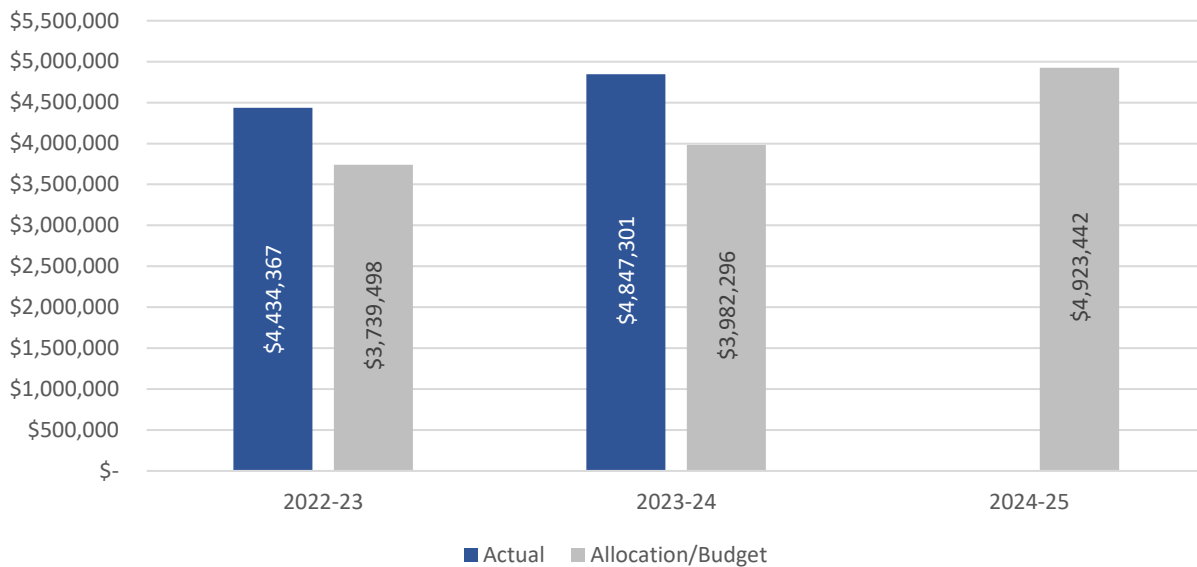
- On February 15, 2023, the District was awarded a WIFIA loan of more than \$81.4 million to fund 11 water and energy projects throughout the District.
 - District staff finalized the interim financing on June 18th for the short term WIFIA notes as well as the financing for the R-16.2 Reservoir.
 - The District has drawn down an estimated 13% for WIFIA projects.
- The District has spent nearly all of the ARPA \$2.3 million dollar grant related to R-12.5 Reservoir. The remainder of the project is funded by the WIFIA loan.
- The District Final Audit for fiscal year ending June 30, 2024, is complete and the Final Audited Financial Report is included on the November 19, 2024 Board Agenda.
- The budget for 2024-25 was approved on June 4, 2024, and is posted on the District website.

District staff is reviewing the future rate revenue for the District.

Summary of Property Tax Revenue:

| Current Month | Year-to-Date | Budgeted Amount | Percentage |
|----------------|--------------|-----------------|------------|
| Property Taxes | \$ 0 | \$ 4,923,442 | 0% |

Property Taxes - Actual vs. Budget



Investment Summary

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

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

Separate pooled money investment reports for CAMP, prepared by U.S. Bank, are maintained by the District and available for review. The CAMP is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (or "Pool") and CAMP Term are permitted for all local agencies under California Government Code Section 53601(p). The individually managed portfolio is administered by PFM Asset Management LLC. Additional information on the CAMP account is provided below in the investment summary report.

Investment Policy Disclosure - The District is currently compliant with the portfolio of its Investment Policy and State law. The District expects to meet its expenditure requirements for the next six months.

Investment Summary - October 2024

CALIFORNIA ASSET MANAGEMENT PROGRAM

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|-----------------|
| July 31, 2024 | \$ (6,200,000.00) | \$ 8,018,219.01 | \$ 19,540.42 | \$ 2,974,568.85 |
| August 31, 2024 | \$ (1,000,000.00) | \$ 106,885.55 | \$ 11,128.17 | \$ 2,092,582.57 |
| September 30, 2024 | \$ - | \$ - | \$ 8,991.23 | \$ 2,101,573.80 |
| October 31, 2024 | \$ - | \$ 1,027,243.99 | \$ 9,098.31 | \$ 3,137,916.10 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| February 28, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 3,137,916.10 |

C.A.M.P. INCOME SUMMARY

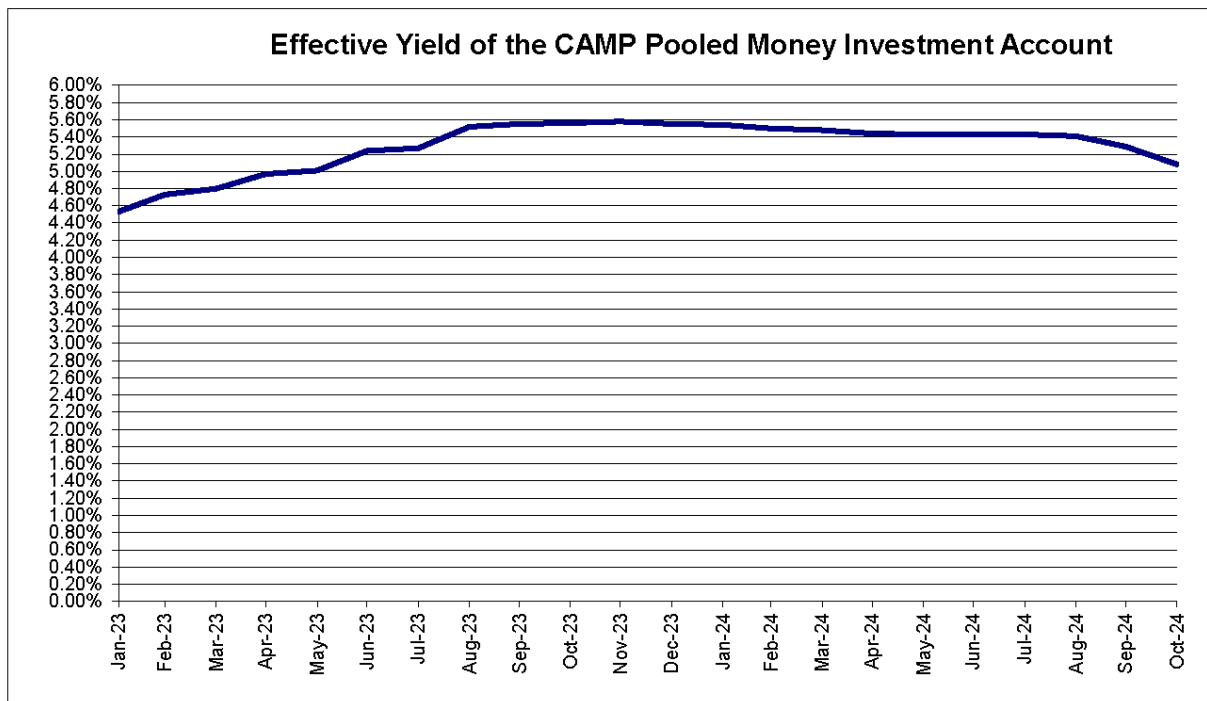
INCOME RECEIVED

CURRENT MONTH

FY YEAR-TO-DATE

\$ 9,098.31

\$ 48,758.13



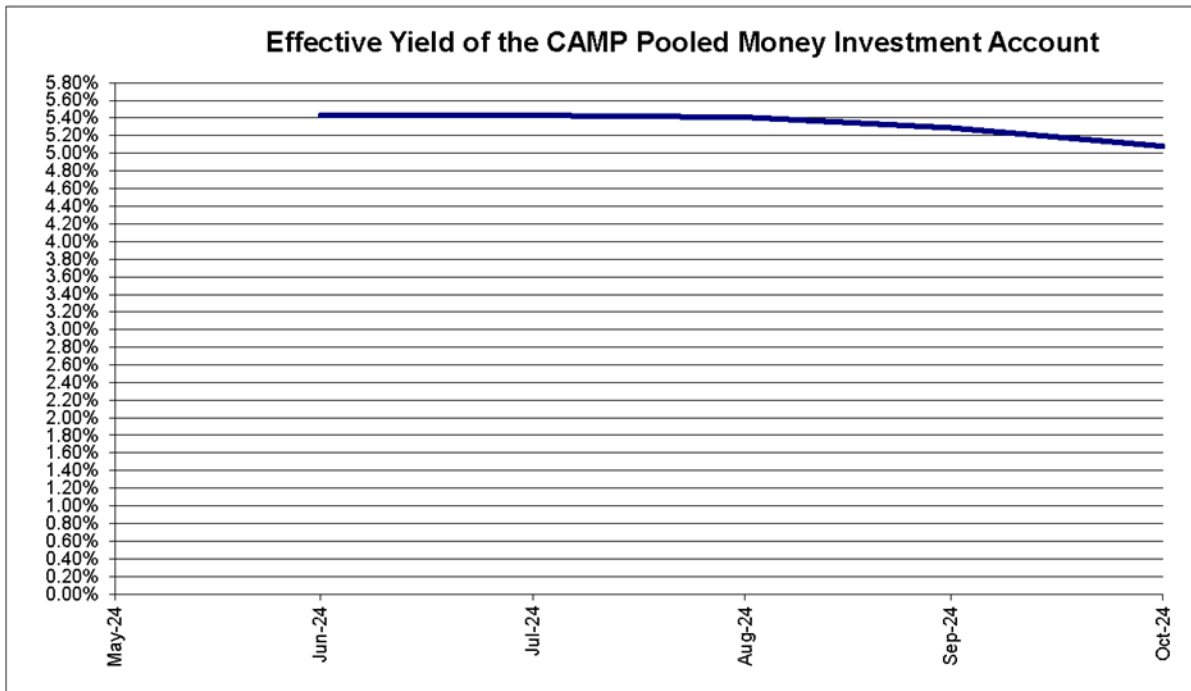
Investment Summary - October 2024

| |
|--|
| CALIFORNIA ASSET MANAGEMENT PROGRAM |
| 2024A WIFIA SHORT TERM NOTES |

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|------------------|
| July 31, 2024 | \$ (8,018,219.01) | \$ - | \$ 89,959.05 | \$ 67,729,013.40 |
| August 31, 2024 | \$ (106,885.55) | \$ - | \$ 186,080.32 | \$ 67,808,208.17 |
| September 30, 2024 | \$ - | \$ - | \$ 296,945.81 | \$ 68,105,153.98 |
| October 31, 2024 | \$ (926,342.43) | \$ - | \$ 203,452.30 | \$ 67,382,263.85 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| 2/29/2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 67,382,263.85 |

C.A.M.P. INCOME SUMMARY

| | <u>CURRENT MONTH</u> | <u>FY YEAR-TO-DATE</u> |
|------------------------|----------------------|------------------------|
| <u>INCOME RECEIVED</u> | <u>\$ 203,452.30</u> | <u>\$ 776,437.48</u> |



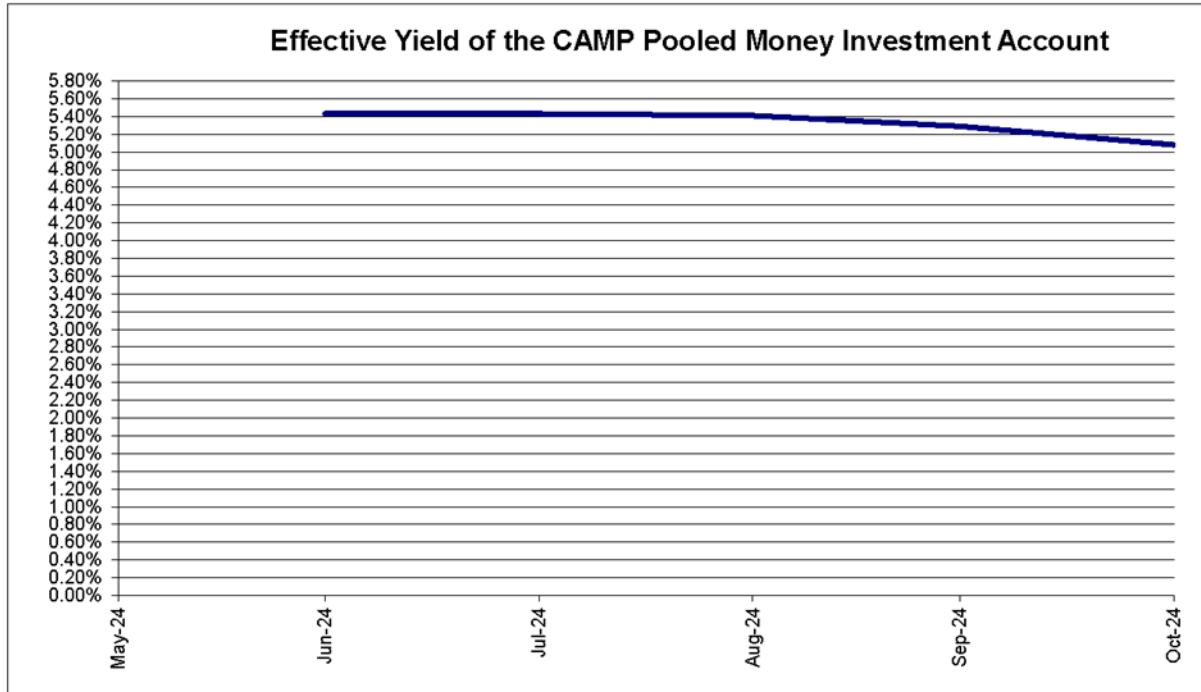
Investment Summary - October 2024

| |
|--|
| CALIFORNIA ASSET MANAGEMENT PROGRAM |
| 2024B R-16.2 RESERVOIR |

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------|----------------------|----------------------------|-----------------|
| July 31, 2024 | \$ - | \$ - | \$ 29,963.91 | \$ 6,540,578.44 |
| August 31, 2024 | \$ - | \$ - | \$ 29,996.85 | \$ 6,570,575.29 |
| September 30, 2024 | \$ - | \$ - | \$ 28,481.17 | \$ 6,599,056.46 |
| October 31, 2024 | \$ (850,296.55) | \$ - | \$ 28,127.79 | \$ 5,776,887.70 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| 2/29/2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 5,776,887.70 |

C.A.M.P. INCOME SUMMARY

| | <u>CURRENT MONTH</u> | <u>FY YEAR-TO-DATE</u> |
|------------------------|----------------------|------------------------|
| <u>INCOME RECEIVED</u> | <u>\$ 28,127.79</u> | <u>\$ 116,569.72</u> |



Investment Summary - October 2024

LOCAL AGENCY INVESTMENT FUND

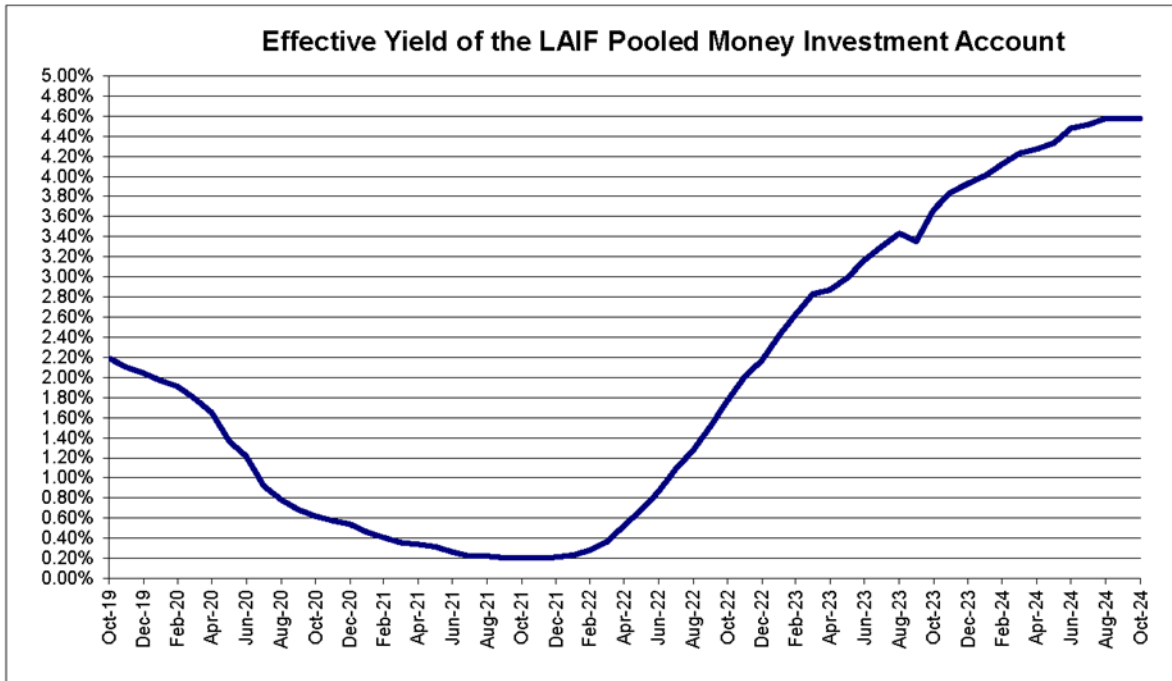
| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (QUARTERLY) | ENDING BALANCE |
|--------------------|-------------------------|----------------------|------------------------------|----------------|
| July 31, 2024 | \$ - | \$ - | \$ 397.59 | \$ 35,633.13 |
| August 31, 2024 | \$ - | \$ - | \$ - | \$ 35,633.13 |
| September 30, 2024 | \$ - | \$ - | \$ - | \$ 35,633.13 |
| October 31, 2024 | \$ - | \$ - | \$ 422.57 | \$ 36,055.70 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| 2/29/2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 36,055.70 |

L.A.I.F. INCOME SUMMARY

CURRENT QUARTER **FY YEAR-TO-DATE**

INCOME RECEIVED

\$ 422.57 \$ 820.16



Investment Summary - October 2024

U. S. Bank 2022A Bond Investment

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|------------------|
| July 31, 2024 | \$ - | \$ - | \$ 48,295.70 | \$ 15,433,106.78 |
| August 31, 2024 | \$ - | \$ - | \$ 56,775.74 | \$ 15,489,882.52 |
| September 30, 2024 | \$ - | \$ - | \$ - | \$ 15,489,882.52 |
| October 31, 2024 | \$ (131,920.84) | \$ - | \$ 99,927.03 | \$ 15,457,888.71 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| February 28, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 15,457,888.71 |

U.S. BANK INCOME SUMMARY

| | <u>CURRENT MONTH</u> | <u>FY YEAR-TO-DATE</u> |
|------------------------|----------------------|------------------------|
| <u>INCOME RECEIVED</u> | \$ 99,927.03 | \$ 204,998.47 |

Fiscal Year 2024-25 Detail Budget Status

The revenue and expense budget status for the 2024-25 Fiscal Year is provided for your review.

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.

| Summary of Revenue Budget | | | | |
|---|----------------------|----------------------|----------------------|-------------------|
| As of October 31, 2024 (33% of Budget Cycle) | | | | |
| Division | Current Month | Year-to-Date | Budget Amount | Percentage |
| Water | \$ 1,845,252 | \$ 8,008,271 | \$ 20,490,211 | 39.08% |
| Sewer | \$ 1,239,947 | \$ 4,995,513 | \$ 14,447,541 | 34.58% |
| Recycled Water | \$ 196,292 | \$ 823,726 | \$ 2,112,896 | 38.99% |
| District Revenue | \$ 3,281,491 | \$ 13,827,510 | \$ 37,050,648 | 37.32% |

| Summary of Water Budget vs. Expenses | | | | |
|---|----------------------|---------------------|----------------------|-------------------|
| As of October 31, 2024 (33% of Budget Cycle) | | | | |
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Water Resources | \$ 668,948 | \$ 3,398,718 | \$ 6,333,378 | 53.66% |
| Public Works | \$ 227,654 | \$ 1,167,267 | \$ 4,278,859 | 27.28% |
| Administration | \$ 210,254 | \$ 1,333,084 | \$ 3,631,923 | 36.70% |
| Long Term Debt | \$ 131,192 | \$ 4,004,199 | \$ 4,326,713 | 92.55% |
| Asset Acquisition | \$ - | \$ - | \$ 1,919,338 | 0.00% |
| TOTAL | \$ 1,238,047 | \$ 9,903,268 | \$ 20,490,211 | 48.33% |

| Summary of Sewer Budget vs. Expenses | | | | |
|---|----------------------|---------------------|----------------------|-------------------|
| As of October 31, 2024 (33% of Budget Cycle) | | | | |
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Treatment | \$ 412,409 | \$ 1,510,457 | \$ 6,278,832 | 24.06% |
| Administration | \$ 243,984 | \$ 1,572,462 | \$ 3,502,108 | 44.90% |
| Environmental Control | \$ 120,843 | \$ 576,987 | \$ 2,099,190 | 27.49% |
| Long Term Debt | \$ - | \$ 1,132,875 | \$ 1,752,005 | 64.66% |
| Asset Acquisition | \$ - | \$ - | \$ 815,406 | 0.00% |
| TOTAL | \$ 777,236 | \$ 4,792,781 | \$ 14,447,541 | 33.17% |

| Summary of Recycled Water Budget vs. Expenses | | | | |
|--|----------------------|---------------------|----------------------|-------------------|
| As of October 31, 2024 (33% of Budget Cycle) | | | | |
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Administration | \$ 127,928 | \$ 688,904 | \$ 2,112,896 | 32.60% |
| TOTAL | \$ 127,928 | \$ 688,904 | \$ 2,112,896 | 32.60% |

| | | | | |
|--------------------------|---------------------|----------------------|----------------------|---------------|
| District Expenses | \$ 2,143,212 | \$ 15,384,953 | \$ 37,050,648 | 41.52% |
|--------------------------|---------------------|----------------------|----------------------|---------------|

| FY 2024-25 Water Revenue | | | | | |
|--------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 02-400-40010 | Sales-Water & Non Potable | \$ 6,439,180 | \$ 823,389 | \$ 3,556,141 | 55.23% |
| 02-400-40011 | Sales-Construction Water | \$ 49,002 | \$ 676 | \$ 3,395 | 6.93% |
| 02-400-40012 | Sales-Imported Water-SGPWA | \$ 353,011 | \$ 42,324 | \$ 179,760 | 50.92% |
| 02-400-40013 | Sales-Imported Water-MUNI | \$ 761,131 | \$ 94,022 | \$ 402,626 | 52.90% |
| 02-400-40014 | Sales-Disc (Multi Unit) Commdy | \$ (105,297) | \$ (9,652) | \$ (39,421) | 37.44% |
| 02-400-40015 | Sales-Wholesale Water | \$ 146,035 | \$ 11,175 | \$ 25,013 | 17.13% |
| 02-400-40016 | Sales-Establish Service Fee | \$ 2,214 | \$ 25 | \$ 50 | 2.26% |
| 02-400-40017 | Sales-Excess Drinking Water | \$ 242,701 | \$ 38,859 | \$ 181,838 | 74.92% |
| 02-400-40018 | Sales-Infrastructure | \$ 3,017,093 | \$ 277,611 | \$ 1,186,686 | 39.33% |
| 02-400-41000 | Sales-Service Demand Charges | \$ 4,658,508 | \$ 379,860 | \$ 1,517,977 | 32.59% |
| 02-400-41001 | Sales-Fire Srv Standby Fees | \$ 73,029 | \$ 6,960 | \$ 27,960 | 38.29% |
| 02-400-41003 | Sales-Const Water Minimum Chg | \$ 5,520 | \$ 90 | \$ 389 | 7.05% |
| 02-400-41005 | Sales-Disc (Multi Units)-SC | \$ (137,000) | \$ (11,673) | \$ (46,622) | 34.03% |
| 02-400-41010 | Unauthorized Use of Water Chrg | \$ - | \$ - | \$ - | N/A |
| 02-400-41110 | Meter/Lateral Installation | \$ 75,229 | \$ 1,074 | \$ 1,074 | 1.43% |
| 02-400-41112 | Fire Flow Test Fees | \$ 10,068 | \$ 550 | \$ 3,150 | 31.29% |
| 02-400-41113 | Disconnect & Reconnect Fees | \$ 25,000 | \$ 1,200 | \$ 5,025 | 20.10% |
| 02-400-41121 | Delinquent Payment Charges | \$ 156,502 | \$ 17,131 | \$ 71,881 | 45.93% |
| 02-400-41124 | Bad Debt Write-Off & Recovery | \$ (22,082) | \$ - | \$ - | 0.00% |
| 02-421-42122 | Revenue - Other, Operating | \$ - | \$ - | \$ - | N/A |
| 02-421-42123 | Admin, Management & Acctg Fees | \$ 154,438 | \$ 12,870 | \$ 51,479 | 33.33% |
| 02-430-43010 | Interest Earned | \$ 401,409 | \$ 128,316 | \$ 765,956 | 190.82% |
| 02-431-43110 | Property Tax - Unsecured | \$ 159,947 | \$ - | \$ - | 0.00% |
| 02-431-43120 | Property Tax - Secured | \$ 3,505,573 | \$ 27,921 | \$ 35,017 | 1.00% |
| 02-431-43130 | Tax Collection - Prior | \$ 66,930 | \$ - | \$ - | 0.00% |
| 02-431-43140 | Taxes - Other | \$ 427,066 | \$ (70) | \$ (281) | -0.07% |
| 02-491-49110 | Rental Income | \$ - | \$ - | \$ - | N/A |
| 02-491-49150 | Revenue - Misc Non-Operating | \$ 25,004 | \$ 2,595 | \$ 79,177 | 316.66% |
| | WATER OPERATING REVENUE | \$ 20,490,211 | \$ 1,845,252 | \$ 8,008,271 | 39.08% |
| 02-491-49100 | Reserve Fund Transfer In | \$ - | \$ - | \$ - | N/A |
| 02-480-48002 | Grants | \$ - | \$ - | \$ - | #DIV/0! |
| 02-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ 23,587 | \$ 33,181 | N/A |
| 02-480-48902 | Contrib Cap-Sustainability | \$ - | \$ 881 | \$ 5,284 | N/A |
| | TOTAL WATER REVENUE | \$ 20,490,211 | \$ 1,869,720 | \$ 8,046,735 | 39.27% |

NOTE: Plan check & inspection fees to 02-42122

| FY 2024-25 Sewer Revenue | | | | | |
|--------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 03-400-40016 | Sales-Establish Service Fee | \$ 552 | \$ (225) | \$ (150) | -27.17% |
| 03-400-41000 | Sales-Sewer Charges | \$ 13,705,389 | \$ 1,174,885 | \$ 4,656,452 | 33.98% |
| 03-400-41005 | Sales-Disc (Multi Units)-SC | \$ (173,000) | \$ (14,717) | \$ (58,827) | 34.00% |
| 03-400-41110 | Meter/Lateral Installation | \$ 15,188 | \$ - | \$ 2,500 | 16.46% |
| 03-400-41121 | Penalty - Late Charges | \$ 131,376 | \$ 12,062 | \$ 45,971 | 34.99% |
| 03-400-41124 | Bad Debt Write-Off & Recovery | \$ (15,379) | \$ - | \$ - | 0.00% |
| 03-400-41131 | Front Footage Fees | \$ 57,806 | \$ - | \$ 18,000 | 31.14% |
| 03-421-42122 | Revenue - Other, Operating | \$ 2,102 | \$ (1,620) | \$ (900) | -42.82% |
| 03-430-43010 | Interest Earned | \$ 409,880 | \$ 69,561 | \$ 332,267 | 81.06% |
| 03-431-43110 | Property Tax - Unsecured | \$ - | \$ - | \$ - | N/A |
| 03-431-43120 | Property Tax - Secured | \$ 310,867 | \$ - | \$ - | 0.00% |
| 03-431-43130 | Tax Collection - Prior | \$ - | \$ - | \$ - | N/A |
| 03-431-43140 | Taxes - Other | \$ - | \$ - | \$ - | N/A |
| 03-491-49150 | Revenue - Misc Non-Operating | \$ 2,760 | \$ - | \$ 200 | 7.25% |
| | SEWER OPERATING REVENUE | \$ 14,447,541 | \$ 1,239,947 | \$ 4,995,513 | 34.58% |
| 03-491-49100 | Reserve Fund Transfer In | \$ - | \$ - | \$ - | N/A |
| 03-480-48002 | Grants | \$ - | \$ - | \$ - | N/A |
| 03-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ 6,166 | \$ 57,958 | N/A |
| 03-480-48905 | Contrib Cap-Infrastructure | \$ - | \$ - | \$ - | N/A |
| | TOTAL SEWER REVENUE | \$ 14,447,541 | \$ 1,246,112 | \$ 5,053,471 | 34.98% |

| FY 2024-25 Recycled Revenue | | | | | |
|-----------------------------|-----------------------------------|---------------------|-------------------|-------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 04-400-40010 | Sales-Water & Non Potable | \$ 1,158,084 | \$ 148,938 | \$ 632,875 | 54.65% |
| 04-400-40011 | Sales-Construction Water | \$ - | \$ - | \$ - | N/A |
| 04-400-40017 | Sales-Excess Drinking Water | \$ 57,190 | \$ 7,418 | \$ 31,431 | 54.96% |
| 04-400-40018 | Sales-Infrastructure | \$ 89,161 | \$ 11,478 | \$ 48,792 | 54.72% |
| 04-400-41000 | Sales-Service Demand Charges | \$ 267,685 | \$ 24,877 | \$ 99,176 | 37.05% |
| 04-400-41003 | Sales-Const Water Minimum Chg | \$ 3,324 | \$ 385 | \$ 1,445 | 43.47% |
| 04-400-41110 | Meter/Lateral Installation | \$ 1,104 | \$ - | \$ - | 0.00% |
| 04-400-41121 | Penalty - Late Charges | \$ 7,386 | \$ 1,937 | \$ 4,551 | 61.61% |
| 04-400-41122 | Revenue - Other, Operating | \$ 526 | \$ 309 | \$ 540 | 102.67% |
| 04-430-43010 | Interest Earned | \$ 75,377 | \$ 952 | \$ 4,918 | 6.52% |
| 04-431-43110 | Property Tax - Unsecured | \$ - | \$ - | \$ - | N/A |
| 04-431-43120 | Property Tax - Secured | \$ 453,059 | \$ - | \$ - | 0.00% |
| 04-431-43130 | Tax Collection - Prior | \$ - | \$ - | \$ - | N/A |
| 04-431-43140 | Taxes - Other | \$ - | \$ - | \$ - | N/A |
| 04-491-49150 | Revenue-Misc Non-Operating | \$ - | \$ - | \$ - | N/A |
| | RECYCLED OPERATING REVENUE | \$ 2,112,896 | \$ 196,292 | \$ 823,726 | 38.99% |
| 04-491-49100 | Reserve Fund Transfer In | \$ - | \$ - | \$ - | N/A |
| 04-480-48002 | Grants | \$ - | \$ - | \$ - | N/A |
| 04-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ - | \$ - | N/A |
| | TOTAL RECYCLED REVENUE | \$ 2,112,896 | \$ 196,292 | \$ 823,726 | 38.99% |

| FY 2024-25 Water Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '24 | Year to Date | % |
| 02-501-50009 | Labor - Overtime | \$ 60,461 | \$ 3,841 | \$ 20,646 | 34.15% |
| 02-501-50010 | Labor | \$ 1,187,453 | \$ 92,217 | \$ 389,610 | 32.81% |
| 02-501-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 02-501-50013 | Benefits-FICA | \$ 118,187 | \$ 7,769 | \$ 33,163 | 28.06% |
| 02-501-50014 | Benefits-Life Insurance | \$ 4,658 | \$ 125 | \$ 551 | 11.84% |
| 02-501-50016 | Benefits-Health & Def Comp | \$ 253,842 | \$ 19,897 | \$ 82,777 | 32.61% |
| 02-501-50017 | Benefits-Disability Insurance | \$ 26,726 | \$ 1,341 | \$ 5,783 | 21.64% |
| 02-501-50019 | Benefits-Workers Compensation | \$ 103,317 | \$ 4,765 | \$ 37,743 | 36.53% |
| 02-501-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,762) | N/A |
| 02-501-50022 | Benefits-PERS Employer | \$ 216,188 | \$ 7,503 | \$ 31,671 | 14.65% |
| 02-501-50023 | Benefits-Uniforms | \$ 6,192 | \$ 870 | \$ 1,510 | 24.38% |
| 02-501-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-501-50025 | Benefits-Boots & Incentives | \$ 6,525 | \$ 30 | \$ 2,610 | 40.00% |
| 02-501-51001 | R&M - Vehicles & Equipment | \$ 18,243 | \$ 685 | \$ 2,820 | 15.46% |
| 02-501-51003 | R&M - Structures | \$ 400,000 | \$ 20,228 | \$ 180,971 | 45.24% |
| 02-501-51011 | R&M - Valves | \$ 95,000 | \$ - | \$ 7 | 0.01% |
| 02-501-51115 | Laboratory Supplies | \$ 838 | \$ - | \$ 2,026 | 241.81% |
| 02-501-51140 | General Supplies & Expenses | \$ 3,312 | \$ - | \$ - | 0.00% |
| 02-501-51210 | Power Purchases | \$ 1,818,919 | \$ 250,077 | \$ 671,461 | 36.92% |
| 02-501-51211 | Electricity & Fuel | \$ 3,560 | \$ 263 | \$ 655 | 18.39% |
| 02-501-51316 | Supplemental Source of Supply | \$ 1,129,836 | \$ 188,777 | \$ 1,672,769 | 148.05% |
| 02-501-54012 | Education & Training | \$ 6,175 | \$ - | \$ - | 0.00% |
| 02-501-54019 | Licenses & Permits | \$ 78,054 | \$ 3,242 | \$ 3,242 | 4.15% |
| 02-501-54025 | Telephone & Internet | \$ 3,797 | \$ 288 | \$ 1,424 | 37.50% |
| 02-501-54110 | Laboratory Services | \$ 82,806 | \$ - | \$ 11,548 | 13.95% |
| 02-501-57040 | YVRWFF-Crystal Creek Exp | \$ 709,289 | \$ 67,029 | \$ 247,491 | 34.89% |
| | WATER RESOURCE TOTALS | \$ 6,333,378 | \$ 668,948 | \$ 3,398,718 | 53.66% |
| 02-503-50009 | Labor - Overtime | \$ 36,175 | \$ 4,230 | \$ 18,062 | 49.93% |
| 02-503-50010 | Labor | \$ 1,919,526 | \$ 138,345 | \$ 588,643 | 30.67% |
| 02-503-50011 | Labor - Credit | \$ - | \$ - | \$ (5,243) | N/A |
| 02-503-50013 | Benefits-FICA | \$ 197,220 | \$ 11,357 | \$ 48,275 | 24.48% |
| 02-503-50014 | Benefits-Life Insurance | \$ 9,844 | \$ 283 | \$ 1,181 | 12.00% |
| 02-503-50016 | Benefits-Health & Def Comp | \$ 534,998 | \$ 43,124 | \$ 178,639 | 33.39% |
| 02-503-50017 | Benefits-Disability Insurance | \$ 44,598 | \$ 2,142 | \$ 9,381 | 21.03% |
| 02-503-50019 | Benefits-Workers Compensation | \$ 92,463 | \$ 4,264 | \$ 11,243 | 12.16% |
| 02-503-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (2,862) | N/A |
| 02-503-50022 | Benefits-PERS Employer | \$ 344,354 | \$ 11,347 | \$ 47,741 | 13.86% |
| 02-503-50023 | Benefits-Uniforms | \$ 16,125 | \$ 1,019 | \$ 3,803 | 23.58% |
| 02-503-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-503-50025 | Benefits-Boots & Incentives | \$ 20,021 | \$ 840 | \$ 6,735 | 33.64% |
| 02-503-51001 | R&M - Vehicles & Equipment | \$ 182,884 | \$ 5,900 | \$ 60,719 | 33.20% |
| 02-503-51011 | R&M - Valves | \$ 40,814 | \$ - | \$ 759 | 1.86% |
| 02-503-51020 | R&M - Pipelines | \$ 220,816 | \$ 117 | \$ 63,090 | 28.57% |
| 02-503-51021 | R&M - Service Lines | \$ 120,000 | \$ 155 | \$ 44,516 | 37.10% |

| FY 2024-25 Water Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '24 | Year to Date | % |
| 02-503-51022 | R&M - Fire Hydrants | \$ 34,223 | \$ - | \$ 22,831 | 66.71% |
| 02-503-51029 | R&M - Backflow | \$ 71,765 | \$ 3,614 | \$ 25,926 | 36.13% |
| 02-503-51030 | R&M - Meters | \$ 92,075 | \$ 245 | \$ 10,653 | 11.57% |
| 02-503-51031 | R&M - Fire Flow Testing | \$ 27,602 | \$ - | \$ 3,429 | 12.42% |
| 02-503-51032 | R&M - Facility Improvements | \$ 229,000 | \$ - | \$ 29,199 | 12.75% |
| 02-503-51092 | Equipment Credits | \$ - | \$ - | \$ (2,331) | N/A |
| 02-503-51140 | General Supplies & Expenses | \$ 3,312 | \$ 42 | \$ 38 | 1.14% |
| 02-503-54012 | Education & Training | \$ 35,000 | \$ - | \$ - | 0.00% |
| 02-503-54025 | Telephone & Internet | \$ 6,044 | \$ 630 | \$ 2,842 | 47.02% |
| | PUBLIC WORKS TOTALS | \$ 4,278,859 | \$ 227,654 | \$ 1,167,267 | 27.28% |
| 02-506-50009 | Labor - Overtime | \$ 806 | \$ - | \$ 81 | 10.10% |
| 02-506-50010 | Labor | \$ 832,686 | \$ 61,942 | \$ 259,830 | 31.20% |
| 02-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 02-506-50012 | Director Fees | \$ 28,761 | \$ - | \$ 6,633 | 23.06% |
| 02-506-50013 | Benefits-FICA | \$ 85,155 | \$ 3,790 | \$ 18,143 | 21.31% |
| 02-506-50014 | Benefits-Life Insurance | \$ 3,976 | \$ 74 | \$ 394 | 9.91% |
| 02-506-50016 | Benefits-Health & Def Comp | \$ 202,591 | \$ 14,592 | \$ 65,119 | 32.14% |
| 02-506-50017 | Benefits-Disability Insurance | \$ 19,259 | \$ 841 | \$ 3,389 | 17.60% |
| 02-506-50019 | Benefits-Workers Compensation | \$ 26,451 | \$ 1,220 | \$ 3,054 | 11.54% |
| 02-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,236) | N/A |
| 02-506-50022 | Benefits-PERS Employer | \$ 215,153 | \$ 5,993 | \$ 433,663 | 201.56% |
| 02-506-50023 | Benefits-Uniforms | \$ - | \$ 97 | \$ 652 | N/A |
| 02-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-506-50025 | Benefits-Boots & Incentives | \$ 2,526 | \$ 105 | \$ 1,733 | 68.59% |
| 02-506-51001 | R&M - Vehicles & Equipment | \$ 7,870 | \$ - | \$ 205 | 2.60% |
| 02-506-51003 | R&M - Structures | \$ 92,315 | \$ 6,331 | \$ 27,621 | 29.92% |
| 02-506-51091 | Expense Credits (overhead) | \$ - | \$ - | \$ - | N/A |
| 02-506-51120 | Safety Equipment & Supplies | \$ 22,662 | \$ 582 | \$ 6,134 | 27.07% |
| 02-506-51125 | Petroleum Products | \$ 195,000 | \$ 15,370 | \$ 72,627 | 37.24% |
| 02-506-51130 | Office Supplies & Expenses | \$ 21,908 | \$ 460 | \$ 5,218 | 23.82% |
| 02-506-51140 | General Supplies & Expenses | \$ 63,000 | \$ 897 | \$ 6,959 | 11.05% |
| 02-506-51199 | Disaster Repairs & Incidences | \$ - | \$ - | \$ - | N/A |
| 02-506-51211 | Electricity | \$ 50,000 | \$ 7,272 | \$ 18,911 | 37.82% |
| 02-506-51213 | Natural Gas | \$ 4,147 | \$ 28 | \$ 103 | 2.49% |
| 02-506-54002 | Dues & Subscriptions | \$ 20,773 | \$ 4,919 | \$ 8,014 | 38.58% |
| 02-506-54005 | Computer Expenses | \$ 133,196 | \$ 4,405 | \$ 21,306 | 16.00% |
| 02-506-54010 | Postage | \$ 7,311 | \$ - | \$ 2,110 | 28.87% |
| 02-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 02-506-54012 | Education & Training | \$ 22,082 | \$ 759 | \$ 14,448 | 65.43% |
| 02-506-54013 | Utility Billing Expenses | \$ 317,600 | \$ 7,543 | \$ 84,425 | 26.58% |
| 02-506-54014 | Public Relations | \$ 12,867 | \$ 1,300 | \$ 6,460 | 50.20% |
| 02-506-54016 | Travel Related Expenses | \$ 10,398 | \$ 928 | \$ 10,158 | 97.69% |
| 02-506-54017 | Certifications & Renewals | \$ 6,610 | \$ 515 | \$ 1,401 | 21.20% |
| 02-506-54020 | Meeting Related Expenses | \$ 10,933 | \$ 307 | \$ 968 | 8.85% |

| FY 2024-25 Water Expenses | | | | | |
|---------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '24 | Year to Date | % |
| 02-506-54022 | Utilities - YVWD Services | \$ 225,914 | \$ 19,769 | \$ 72,211 | 31.96% |
| 02-506-54024 | Waste Disposal | \$ 9,497 | \$ 594 | \$ 2,376 | 25.02% |
| 02-506-54025 | Telephone & Internet | \$ 43,416 | \$ 1,540 | \$ 13,500 | 31.10% |
| 02-506-54099 | Conservation & Rebates | \$ 3,692 | \$ - | \$ (83,277) | -2255.61% |
| 02-506-54104 | Contractual Services | \$ 214,630 | \$ 27,105 | \$ 65,222 | 30.39% |
| 02-506-54107 | Legal | \$ 36,019 | \$ - | \$ 22,071 | 61.28% |
| 02-506-54108 | Audit & Accounting | \$ 16,561 | \$ - | \$ 8,333 | 50.32% |
| 02-506-54109 | Professional Fees | \$ 113,321 | \$ 3,375 | \$ 62,431 | 55.09% |
| 02-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 02-506-56001 | Insurance | \$ 190,197 | \$ 17,603 | \$ 70,413 | 37.02% |
| 02-506-57030 | Regulatory Compliance | \$ 85,355 | \$ - | \$ 1,689 | 1.98% |
| 02-506-57090 | Election Related Expenses | \$ - | \$ - | \$ - | N/A |
| 02-506-57094 | Water Co. Annual Assessment | \$ 200,000 | \$ - | \$ - | 0.00% |
| 02-506-57095 | Yucaipa SGMA | \$ 11,041 | \$ - | \$ - | 0.00% |
| 02-506-57096 | Beaumont Basin Watermaster | \$ 44,163 | \$ - | \$ 19,592 | 44.36% |
| 02-506-57097 | San Timoteo SGMA | \$ 5,520 | \$ - | \$ - | N/A |
| 02-506-57098 | Bunker Hill GSC | \$ 16,561 | \$ - | \$ - | 0.00% |
| | ADMINISTRATION TOTALS | \$ 3,631,923 | \$ 210,254 | \$ 1,333,084 | 36.70% |
| 02-540-57201 | Series 2015A Principal | \$ - | \$ - | \$ - | N/A |
| 02-540-57207 | Series 2022A Principal | \$ - | \$ - | \$ - | N/A |
| 02-540-57208 | Series 2022B Principal | \$ 3,390,000 | \$ - | \$ 3,390,000 | 100.00% |
| 02-540-57402 | Interest - Bond Repayment | \$ 936,713 | \$ 131,192 | \$ 614,199 | 65.57% |
| | 40 - Debt | \$ 4,326,713 | \$ 131,192 | \$ 4,004,199 | 92.55% |
| 02-540-57001 | Asset Acq. - Water Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57003 | Asset Acq. - US Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57006 | Asset Acq. - Admin Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57807 | Infrastructure Replacement Fnd | \$ 1,919,338 | \$ - | \$ - | 0.00% |
| | 40 - Capital Outlay | \$ 1,919,338 | \$ - | \$ - | 0.00% |
| | TOTAL WATER EXPENSES | \$ 20,490,211 | \$ 1,238,047 | \$ 9,903,268 | 48.33% |

| FY 2024-25 Sewer Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 03-502-50009 | Labor - Overtime | \$ 60,461 | \$ 3,841 | \$ 20,645 | 34.15% |
| 03-502-50010 | Labor | \$ 1,469,918 | \$ 108,662 | \$ 452,528 | 30.79% |
| 03-502-50013 | Benefits-FICA | \$ 144,410 | \$ 9,087 | \$ 38,167 | 26.43% |
| 03-502-50014 | Benefits-Life Insurance | \$ 5,764 | \$ 152 | \$ 632 | 10.96% |
| 03-502-50016 | Benefits-Health & Def Comp | \$ 317,002 | \$ 24,374 | \$ 100,364 | 31.66% |
| 03-502-50017 | Benefits-Disability Insurance | \$ 32,655 | \$ 1,597 | \$ 6,779 | 20.76% |
| 03-502-50019 | Benefits-Workers Compensatn | \$ 119,595 | \$ 5,516 | \$ 43,731 | 36.57% |
| 03-502-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (2,069) | N/A |
| 03-502-50022 | Benefits-PERS Employer | \$ 230,272 | \$ 8,908 | \$ 36,979 | 16.06% |
| 03-502-50023 | Benefits-Uniforms | \$ 6,208 | \$ 597 | \$ 2,687 | 43.29% |
| 03-502-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-502-50025 | Benefits-Boots & Incentives | \$ 7,065 | \$ 270 | \$ 3,270 | 46.28% |
| 03-502-51001 | R&M - Vehicles & Equipment | \$ 11,774 | \$ 363 | \$ 5,011 | 42.56% |
| 03-502-51003 | R&M - Structures | \$ 589,220 | \$ 50,424 | \$ 179,293 | 30.43% |
| 03-502-51010 | R&M - Automation Control | \$ 65,815 | \$ 3,467 | \$ 16,911 | 25.69% |
| 03-502-51032 | R&M - Facility Improvements | \$ 229,000 | \$ - | \$ 780 | 0.34% |
| 03-502-51106 | Chemicals | \$ 950,000 | \$ 39,739 | \$ 195,303 | 20.56% |
| 03-502-51111 | Propane | \$ 11,000 | \$ - | \$ - | 0.00% |
| 03-502-51115 | Laboratory Supplies | \$ 50,000 | \$ 4,571 | \$ 17,184 | 34.37% |
| 03-502-51140 | General Supplies & Expenses | \$ 3,658 | \$ - | \$ 808 | 22.10% |
| 03-502-51210 | Utilities - Power Purchases | \$ 1,250,000 | \$ 150,307 | \$ 368,601 | 29.49% |
| 03-502-54012 | Education & Training | \$ 7,636 | \$ - | \$ - | 0.00% |
| 03-502-54025 | Telephone & Internet | \$ 4,000 | \$ 384 | \$ 1,776 | 44.40% |
| 03-502-54110 | Laboratory Services | \$ 93,847 | \$ 121 | \$ 26,669 | 28.42% |
| 03-502-57031 | Sewage Waste Disposal-Solids | \$ 365,000 | \$ - | \$ 90,290 | 24.74% |
| 03-502-57034 | Brineline Operating Expenses | \$ 254,532 | \$ 29 | \$ (95,883) | -37.67% |
| | TREATMENT TOTALS | \$ 6,278,832 | \$ 412,409 | \$ 1,510,457 | 24.06% |
| 03-506-50009 | Labor - Overtime | \$ 806 | \$ - | \$ 81 | 10.09% |
| 03-506-50010 | Labor | \$ 832,686 | \$ 61,942 | \$ 259,829 | 31.20% |
| 03-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 03-506-50012 | Director Fees | \$ 28,761 | \$ - | \$ 6,633 | 23.06% |
| 03-506-50013 | Benefits-FICA | \$ 85,155 | \$ 3,790 | \$ 18,142 | 21.31% |
| 03-506-50014 | Benefits-Life Insurance | \$ 3,976 | \$ 74 | \$ 393 | 9.89% |
| 03-506-50016 | Benefits-Health & Def Comp | \$ 202,591 | \$ 14,472 | \$ 65,552 | 32.36% |
| 03-506-50017 | Benefits Disability Insurane | \$ 19,259 | \$ 840 | \$ 3,389 | 17.60% |
| 03-506-50019 | Benefits-Workers Compensation | \$ 29,186 | \$ 1,346 | \$ 5,022 | 17.21% |
| 03-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,236) | N/A |
| 03-506-50022 | Benefits-PERS Employer | \$ 215,152 | \$ 5,993 | \$ 433,663 | 201.56% |
| 03-506-50023 | Benefits-Uniforms | \$ - | \$ - | \$ - | N/A |
| 03-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-506-50025 | Benefits-Boots & Incentives | \$ 2,407 | \$ 105 | \$ 1,733 | 71.98% |
| 03-506-50055 | Pension Expense-GASB 68 | \$ - | \$ - | \$ - | N/A |
| 03-506-51001 | R&M - Vehicles & Equipment | \$ - | \$ - | \$ - | #DIV/0! |
| 03-506-51120 | Safety Equipment & Supplies | \$ 10,489 | \$ - | \$ 1,420 | 13.54% |
| 03-506-51125 | Petroleum Products | \$ 36,518 | \$ 3,365 | \$ 12,507 | 34.25% |

| FY 2024-25 Sewer Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 03-506-51130 | Office Supplies & Expenses | \$ 10,362 | \$ 237 | \$ 3,166 | 30.55% |
| 03-506-51140 | General Supplies & Expenses | \$ 25,059 | \$ 591 | \$ 2,943 | 11.74% |
| 03-506-51199 | Disaster Repairs & Incidences | \$ - | \$ - | \$ - | N/A |
| 03-506-54002 | Dues & Subscriptions | \$ 32,204 | \$ 5,158 | \$ 25,117 | 77.99% |
| 03-506-54003 | Management & Admin Services | \$ 154,438 | \$ 12,870 | \$ 51,479 | 33.33% |
| 03-506-54005 | Computer Expenses | \$ 119,653 | \$ 4,786 | \$ 21,831 | 18.25% |
| 03-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 03-506-54012 | Education & Training | \$ 11,621 | \$ 759 | \$ 5,577 | 47.99% |
| 03-506-54014 | Public Relations | \$ 7,000 | \$ 1,250 | \$ 3,458 | 49.40% |
| 03-506-54016 | Travel Related Expenses | \$ 8,000 | \$ 1,013 | \$ 9,269 | 115.86% |
| 03-506-54017 | Certifications & Renewals | \$ 5,745 | \$ 279 | \$ 1,808 | 31.47% |
| 03-506-54019 | Licenses & Permits | \$ 94,300 | \$ - | \$ 17,213 | 18.25% |
| 03-506-54020 | Meeting Related Expenses | \$ 5,140 | \$ 87 | \$ 693 | 13.49% |
| 03-506-54022 | Utilities - YVWD Services | \$ 625,165 | \$ 62,239 | \$ 216,541 | 34.64% |
| 03-506-54024 | Waste Disposal | \$ 26,322 | \$ 1,781 | \$ 8,670 | 32.94% |
| 03-506-54025 | Telephone & Internet | \$ 61,983 | \$ 3,592 | \$ 16,609 | 26.80% |
| 03-506-54030 | Drinking Water | \$ - | \$ - | \$ - | N/A |
| 03-506-54104 | Contractural Services | \$ 282,375 | \$ 29,935 | \$ 76,812 | 27.20% |
| 03-506-54107 | Legal | \$ 33,122 | \$ - | \$ 5,887 | 17.77% |
| 03-506-54108 | Audit & Accounting | \$ 11,705 | \$ - | \$ 8,333 | 71.19% |
| 03-506-54109 | Professional Fees | \$ 220,816 | \$ 3,375 | \$ 115,900 | 52.49% |
| 03-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 03-506-56001 | Insurance | \$ 222,826 | \$ 24,105 | \$ 91,869 | 41.23% |
| 03-506-57030 | Regulatory Compliance | \$ 77,286 | \$ - | \$ 82,156 | 106.30% |
| | ADMINISTRATION TOTALS | \$ 3,502,108 | \$ 243,984 | \$ 1,572,462 | 44.90% |
| 03-507-50009 | Labor - Overtime | \$ 18,495 | \$ 1,299 | \$ 7,501 | 40.56% |
| 03-507-50010 | Labor | \$ 803,564 | \$ 59,001 | \$ 252,494 | 31.42% |
| 03-507-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 03-507-50013 | Benefits-FICA | \$ 82,321 | \$ 4,723 | \$ 20,352 | 24.72% |
| 03-507-50014 | Benefits-Life Insurance | \$ 3,952 | \$ 112 | \$ 478 | 12.10% |
| 03-507-50016 | Benefits-Health & Def Comp | \$ 220,133 | \$ 18,131 | \$ 73,542 | 33.41% |
| 03-507-50017 | Benefits-Disability Insurance | \$ 18,613 | \$ 888 | \$ 3,697 | 19.86% |
| 03-507-50019 | Benefits-Workers Compensatio | \$ 52,124 | \$ 2,403 | \$ 5,185 | 9.95% |
| 03-507-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,192) | N/A |
| 03-507-50022 | Benefit-PERS Employer | \$ 195,759 | \$ 5,166 | \$ 21,830 | 11.15% |
| 03-507-50023 | Benefits-Uniforms | \$ 6,335 | \$ 200 | \$ 969 | 15.29% |
| 03-507-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-507-50025 | Benefits-Boots & Incentives | \$ 8,488 | \$ 240 | \$ 2,595 | 30.57% |
| 03-507-51001 | R&M - Vehicles & Equipment | \$ 121,982 | \$ 8,456 | \$ 30,878 | 25.31% |
| 03-507-51003 | Sewer Pipeline & Facilities | \$ 311,606 | \$ 2,186 | \$ 57,124 | 18.33% |
| 03-507-51140 | General Supplies & Expenses | \$ 505 | \$ 42 | \$ 42 | N/A |
| 03-507-51241 | Lift Station #1 | \$ 100,500 | \$ 6,289 | \$ 41,553 | 41.35% |

| FY 2024-25 Sewer Expenses | | | | | |
|---------------------------|------------------------------------|----------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 03-507-51242 | Lift Station #2 | \$ 32,321 | \$ 2,262 | \$ 5,709 | 17.66% |
| 03-507-51243 | Lift Station #3 | \$ 8,200 | \$ 303 | \$ 841 | 10.26% |
| 03-507-51244 | Lift Station #4 | \$ 9,505 | \$ 4,059 | \$ 13,410 | 141.08% |
| 03-507-51246 | Lift Station #6 | \$ 27,000 | \$ 2,235 | \$ 6,390 | 23.67% |
| 03-507-51248 | Lift Station #8 | \$ 8,000 | \$ 379 | \$ 936 | 11.70% |
| 03-507-54012 | Education & Training | \$ 5,759 | \$ - | \$ - | 0.00% |
| 03-507-54025 | Telephone & Internet | \$ 2,700 | \$ 232 | \$ 1,088 | 40.30% |
| 03-507-54111 | Pretreatment | \$ 61,328 | \$ 2,237 | \$ 31,564 | 51.47% |
| | ENVIRONMENTAL CONTROL TOTAL | \$ 2,099,190 | \$ 120,843 | \$ 576,987 | 27.49% |
| 03-540-57202 | SRF Principal - WWTP | \$ - | \$ - | \$ - | N/A |
| 03-540-57203 | SRF Principal - Brineline | \$ - | \$ - | \$ - | N/A |
| 03-540-57204 | SRF Principal - Wise | \$ - | \$ - | \$ - | N/A |
| 03-540-57205 | SRF Principal - R 10.3 | \$ - | \$ - | \$ - | N/A |
| 03-540-57206 | SRF Principal - Crow St | \$ - | \$ - | \$ - | N/A |
| 03-540-57207 | 2022A Bond | \$ 610,000 | \$ - | \$ 610,000 | 100.00% |
| 03-540-57210 | SRF Principal - Calimesa 24" | \$ 85,990 | \$ - | \$ - | N/A |
| 03-540-57403 | Interest - Long Term Debt | \$ 1,056,015 | \$ - | \$ 522,875 | 49.51% |
| | 40 - Debt | \$ 1,752,005 | \$ - | \$ 1,132,875 | 64.66% |
| 03-540-57002 | Asset Acq. - Treatment Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57006 | Asset Acq. - Admin Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57007 | Asset Acq. - EC Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57807 | Infrastructure Replacement Fnd | \$ 815,406 | \$ - | \$ - | 0.00% |
| | 40 - Capital Outlay | \$ 815,406 | \$ - | \$ - | 0.00% |
| | TOTAL SEWER EXPENSES | \$ 14,447,541 | \$ 777,236 | \$ 4,792,781 | 33.17% |

| FY 2024-25 Recycled Expenses | | | | | |
|--------------------------------|-------------------------------|---------------------|-------------------|-------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '24 | Year to Date | % |
| 04-506-50009 | Labor - Overtime | \$ 10,130 | \$ 775 | \$ 3,925 | 38.74% |
| 04-506-50010 | Labor | \$ 924,287 | \$ 66,557 | \$ 273,923 | 29.64% |
| 04-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 04-506-50012 | Director Fees | \$ - | \$ - | \$ - | N/A |
| 04-506-50013 | Benefits-FICA | \$ 92,894 | \$ 5,095 | \$ 21,446 | 23.09% |
| 04-506-50014 | Benefits-Life Insurance | \$ 3,859 | \$ 101 | \$ 449 | 11.64% |
| 04-506-50016 | Benefits-Health & Def Comp | \$ 231,314 | \$ 18,744 | \$ 77,095 | 33.33% |
| 04-506-50017 | Benefits-Disability Insurance | \$ 21,006 | \$ 962 | \$ 4,057 | 19.31% |
| 04-506-50019 | Benefits-Workers Compensation | \$ 41,637 | \$ 1,922 | \$ 6,684 | 16.05% |
| 04-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,248) | N/A |
| 04-506-50022 | Benefits-PERS Employer | \$ 187,663 | \$ 5,937 | \$ 114,707 | 61.12% |
| 04-506-50023 | Benfits-Uniforms | \$ 4,190 | \$ 83 | \$ 447 | 10.66% |
| 04-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 04-506-50025 | Benefits-Boots & Incentives | \$ 10,218 | \$ 210 | \$ 2,475 | 24.22% |
| 04-506-51001 | R&M - Vehicles & Equipment | \$ 7,248 | \$ 43 | \$ 191 | 2.63% |
| 04-506-51003 | R&M - Structures | \$ 38,682 | \$ 82 | \$ 50,799 | 131.32% |
| 04-506-51011 | R&M - Valves | \$ 18,831 | \$ - | \$ 12 | 0.06% |
| 04-506-51012 | R&M - ClaVal | \$ 552 | \$ - | \$ - | 0.00% |
| 04-506-51020 | R&M - Pipelines | \$ 1,947 | \$ - | \$ 932 | 47.88% |
| 04-506-51021 | R&M - Service Lines | \$ 3,285 | \$ - | \$ 947 | 28.83% |
| 04-506-51022 | R&M - Fire Hydrants | \$ 2,208 | \$ 351 | \$ 452 | 20.45% |
| 04-506-51030 | R&M - Meters | \$ 35,000 | \$ - | \$ - | 0.00% |
| 04-506-51032 | R&M - Facility Improvements | \$ 109,000 | \$ - | \$ 1,723 | 1.58% |
| 04-506-51140 | General Supplies & Expenses | \$ 5,942 | \$ 32 | \$ 824 | 13.87% |
| 04-506-51210 | Utilities - Power Purchases | \$ 178,354 | \$ 7,131 | \$ 47,904 | 26.86% |
| 04-506-54002 | Dues & Subscriptions | \$ 4,083 | \$ 4,427 | \$ 4,666 | 114.28% |
| 04-506-54005 | Computer Expenses | \$ 15,451 | \$ 122 | \$ 5,078 | 32.87% |
| 04-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 04-506-54012 | Education & Training | \$ 3,864 | \$ 117 | \$ 1,175 | 30.41% |
| 04-506-54014 | Public Relations | \$ 1,566 | \$ 416 | \$ 416 | 26.56% |
| 04-506-54016 | Travel Related Expenses | \$ 354 | \$ 1,079 | \$ 2,689 | 759.68% |
| 04-506-54017 | Certifications & Renewals | \$ 3,100 | \$ 125 | \$ 125 | 4.03% |
| 04-506-54019 | Licenses & Permits | \$ 3,186 | \$ 5,468 | \$ 5,468 | 171.61% |
| 04-506-54020 | Meeting Related Expenses | \$ 398 | \$ - | \$ - | 0.00% |
| 04-506-54022 | Utilities - YVWD Services | \$ 18,848 | \$ 2,938 | \$ 18,188 | 96.50% |
| 04-506-54025 | Telephone & Internet | \$ 4,040 | \$ 214 | \$ 1,673 | 41.42% |
| 04-506-54104 | Contractual Services | \$ 32,982 | \$ 337 | \$ 5,477 | 16.61% |
| 04-506-54107 | Legal | \$ 2,788 | \$ - | \$ 2,291 | 82.16% |
| 04-506-54108 | Audit & Accounting | \$ 9,753 | \$ - | \$ 8,333 | 85.44% |
| 04-506-54109 | Professional Fees | \$ 33,122 | \$ 750 | \$ 9,726 | 29.36% |
| 04-506-54110 | Laboratory Services | \$ - | \$ - | \$ - | N/A |
| 04-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 04-5-06-56001 | Insurance | \$ 36,061 | \$ 3,912 | \$ 15,647 | 43.39% |
| 04-5-06-57030 | Regulatory Compliance | \$ 14,501 | \$ - | \$ 208 | 1.44% |
| 04-5-06-57040 | Environmental Compliance | \$ 552 | \$ - | \$ - | N/A |
| TOTAL RECYCLED EXPENSES | | \$ 2,112,896 | \$ 127,928 | \$ 688,904 | 32.60% |



Date: November 19, 2024 **Task:** N/A

Prepared By: Allison M. Edmisten, Chief Financial Officer

Subject: Consideration of Renewing the Cyber Liability Insurance for 2024-25

Recommendation: That the Board authorize the General Manager to execute contracts with Alliant Insurance Services for cyber liability insurance.

Cyber liability insurance covers financial losses that result from data breaches and other cyber events. A cyber event means any actual or suspected unauthorized system access, electronic attack or privacy breach, including denial of service attack, cyber terrorism, hacking attack, Trojan horse, phishing attack, man-in-the-middle attack, application-layer attack, compromised key attack, malware infection (including spyware or Ransomware) or computer virus. System failure means any sudden, unexpected, and continuous downtime of the computer systems which renders the District incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

The attached proposal includes first-party coverage which apply to losses sustained directly by the District, as in the District's computer system was lost, stolen, or compromised. There are numerous other coverage parts that are associated with a data breach, including notification costs associated with a data breach, incident response, legal and regulatory costs, and cyber extortion (ransom).

Although the cyber liability insurance market continues to experience increases due to the increase in cyber-crime and ransomware attacks, the proposal the District received is a decrease from the current year.

The District currently has cyber liability insurance coverage with Alliant Insurance Services with a \$3,000,000 limit and recommends staying with the policy coverage for the annual cost of \$20,924.09. This is a decrease of 10.8% from the prior year. The District was able to receive this renewal from our existing insurance provider.

Financial Consideration:

The premium for this insurance coverage has decreased by \$2,527.91. This cost will be divided amongst enterprise funds as provided below.

| Fund | % Allocation | G/L Account | Amount |
|----------------|--------------|--------------|--------------------|
| Water | 45% | 02-506-56001 | \$9,415.84 |
| Sewer | 45% | 03-506-56001 | \$9,415.84 |
| Recycled Water | 10% | 04-506-56001 | \$2,092.41 |
| Total | | | \$20,924.09 |



Cyber Liability Insurance Proposal

Presented by Seth Cole, ARM
Presented on November 8, 2024

Alliant Insurance Services, Inc.
560 Mission Street, 6th Floor
San Francisco, CA 94105
O 415 403 1400
F 415 874 4813
CA License No. 0C36861

www.alliant.com



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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more



Alliant Advantages

| | Alliant | Competition |
|--|---------|-------------|
| 90 years of leadership in meeting the insurance needs of businesses and public entities across the US. | ✓ | |
| National presence with best-in-class resources and expertise. | ✓ | |
| Privately owned and operated. | ✓ | |
| Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship. | ✓ | |
| A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health. | ✓ | |
| A diverse team of industry specialists who understand the unique needs of your business. | ✓ | |
| Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing | ✓ | |
| State-licensed support staff. | ✓ | |
| A full-service approach that includes risk management services to help identify hazards and present options. | ✓ | |
| Workers' compensation insurance claims management at no additional charge. | ✓ | |



Your Service Team

Seth Cole, ARM
Senior Vice President

scole@alliant.com

Phone: 415 403 1419

Thary Ou
Account Manager

tou@alliant.com

Phone: 415 403 1433



Named Insureds

Yucaipa Valley Water District

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.



Premium Summary

| Coverage | Expiring Premium* | | Renewal Premium* | |
|-----------------|-------------------|------------------|------------------|------------------|
| Cyber Liability | \$ | 23,452.00 | \$ | 20,924.09 |
| TOTAL | \$ | 23,452.00 | \$ | 20,924.09 |

*Includes TRIA premium, policy fees and surplus lines taxes/fees

Payment Terms

- Premium is due within 30 days of policy inception
- Agency Bill
- Payment Plan: Annual

Options

- None



Cyber Liability Coverage

| | |
|-----------------------------|--|
| Insurance Company | Palomar Excess and Surplus Insurance Company |
| A.M. Best Rating | A (Excellent), Financial Size Category: X (\$500 Million to Less than \$750 Million) as of July 30, 2024 |
| Standard & Poor's Rating | Not Rated |
| California Status | Non-Admitted |
| Policy/Coverage Term | December 31, 2024 to December 31, 2025 |
| Policy # | TBD |

Coverage Form Cowbell Cyber Risk Insurance Policy - Prime 250 - PRIME 250SL 001 10 20 – Claims Made and Reported

Retroactive Date Full Prior Acts except December 31, 2022 for Reputational Harm Expense

Revenue \$37,050,648.00

Limits \$ 3,000,000 Aggregate Limit

Liability Expense

- \$ 3,000,000 Liability Costs
- \$ 3,000,000 PCI Costs
- \$ 3,000,000 Regulatory Costs

First Party Expense

- \$ 3,000,000 Cowbell Breach Fund
- \$ 3,000,000 Data Restoration Costs
- \$ 3,000,000 Extortion Costs
- \$ 3,000,000 Business Impersonation Costs
- \$ 3,000,000 Reputational Harm Expense



Cyber Liability Coverage - Continued

Limit - Continued

First Party Loss

- \$ 3,000,000 Business Interruption Loss
- \$ 3,000,000 Contingent Business Interruption Loss
- \$ 3,000,000 System Failure
- \$ 3,000,000 Contingent System Failure
- \$ 250,000 Cyber Crime Loss
- \$ 3,000,000 Bricking Costs
- \$ 100,000 Criminal Reward Costs

Coverage Endorsements

- \$ 3,000,000 California Consumer Privacy Act
- \$ 3,000,000 General Data Protection Regulation
- \$ 3,000,000 Media Liability
- \$ 100,000 Cryptojacking
- \$ 2,000,000 Separate Cowbell Breach Fund Costs Endorsement

Defense Inside/Outside the Limit

Inside the Limit

Who has the Duty to Defend

Insurer

Deductible

- \$ 15,000 Except
- \$ 25,000 Cryptojacking
- None Reputational Harm Expense / Criminal Reward Costs

Waiting Period

12 Hours

Endorsement & Exclusions
(including but not limited to)

- Notice to Policyholders – OFAC
- Customer Notice of Privacy Policy & Producer Compensation Practices Disclosure
- Service of Process



Cyber Liability Coverage - Continued

Endorsement & Exclusions - Continued
(including but not limited to)

- California Consumer Privacy Act
- General Data Protection Regulation
- Media Liability
- Cryptojacking
- Blanket Additional Insured
- BIPA Exclusion Endorsement
- Amend Cooperation Clause – 80%
- War Exclusion Endorsement
- Amended Cyber Event Amendatory Endorsement
- Separate Cowbell Breach Fund Costs Endorsement
- Disclosure Pursuant to Terrorism Risk Insurance Act
- Cap on Losses from Certified Acts of Terrorism
- Trade or Economic Sanctions Exclusion Endorsement
- CB-Compliance
- California Surplus Lines Notice
- D-1: Important Notice

Total Cost Excluding TRIA

Not Applicable

Total Cost Including TRIA

| | | |
|-----------|------------------|---------------------------|
| \$ | 19,396.04 | Policy Premium |
| \$ | 193.96 | TRIA Premium |
| \$ | 350.00 | Underwriting Fees |
| \$ | 350.00 | Amwins Service Fee |
| \$ | 598.20 | CA Surplus Lines Tax (3%) |
| \$ | 35.89 | CA Stamping Fee (0.18%) |
| \$ | 20,924.09 | Total Cost |

Minimum Earned Premium

0%

Extended Reporting Period

- 1 Year at 75% of Annual Premium
- 2 Years at 125% of Annual Premium
- 3 Years at 150% of Annual Premium

Policy Auditable

Not Auditable



Cyber Liability Coverage - Continued

Quote Valid Until

December 31, 2024

Binding Conditions

- A written request to bind coverage
- Please provide the intended Policyholder's contact information

See Disclaimer Page for Important Notices and Acknowledgement



Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.



NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.



Other Disclosures / Disclaimers - Continued

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. *If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.*

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.



Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a "blanket" additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.



Flood Disclosure

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provide information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- "a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area"...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

Additional Information

- Flood Zones-
 - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
 - Increased limits over the maximum flood limit provided by NFIP

FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

Please indicate your selection:

- I would like to receive a flood quote
- I do NOT wish to purchased flood insurance

Signature: _____ Date: _____

Name Printed / Typed: _____

Company Name: _____



Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>



Request to Bind Coverage

Yucaipa Valley Water District

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

| Coverage Line | Bind Coverage for: |
|-----------------|--------------------------|
| Cyber Liability | <input type="checkbox"/> |

**Did you know that Alliant works with premium financing companies?
Are you interested in financing your annual premium?**

| | |
|--|--|
| Yes, please provide us with a financing quote. <input type="checkbox"/> | No, we do not wish to finance our premium. <input type="checkbox"/> |
|--|--|

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

| | |
|--|------|
| Signature of Authorized Insured Representative | Date |
|--|------|

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*



Date: November 19, 2024

Task: 130044

Prepared By: Tim Mackamul, Operations Manager

Subject: Ratification of Water Quality Testing at A & R Laboratories

Recommendation: That the Board ratify the cost for water quality testing performed by A & R Laboratories for a sum not to exceed \$17,055.

The Wochholz Regional Water Recycling Facility (WRWRF) utilizes six Pall Microfiltration (MF) Membrane racks to filter suspended solids and microorganisms from secondary effluent water. Each rack is closely monitored by staff for integrity issues and signs of fouling. Fouling occurs when contaminants, or foulants, collect on the surface or in the pores of the membrane. Once fouling occurs, staff performs a clean-in-place (CIP) procedure to remove the foulants.

After an effective CIP, District staff anticipates observing improvements in filter performance data. Based on the results of recent cleanings, District staff believes there are inorganic foulants remaining and that there is an opportunity to explore more advanced cleaning chemical solutions to target inorganics. The contaminants causing the fouling should be analyzed by a laboratory in order to choose a cleaning chemical that is effective in removing the contaminants.

On September 17, 2024, a CIP was conducted on microfiltration rack 6. It

was during this event that samples were collected from key streams used in the cleaning process. These samples were sent to A & R Laboratories and analyzed for a comprehensive set of water quality parameters (see table below). The objective of this analysis was to isolate the sources and identify the types of inorganic foulants. Based on the results of the sample data, staff will decide on how comprehensive future laboratory analysis needs to be. Staff anticipates a significant decrease in the number of samples needed and much less analysis in the future, which



will translate into much less future costs incurred. This effort will significantly contribute to our goal of optimizing the CIP process and chemical cleaning solution recipe which is essential to extend the lifespan of the membranes.

| Key Parameters | Examples of Analytes | Assessment |
|--------------------------|--|--|
| Major Ions and Metals | Calcium, Magnesium, Iron, Aluminum | To assess potential scaling contributors |
| Chemical Properties | pH, Alkalinity, TDS, Oxidation Reduction Potential | To assess the effectiveness of the low pH CIP cycle and calculate scaling parameters |
| Organic Content | Dissolved Organic Carbon, Total Organic Carbon | To assess the effectiveness of the caustic CIP |
| Physical Characteristics | Turbidity, Color, Silt Density Index | To physically assess cleaning solutions during CIP process |

The District regularly uses Clinical Laboratory of San Bernardino, Inc. for most analytical services. An annual budget is set in place with this laboratory for these services. Because of the chemical properties of the cleaning solutions, Clinical Lab was unable to perform the requested analysis. District staff made an effort, prior to the much-needed CIP on MF rack 6, to locate a laboratory that has the appropriate analytical equipment for this sampling opportunity. A & R Laboratories, Inc. was the only lab to respond to staff to inform them that this analysis could be performed in time. Since this CIP event was such a great opportunity for this analysis, staff decided to move forward with the sampling process prior to following through with the standard purchase requisition process.

Financial Impact

This expense will be funded by the Sewer Fund, R&M Structures [G/L Account # 03-502-51003] and will be absorbed within the 2024-25 adopted budget.

1787



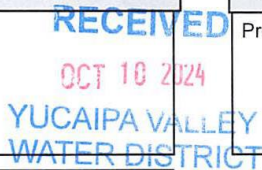

A & R Laboratories, Inc.

1650 S. GROVE AVE., SUITE C
 ONTARIO, CA 91761
 909-781-6335
 www.arlaboratories.com office@arlaboratories.com

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INVOICE
No. 2867

CHEMISTRY · MICROBIOLOGY · FOOD SAFETY · MOBILE LABORATORIES
 FOOD · COSMETICS · WATER · SOIL · SOIL VAPOR · WASTES

| CUSTOMER | SUBJECT |
|--|---|
| YUCAIPA VALLEY WTR DISTRICT AP - ASHLEY GIBSON 880 W. COUNTY LINE RD. YUCAIPA, CA 92399 | Project: MF RACK 6   |

Date Sampled: 09/17/24, Date Received: 09/18/24

| WORK ORDER NO. | TERMS | CUSTOMER ACCOUNT NO. | DATE | PURCHASE ORDER NO. |
|----------------|-------------|----------------------|----------|--------------------|
| 2409-00162 | NET 30 DAYS | Y002 | 10/11/24 | |

| ITEM | METHOD | COST | QUANTITY | EXT. COST |
|--------------------------------|--------------------------|---------|----------|-----------|
| SERWM Fee/Sample | --- | \$6.00 | 9.0 | \$54.00 |
| % Difference | SM 1030E | \$20.00 | 9 | \$180.00 |
| Aluminum | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Alkalinity, Total as CaCO3 | SM 2320 B-2011 | \$26.50 | 9 | \$238.50 |
| Alkalinity, Bicarbonate (Diss) | SM 2320 B-2011 | \$26.50 | 9 | \$238.50 |
| Alkalinity, Carbonate (Diss) | SM 2320 B-2011 | \$26.50 | 9 | \$238.50 |
| Alkalinity, Hydroxide (Diss) | SM 2320 B-2011 | \$26.50 | 9 | \$238.50 |
| Anions, Total | SM 1030E | \$20.00 | 9 | \$180.00 |
| Arsenic | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Barium | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Boron | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Bromide | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 9 | \$270.00 |
| Calcium | EPA 200.7 (1994 Rev.4.4) | \$20.00 | 9 | \$180.00 |
| Cations, Total | SM 1030E | \$20.00 | 9 | \$180.00 |
| Chloride | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 9 | \$270.00 |



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No. 2867

CHEMISTRY · MICROBIOLOGY · FOOD SAFETY · MOBILE LABORATORIES
 FOOD · COSMETICS · WATER · SOIL · SOIL VAPOR · WASTES

| CUSTOMER |
|--|
| YUCAIPA VALLEY WTR DISTRICT AP - ASHLEY GIBSON 880 W. COUNTY LINE RD. YUCAIPA, CA 92399 |

| SUBJECT |
|--------------------|
| Project: MF RACK 6 |

Date Sampled: 09/17/24, Date Received: 09/18/24

| WORK ORDER NO. | TERMS | CUSTOMER ACCOUNT NO. | DATE | PURCHASE ORDER NO. |
|----------------|-------------|----------------------|----------|--------------------|
| 2409-00162 | NET 30 DAYS | Y002 | 10/11/24 | |

| ITEM | METHOD | COST | QUANTITY | EXT. COST |
|-------------------------------|--------------------------|---------|----------|-----------|
| Carbon Dioxide, Dissolved | RSK 175 | \$95.00 | 9 | \$855.00 |
| Cobalt, Dissolved | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Color, Apparent | SM 2120BM | \$25.00 | 9 | \$225.00 |
| Specific Conductance @25C | EPA 120.1 (1982 Rev.1.0) | \$35.00 | 9 | \$315.00 |
| Copper | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Dissolved Organic Carbon | SM 5310BM | \$65.00 | 9 | \$585.00 |
| Iron, (Total & Dissolved) | EPA 200.7 (1994 REV.4.4) | \$20.00 | 18 | \$360.00 |
| Filtered Prior to Prep. | -- | \$20.00 | 9.0 | \$180.00 |
| Fluoride | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 9 | \$270.00 |
| Chlorine, Free Residual | SM 4500-CL, G | \$30.00 | 9 | \$270.00 |
| Hardness (Calculation) | SM 2340 B-2011 | \$45.00 | 9 | \$405.00 |
| Potassium | EPA 200.7 (1994 Rev.4.4) | \$20.00 | 9 | \$180.00 |
| Langlier's Saturation index | SM 2330B | \$20.00 | 9 | \$180.00 |
| Magnesium | EPA 200.7 | \$20.00 | 9 | \$180.00 |
| Manganese (Total & Dissolved) | EPA 200.7 (1994 REV.4.4) | \$20.00 | 18 | \$360.00 |



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|----------------|-------------|----------------------|----------|--------------------|
| 2409-00162 | NET 30 DAYS | Y002 | 10/11/24 | |

| ITEM | METHOD | COST | QUANTITY | EXT. COST |
|--|---------------------------|---------|----------|------------|
| Sodium | EPA 200.7 (1994 Rev. 4.4) | \$20.00 | 9 | \$180.00 |
| Nitrogen, Ammonia | SM 4500-NH3 C-2011 | \$65.00 | 9 | \$585.00 |
| Nitrogen, Ammonia Dissolved | SM 4500NH3 B, C | \$65.00 | 9 | \$1,170.00 |
| Nitrite, N (Total & Dissolved) | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 18 | \$540.00 |
| Nitrate, N (Total & Dissolved) | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 18 | \$540.00 |
| ORP | RE 300 | \$45.00 | 9 | \$405.00 |
| PH @25C | SM 4500-H+B-2011 | \$20.00 | 9 | \$180.00 |
| Phosphate , Ortho (as P) | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 9 | \$270.00 |
| Metals Acid Digestion | EPA 3010A | \$20.00 | 18 | \$360.00 |
| Sulfur | EPA 6010B | \$45.00 | 9 | \$405.00 |
| Silica, (Reactive Diss. & Un-Reactive) | EPA 6010B | \$65.00 | 18 | \$1,170.00 |
| Sulfate (as S04) | EPA 300.0 (1993 Rev.2.1) | \$30.00 | 9 | \$270.00 |
| Strontium | EPA 200.8 | \$47.00 | 9 | \$423.00 |
| Sulfide, Total | SM 4500-S D-2011 | \$65.00 | 9 | \$585.00 |
| Solids, Total Dissolved | SM 2540 C-2011 | \$33.00 | 9 | \$297.00 |



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| 2409-00162 | NET 30 DAYS | Y002 | 10/11/24 | |

| ITEM | METHOD | COST | QUANTITY | EXT. COST |
|--------------------------|---------------------------|---------|----------|-----------|
| Total Organic Carbon | SM 5310B | \$65.00 | 9 | \$585.00 |
| Chlorine, Total Residual | SM 4500-Cl, G-2011 | \$30.00 | 9 | \$270.00 |
| Solids, Total Suspended | SM 2540, D-2011 | \$33.00 | 9 | \$297.00 |
| Turbidity | EPA 180.1 (1993 Rev. 2.0) | \$35.00 | 9 | \$315.00 |
| UV 254 Transmittance | SM 5910B | \$65.00 | 9 | \$585.00 |
| Zinc | EPA 200.7 (1994 REV.4.4) | \$20.00 | 9 | \$180.00 |
| Heterotrophic Bacteria | SM 9215 B | \$35.00 | 9 | \$315.00 |

Please include your customer account number and the invoice number with all remittances.
Thank You.

Total Amount \$17,055.00
Prepaid Amount \$0.00
Amount Due **\$17,055.00**



Date: November 19, 2024

Task: 95212

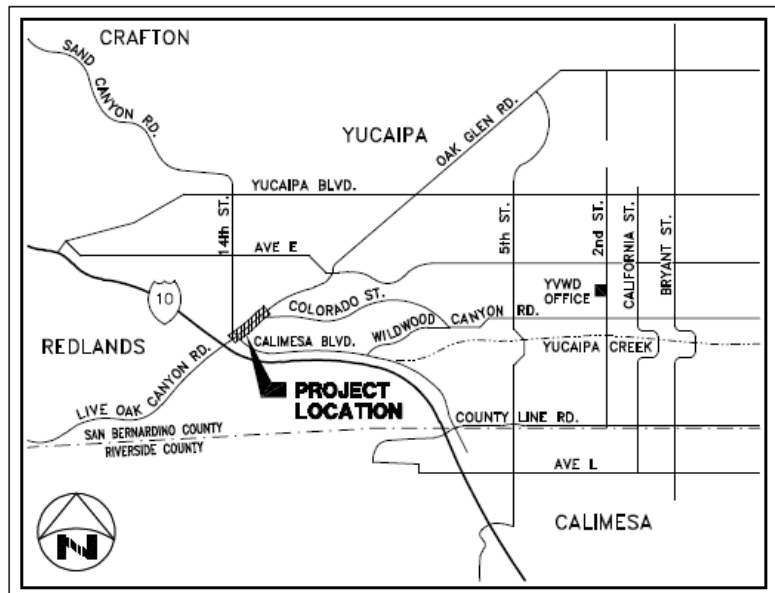
Prepared By: Matthew Porras, Director of Engineering

Subject: Award of a Construction Contract for Oak Glen Road 15-inch Gravity Sewer Pipeline Project, Yucaipa

Recommendation: That the Board: (1) authorize the General Manager to award a construction contract for the construction of the Oak Glen Road 15-inch Gravity Sewer Pipeline Project to Borden Excavating, Inc., for a sum not to exceed \$1,210,000; and (2) adopt Resolution No. 2024-53 transferring reserve funds for the cost of the contract.

The Oak Glen Road 15-inch Gravity Sewer Pipeline Project ("Project") is located within Oak Glen Road between 14th Street and Colorado Street, in the City of Yucaipa.

The Project will include the construction of a 15-inch Vitrified Clay Pipe ("VCP") gravity sewer pipeline and associated appurtenances. The gravity sewer pipeline will be approximately 1,900 linear feet in length and will include the necessary manholes and stub-outs for future connections. Following the installation of the pipeline, the contractor will be performing the necessary pavement restoration as a part of the Project.



Upon completion of the Project, existing and future customers along this route will have the opportunity to connect to the available sewer pipeline, which is an important step towards improving water quality in areas that have been historically sewerred by on-site septic systems. The timing of the Project has been coordinated with the developer of upcoming commercial development at the intersection of Colorado and Oak Glen Road in accordance with Development Agreement No. 2023-03

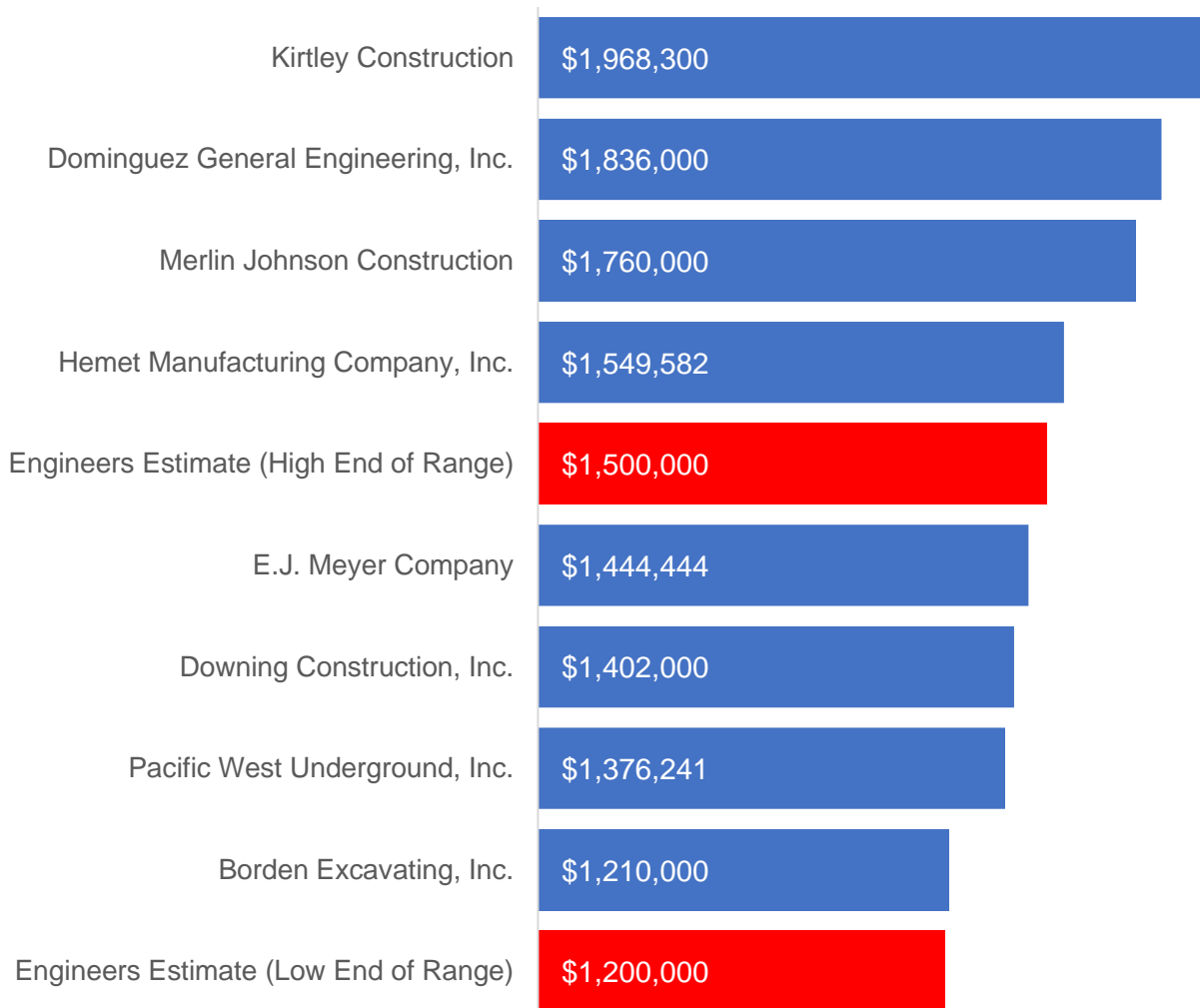
On September 3, 2024, the Board of Directors authorized the General Manager to solicit bids for the Project [Director Memorandum 24-138]. The bid period was open from September 24, 2024, to October 23, 2024 and eight bids were received. The bids are summarized in the table below and in the attached letter from Krieger & Stewart Engineering Consultants.

District staff recommends awarding the Project to Borden Excavating, Inc., as the lowest responsible bidder for a sum not to exceed \$1,210,000.

Financial Impact

This contract will be funded by the Sewer Fund, Facility Capacity Charge Sewer Interceptors [G/L Account #03-000-10415].

Oak Glen Road Gravity Sewer Project- Bid Results



RESOLUTION NO. 2024-53

**RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT
TRANSFERRING FUNDS WITHIN THE SEWER FUND AS
TRANSFER 13 FOR FISCAL YEAR 2025**

WHEREAS, the Yucaipa Valley Water District recognizes the importance of funding projects and programs within the District with funds set aside for this purpose, and

WHEREAS, the Board of Directors has authorized the award of a contract for the Oak Glen Road 15-inch Gravity Sewer Pipeline Project to Borden Engineering, Inc. [Director Memorandum No. 24-170] and authorized the use of reserve funds for this expenditure.

NOW, THEREFORE, the Board of Directors of the Yucaipa Valley Water District hereby RESOLVE, DETERMINE, and ORDER as follows:

Section 1: Fund Transfer No. 13 in the amount of \$1,210,000 from the Sewer Fund Facility Capacity Fee Sewer Interceptors Account (03-000-10415) to fund the contract with Borden Engineering, Inc. for the Oak Glen Road Sewer Pipeline.

PASSED, APPROVED and ADOPTED this 19th day of November 2024.

YUCAIPA VALLEY WATER DISTRICT

Joyce McIntire, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager



October 29, 2024

818-142.5

Matthew Porras, Director of Engineering
 Yucaipa Valley Water District
 12770 Second Street
 Yucaipa, CA 92399

Subject: Oak Glen Road Sewer from Colorado Street to 14th Street
 Bid Results and Award Recommendation

Dear Mr. Porras:

On October 23, 2024, the Yucaipa Valley Water District (District) received eight bids for subject project; the results and engineer's estimate are as follows:

| <u>Contractor</u> | <u>Total Bid Amount</u> |
|--|-------------------------|
| Borden Excavating, Inc. | \$1,210,000.00 |
| Pacific West Underground, Inc. | \$1,376,241.00 |
| Downing Construction, Inc. | \$1,402,000.00 |
| E.J. Meyer Company | \$1,444,444.00 |
| Hemet Manufacturing Company, Inc. dba Genesis Construction | \$1,549,582.00 |
| Merlin Johnson Construction | \$1,760,000.00 |
| Dominguez General Engineering, Inc. | \$1,836,000.00 |
| Kirtley Construction, dba TK Construction | \$1,968,300.00 |

The Engineer's Estimate was \$1,200,000 to \$1,500,000.

The low bidder is Borden Excavating, Inc. in the amount of \$1,210,000.00. Borden Excavating, Inc.'s bid documents were complete and met the requirements of the Contract Documents.

Since the Oak Glen Road Sewer from Colorado Street to 14th Street is necessary to connect to the new development in Oak Glen Road, and since Borden Excavating, Inc. is an experienced, capable contractor with a current Class A Contractor's License (No. 741879), we recommend award of subject work to Borden Excavating, Inc. in the amount of \$1,210,000.00.

If you have any questions, please call.

Sincerely,

KRIEGER & STEWART, INCORPORATED

Sinisa Saric

SS/lge
 818-142-RECAWARD

KRIEGER & STEWART, INCORPORATED
 Mailing Address: 3890 Orange Street #1509, Riverside, CA 92502
 Office Address: 3602 University Avenue, Riverside, CA 92501
 Tel: (951) 684-6900 • Fax: (951) 684-6986 • www.kriegerandstewart.com



Date: November 19, 2024

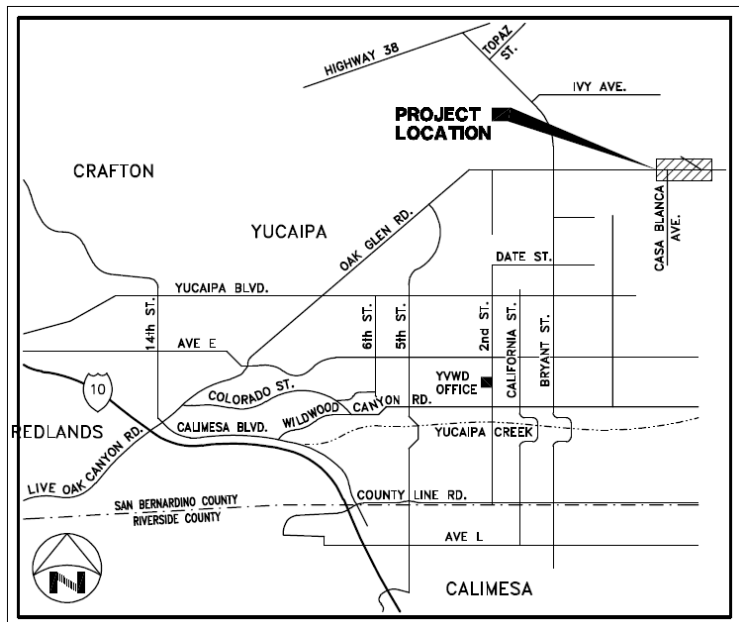
Task: 87173

Prepared By: Matthew Porras, Director of Engineering

Subject: Status Update of the R-16.2 Reservoir and Booster Pumping Project and Consideration of No-Cost Contract Change Order No. 1, Yucaipa

Recommendation: That the Board ratify Contract Change Order No. 1.

The District owns and operates the drinking water storage facility [Asset ID: PW-R-13016.2] that was initially put into service in the early 1980's. The R-16.2 drinking water storage facility currently consists of a bolted steel tank measuring 38 feet in diameter and 24 feet in height with a storage capacity of 200,000 gallons with the necessary site piping to accommodate the distribution of water to and from the adjacent 15 and 17 pressure zones. The existing tank site does not have an electrical service or a permanent booster station. The goal of this project is to replace the existing tank, install a permanent booster station, and prepare the site for the future construction of a second drinking water reservoir and recycled water reservoir.



The project is located off Oak Glen Road, east of Casa Blanca Avenue in the city of Yucaipa. The proposed project includes a 65-foot diameter, 600,000-gallon drinking water tank, an electrical service and booster station, a back-up generator, upgraded site piping, site fencing, SCADA communication equipment, various valves, fittings, and appurtenances to operate and maintain the site ("Project") all within the District's existing property. The existing tank is positioned on the west side of the District's property and will remain in service, if possible, during the construction of the new tank and booster site and will be removed once the new reservoir is online. Temporary storage tanks may be required for the Project as the existing tank is failing. In order to make the new site function with the existing distribution system, an off-site pipeline was installed in Oak Glen Road in September 2024 through a separate construction contract.

On March 10, 2020, District staff presented the Project to the Board of Directors as a priority replacement infrastructure project due to its age and condition [Director Memorandum 20-064].

On March 26, 2020, the Board authorized the design of the Project [Director Memorandum 20-084].

On August 25, 2020, the Board of Directors authorized the Board President to execute Development Agreement 2020-04 [Director Memorandum 2020-125] that coordinates the details of the necessary easement with the property owner to the south of the Project.

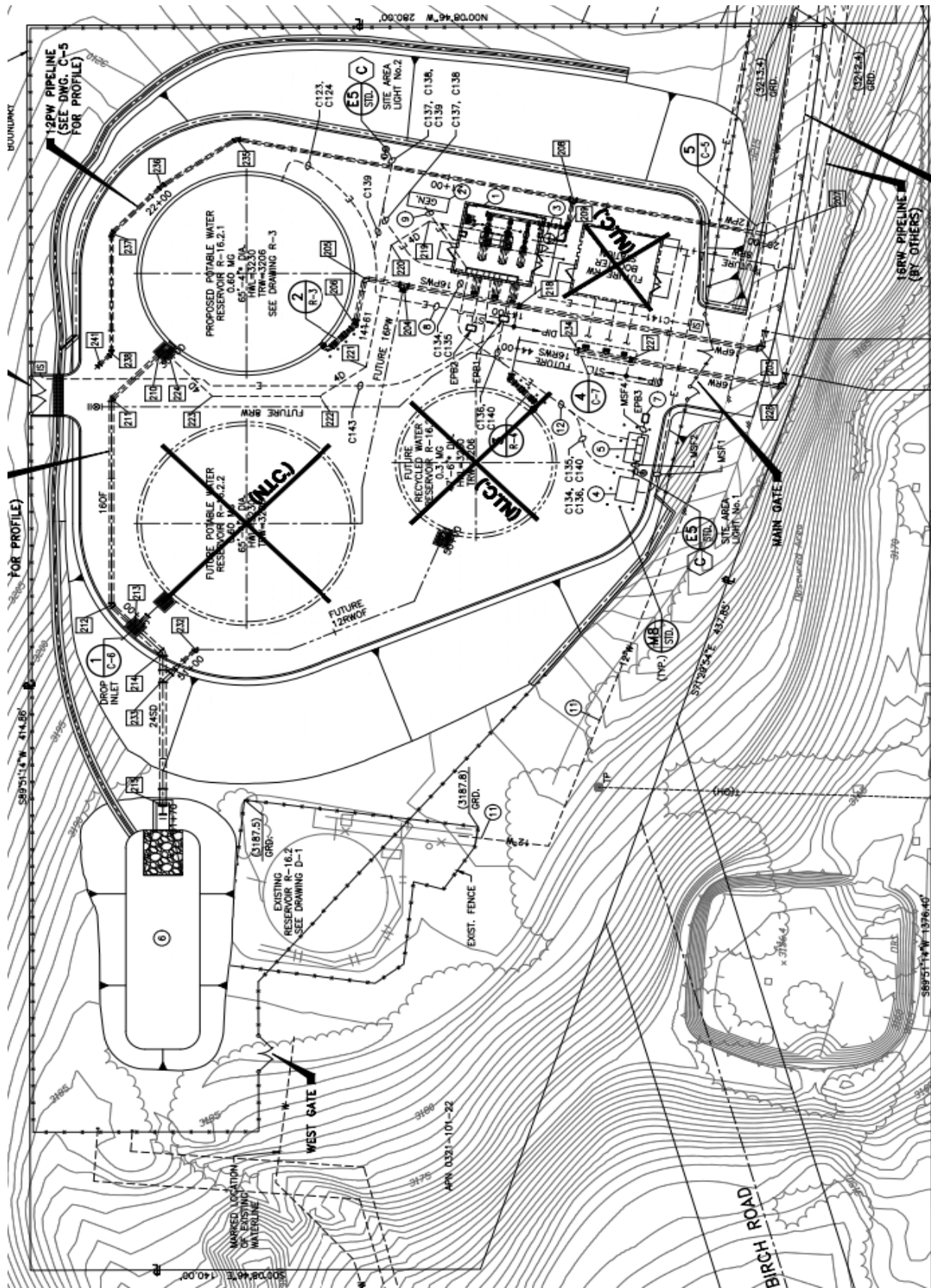
On March 21, 2023, the Board of Directors adopted Resolution No. 2023-22, certifying the Final Mitigated Negative Declaration [Director Memorandum 23-048] for the R-16.2 Reservoir and Booster Pumping Project.

On April 16, 2024, the Board of Directors authorized the General Manager to solicit bids for the Project. The bid period was opened May 29, 2024, and closed July 3, 2024 [Director Memorandum 24-068].

On July 16, 2024, the Board of Directors awarded the construction contract to R.I.C. Construction Co., Inc. (R.I.C.) for a sum not to exceed \$5,018,656 [Director Memorandum No. 24-112].

R.I.C. has been working diligently on the site grading and preparing the various foundations for the site. The Contractor has also made progress on the electrical service line in coordination with Southern California Edison.

The attached Contract Change Order No. 1 is a no-cost adjustment to the contract but does add seven days to the overall contract duration. The new contract duration is 547 consecutive calendar days and is planned to be completed January 14, 2026. The initiation of the contract change order was in order to adjust the connection point locations of the site piping to align with the recently installed off-site pipelines.



C.O. NO. 1
PAGE 1 OF 2

CONTRACT CHANGE ORDER NO. 1

K&S W.O. 818-133.7.1 F/C

CONTRACT: R-16.2 RESERVOIR AND BOOSTER PUMPING STATION, DATED JULY 16, 2024

BY AND BETWEEN: YUCAIPA VALLEY WATER DISTRICT (OWNER),

AND: R.I.C. CONSTRUCTION CO., INC. (CONTRACTOR),

IS HEREBY DIRECTED TO MAKE THE FOLLOWING CHANGE IN CONTRACT WORK:

| ITEM NO. | DESCRIPTION OF CHANGE | DECREASE \$ | INCREASE \$ |
|----------|---|-------------|-------------|
| 1 | <p>Owner-initiated change to modify pipeline connection points and extend the recycled water pipeline onsite. Changes include revised connection point to the 16PW pipeline, extension of the 16RW pipeline, and addition of a ductile iron tee, blind flange, and thrust block on the 12PW pipeline.</p> <p>The \$29,156.00 cost associated with this change will be deducted from Bid Item 143, Owner Directed Field Orders. Seven (7) additional calendar days will be added to the Contract duration associated with the changes described above.</p> <p>Reference R.I.C. Construction Co., Inc.'s Change Order Proposal No. 1, dated October 11, 2024.</p> | | |

| | |
|---|-----------------------|
| Total DECREASE in Contract Amount: | <u>\$0.00</u> |
| Total INCREASE in Contract Amount: | <u>\$0.00</u> |
| Net Change in Contract Amount: | <u>\$0.00</u> |
| Contract Amount Prior to Change: | <u>\$5,018,656.00</u> |
| Contract Amount Adjusted for Change: | <u>\$5,018,656.00</u> |

CONTRACT CHANGE ORDER NO. 1

PAGE 2 OF 2

By reason of Change Order No. 1, time of completion shall be adjusted as follows:

7 Working Days. Adjusted Contract Completion Date shall be JANUARY 14, 2026.

All provisions of the Contract shall apply hereto, and shall become effective when fully executed (signed and dated) by both parties.

Recommended by (Engineer) John P. MacPeak Date: 10/25/2024

Accepted by (Contractor) Donald Mangold Date: 10/29/2024

Approved by (Owner) cfl Date: 10.29.24

Remarks _____









Date: November 19, 2024

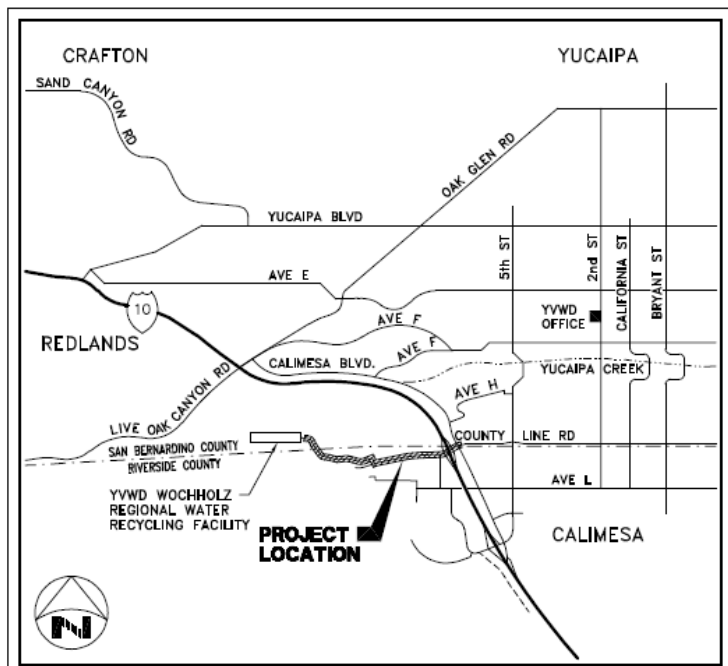
Task: 117002/95935

Prepared By: Matthew Porras, Director of Engineering

Subject: Status Update for the Calimesa Gravity Sewer and Waterline Project, Calimesa

Recommendation: Staff presentation, no action required.

The District owns and operates sewer and water infrastructure in its service area to provide service to its customers. As demands increase on the existing sewer and water infrastructure, upgrades are planned and constructed. This project consists of two separate segments of pipeline; a 21-inch and 24-inch gravity sewer main line that will connect at Calimesa Boulevard and convey sewer flows to the Wochholz Regional Water Recycling Facility (WRWF) and a 16-inch drinking water pipeline that will connect at the terminus of West County Line Road and supply the WRWF with drinking water and improved fire flow (Project).



The new 16-inch Ductile Iron Pipe (DIP) drinking water pipeline will replace the existing 6-inch Polyvinyl Chloride (PVC) pipeline that currently is undersized and at the end of its useful life. The pipeline replacement is located in the WRWF access road and is approximately 4,000 linear feet in length, including two pressure reducing stations, fire hydrants and isolation valves. Both segments of pipeline within the WRWF access road will be using the existing alignments of the existing water and sewer pipelines, thus high lines will be installed during the construction of these segments to keep service to the WRWF uninterrupted.

The new 21-inch gravity sewer will consist of two main material types: Vitrified Clay Pipe (VCP) and High-Density Polyethylene (HDPE). The approximately 3,000 linear foot, 21-inch VCP segment will connect at the intersection of Calimesa Boulevard and County Line Road and change to HDPE at the terminus of West County Line Road. The HDPE segment will be 24-inch, approximately 5,200 linear feet long and located in the WRWF access road connecting the VCP segment to the WRWF plant headworks. The gravity sewer portion of the Project will include forty-two 60-inch manholes, three 48-inch manholes, various connection points and short segments of 15-inch and 18-inch VCP, and the required pavement repairs. The gravity sewer

alignment does cross under Cal-Trans right-of-way, therefore a Cal-Trans permit has been secured for this segment of work.

On March 19, 2024, the Board of Directors authorized District staff to solicit bids for the Project [Director Memorandum 24-051].

On May 21, 2024, the Board of Directors awarded the construction contract for the Calimesa Gravity Sewer and Waterline Project to Weka, Inc. for a sum not to exceed \$7,514,717 [Director Memorandum 24-088].

In September 2024, the contractor (Weka, Inc.) mobilized to the project site, set up their equipment yard, and prepared the starting location of the sewer alignment for the 24-inch HDPE installation. The gravity sewer high-line was installed, bypassing the sewer flows around the legacy 8-inch VCP pipe to allow for the installation of the 24-inch HDPE sewer line.

In October 2024, the Contractor began to install the 24-inch HDPE sewer line within the plant access road, working from the WRWRF [Station No. 9+97-88] toward County Line Road. The Contractor installed approximately 2,300 linear-feet of the 5,200 linear-feet HDPE segment of the Project.

The Contractor continues working within the plant access road from Station No. 33+86.25 toward County Line Road.

District staff continues to coordinate this project along with the various nearby projects that are within the project area with the City of Yucaipa, City of Calimesa, and South Mesa Water Company.

Financial Impact

The cost of this project is funded by the WIFIA loan.









Date: November 19, 2024 **Task:** 105317

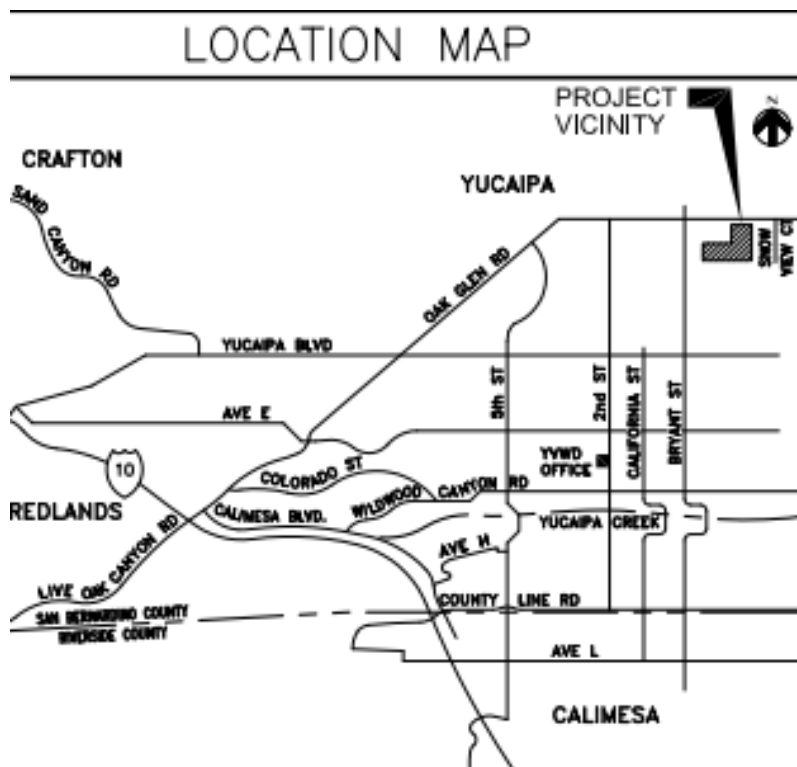
Prepared By: Mia Preciado, Senior Engineering Technician

Subject: Project Status Update of the Salinity/Concentrate Reduction and Minimization Project

Recommendation: Staff presentation, no action required.

The Yucaipa Valley Water District is in the process of completing construction of the Salinity Concentration Reduction and Minimization (SCRAM) Project located at the Yucaipa Valley Regional Water Filtration Facility. Currently, the drinking water filtration facility is designed for an ultimate capacity of 36 million gallons per day (mgd) using the latest membrane barrier technology for the removal of macro, micro and molecular constituents that are commonly found in surface water streams and lakes.

The project was awarded to Borden Excavating on May 21, 2024 [Director Memorandum 24-087]. Soon after, Borden began the process of material procurement and is working with Separation Processes, Inc. to finalize material submittal approvals and site preparations for construction. At this time, Borden is still working through material procurement and plans to begin pouring concrete by the end of the month. Equipment delivery for the microfiltration, nanofiltration, and dissolved air filtration units are planned for the end of the year.





Date: November 19, 2024 **Task:** 123137

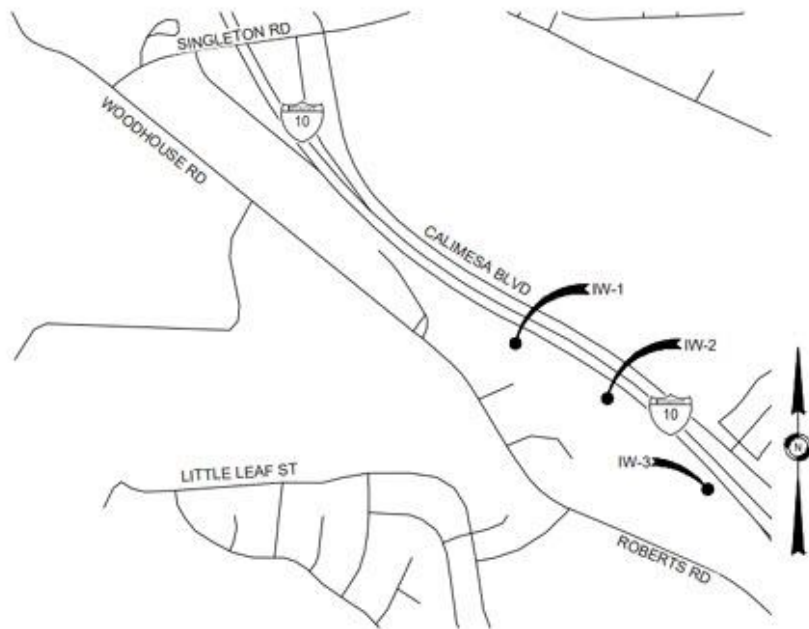
Prepared By: Mia Preciado, Senior Engineering Technician

Subject: Authorize a Contract for Advisor Services from Woodard & Curran for the Aquifer Storage and Recovery Project, Phase 1

Recommendation: That the Board authorize the General Manager to execute a contract with Woodard & Curran for professional services on the Aquifer Storage & Recovery Project for a sum not to exceed \$99,725.

The Yucaipa Valley Water District is in the process of bidding phase 1 of the Aquifer Storage and Recovery Project ("Project") which includes drilling, developing, and testing three recycled water injection points on District property in the City of Calimesa. The Project is located adjacent to the Interstate 10 Freeway and Roberts Road, southeast of the Singleton Road overpass.

Geoscience Support Services Inc. will continue to play a vital role in assisting the District with the design and planning of the injection wells throughout the duration of the project. In addition to their effort, District staff is pursuing advisor services from Woodard & Curran to ensure full compliance with the terms set forth with the Water Infrastructure Finance and Innovation Act (WIFIA) timeline and funding for this project. The contract with Woodard & Curran would include technical support during drilling, well construction and development, post construction well testing and permitting, and start up for equipping the wells.



WELL SITE LOCATION MAP OF INJECTION WELLS 1, 2, & 3
NOT TO SCALE

Financial Impact

The cost of this contract will be funded by the WIFIA loan, project Y01.

9665 Chesapeake Drive
Suite 320
San Diego, California 92123
www.woodardcurran.com

T 800.426.4262
T 858.875.7400

October 23, 2024



Matt Porras
Director of Engineering
Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399
Mporras@yvwd.us

Re: Owner's Advisor Services for Aquifer Storage and Recovery Project, Phase 1

Dear Mr. Porras:

Woodard & Curran is pleased to submit this proposal to Yucaipa Valley Water District for technical support and owner's advisor services during Phase 1 of the ASR Project, which will include the construction of three injection wells in the adjudicated Beaumont Basin. With over 150 Water Resources Professionals and over 60 Groundwater Experts, we have the breadth and depth of expertise to fully support your project and build on our excellent working relationship with Yucaipa Valley Water District.

Our Sr. Technical Leader Leslie Dumas, PE has over 35 years of experience in surface water and groundwater hydrology and water resources planning. With her extensive background, she has the foresight to anticipate potential challenges. Leslie will serve as your primary Technical Advisor, and will be supported by Jason House, who has over 25 years of experience in hydrogeology and focuses on geophysics and geochemistry. Melissa Matlock, who is local to Yucaipa, will serve as Project Manager.

SCOPE OF SERVICES

Woodard & Curran will perform the following Scope of Services as part of this project.

Task 1: Project Management / Communication

Woodard & Curran will complete monthly project tracking and invoicing. To ensure progress on the project, Woodard & Curran will participate in weekly to bi-weekly check-in calls with YVWD staff and Geoscience as necessary for coordinating oversight and work product reviews.

Task 2: Pre-Construction Support

During the pre-construction phase of the project, Woodard & Curran will coordinate with YVWD and their well consultant and contractors in permitting and preparing for well construction. During this phase, Woodard & Curran will consult with YVWD and their project team as needed on issues that may include, but are not limited to, underground or above-ground utility clearance, permitting for disposal of wastes such as purges waters, and planning for monitoring during well constructing and testing. For the purposes of budgeting, it is assumed that Woodard & Curran will meet YVWD and their project team bi-weekly.

Task 2.1: Pre-mobilization coordination

- Final siting – consider operations/backflush
- Site clearance



- Water source
- Waste containment/disposal
- Monitoring

Task 2.2: Permitting coordination

Woodard & Curran has an experienced team that can support YVWD with the necessary permit applications.

Task 3: Construction Support

During borehole construction, Woodard & Curran will work closely with YVWD and the primary contractor by providing technical support. Woodard & Curran will review borehole soil descriptions and other logging results from initial drilling. These observations will be combined with the results of downhole geophysics performed in the borehole and will be the basis for the primary contractor to select zones for isolation testing. Woodard & Curran will review those results and the criteria for isolation zone testing and provide feedback to YVWD and their contractor. Once isolation zone testing is completed, those test results will be reviewed within the context of final well design. We will review the final design and selected materials of construction and provide input as needed to enhance well integrity, capacity, and well life cycle. During well installation, we will meet periodically to review milestones such as gravel envelope and seal placement, plumbness and alignment survey results, well development, and disinfection.

Task 3.1: Boring construction

- Logging
- Downhole geophysics
- Isolated zone testing
- Caliper testing

Task 3.2: Final well design

- Materials section
- Sizing
- Well design- screened length and depth
- Filter pack
- Temporary well cap
- Well site design/security – fencing, bollards, other

Task 3.3: Well construction & development

- Construction support
 - o seal and filter placement methods
 - o plumbness & alignment survey
- Development support
- Waste testing and disposal
- Disinfection



Task 4: Post-Construction Support/Testing

After the well construction is complete, Woodard & Curran will provide technical support and review of the testing phase. It is anticipated that we will review the step-test results, long-term aquifer pumping test results, spinner log, and data reduction and interpretation. During injection testing, we anticipate supporting the step test, constant rate injection test, and data reduction and interpretation. Additionally, Woodard & Curran will review the results of the "dummy" plumbness survey and video surveying and advise on issues (if noted) from these surveys.

The results of geochemical testing of both the injection and receiving waters are critical to the long-term operation and life of the injection wells. Woodard & Curran geochemists, hydrogeologists, and engineers will work with YVWD staff and other consultants to understand the potential issues arising from mixing waters with distinct geochemical signatures and behaviors. We will review the results of the Title 22 groundwater quality testing. We will provide consultation regarding the potential need for water treatment prior to injection if adverse chemical reactions are anticipated based on differing chemistry of the injection water versus the in-situ aquifer water.

Task 4.1: Injection Well Testing

Aquifer pumping & injection testing

- Spinner logging
- Disposal during testing
- Pumping testing (step dd and constant rate)
- Injection testing (variable & constant rate)
- Dummy/post-construction plumbness survey
- Video surveying

Task 4.2: Geochemical testing & analyses

- Data and analysis review

Task 4.3: Title 22 GWQ testing for permitting

- Data and analysis review

Task 5: Equipment and Operational Support

Following the construction and testing of the injection well, Woodard & Curran can provide recommendations regarding the appropriate equipping of the well and start-up operations, and/or work with the contracted consultant in this regard. Assuming the latter, Woodard & Curran would review documents provided by the contracted consultant, including recommendations for equipment, development of operational logic, proposed facility commissioning and start-up, monitoring plans for start-up operations, and draft standard operating procedures.

Task 5.1: Equipment recommendations/design

- Basis of design for injection well operations



- Downhole equipment recommendations and specifications
- Wellhead equipment/design
- Operational logic

Task 5.2: Start-up and O&M considerations

- Well equipment field testing and verification
- SOP and startup operations
- Field verification procedures and monitoring

ASSUMPTIONS

The fee estimate assumes consultations and product review and does not include sight visits or field oversight. The level of effort of each task will depend on the progression of the project, any potential difficulties encountered and the requested services.

SCHEDULE

Woodard & Curran is prepared to begin work immediately upon receipt of a formal Notice to Proceed and have budgeted for a project duration of 220 days (7 months).

BUDGET

Woodard & Curran will perform the above noted Scope of Services on a time and expense basis for a maximum not to exceed \$99,725 per the enclosed fee schedule. Invoices will be prepared monthly based on the work completed.

CLOSING

We greatly appreciate this opportunity to offer our groundwater expertise to Yucaipa Valley Water District.

Please feel free to contact me at 858.245.7883 or imello@woodardcurran.com if you have any questions regarding this proposal or require any further information.

Sincerely,

Sincerely,

WOODARD & CURRAN, INC.

A handwritten signature in blue ink that reads "Inken Mello".

Inken Mello
Sr. Client Manager



Yucaipa Valley Water District
 ASR Project Phase 1 Owner's Advisor Services

Fee Estimate
 October 23, 2024

| Tasks | Labor | | | | | | Total Hours | Total Labor Costs (1) | ODCs Total ODCs (3) | Total Fee |
|--|---------------|--------------|-------------|-----------------|--------------------|----------|-----------------|-----------------------|---------------------|-----------|
| | Scott Goldman | Leslie Dumas | Jason House | Melissa Matlock | Engineer/Geologist | Admin | | | | |
| Task 1: Project Management/Communication | | | | | | | | | | |
| 1.1 Contract Management | 4 | 4 | | 14 | | 7 | \$8,290 | \$0 | \$8,290 | |
| 1.2 Construction check-in/coordination | | 14 | | 21 | | | \$11,655 | \$0 | \$11,655 | |
| Subtotal Task 1: | 4 | 18 | 0 | 35 | 0 | 7 | \$19,945 | \$0 | \$19,945 | |
| Task 2: Pre-Construction Support | | | | | | | | | | |
| 2.1 Pre-Mobilization Coordination | | 4 | | | | | \$1,440 | \$0 | \$1,440 | |
| 2.2 Permitting | | 2 | | 4 | | | \$1,980 | \$0 | \$1,980 | |
| Subtotal Task 2: | 0 | 6 | 0 | 4 | 0 | 0 | \$3,420 | \$0 | \$3,420 | |
| Task 3: Construction Support | | | | | | | | | | |
| 3.1 Boring Construction | | 20 | 15 | | | 24 | \$15,870 | \$0 | \$15,870 | |
| 3.2 Final Well Design | | 4 | 8 | | | 8 | \$5,520 | \$0 | \$5,520 | |
| 3.3 Well Construction & Development | | 4 | 4 | | | 10 | \$4,310 | \$0 | \$4,310 | |
| Subtotal Task 3: | 0 | 28 | 27 | 0 | 42 | 0 | \$25,500 | \$0 | \$25,500 | |
| Task 4: Post-Construction Support/Testing | | | | | | | | | | |
| 4.1 Injection Well Testing | | 16 | | | | 16 | \$8,240 | \$0 | \$8,240 | |
| 4.2 Geochemical Testing & Analyses | | 8 | 16 | | | 24 | \$8,160 | \$0 | \$8,160 | |
| 4.3 Title 22 GWQ Testing | | 16 | 8 | | | 24 | \$8,400 | \$0 | \$8,400 | |
| Subtotal Task 4: | 0 | 40 | 24 | 0 | 16 | 0 | \$24,800 | \$0 | \$24,800 | |
| Task 5: Equipment and Operational Support | | | | | | | | | | |
| 5.1 Equipment Recommendations/Design | 4 | 8 | 16 | | | 8 | \$10,860 | \$0 | \$10,860 | |
| 5.2 Startup and O&M Considerations | 8 | 16 | 16 | | | 8 | \$15,200 | \$0 | \$15,200 | |
| Subtotal Task 5: | 12 | 24 | 32 | 0 | 16 | 0 | \$26,060 | \$0 | \$26,060 | |
| TOTAL | 16 | 116 | 88 | 39 | 74 | 7 | \$99,725 | \$0 | \$99,725 | |

These hours are estimates and actual hours will depend on the progress of the construction, any potential difficulties encountered, and requested services.

- The individual hourly rates include salary, overhead and profit.
- Subconsultants will be billed at actual cost plus 10%.
- Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.
- W&C reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.
- Additional Woodard & Curran staff may perform work on the project, based on our standard billing rate schedule currently in effect.



Date: November 19, 2024

Task: 124939

Prepared By: Mia Preciado, Senior Engineering Technician

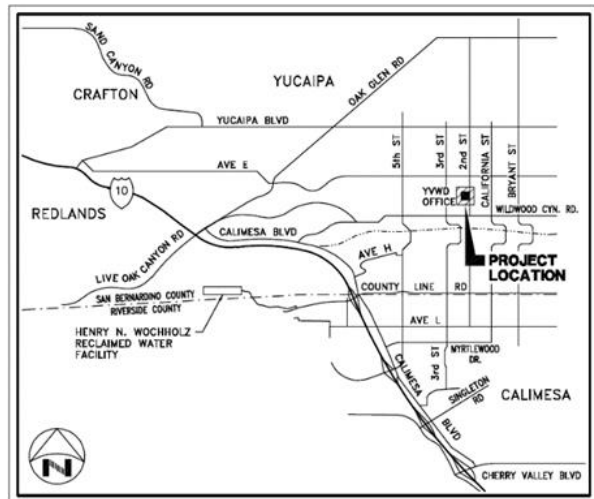
Subject: Consideration of Contract Change Order No. 1 and Filing a Notice of Completion for the R-16.2 Pipeline Project, Yucaipa

Recommendation: That the Board authorize the General Manager to execute Contract Change Order No. 1 and File the Notice of Completion for the Project.

The Yucaipa Valley Water District has completed the construction of the R-16.2 Pipeline Project. The project consisted of approximately 1,800 linear feet of 16-inch Ductile Iron Pipe (DIP) to convey drinking water to the future R-16.2 reservoir.

On June 18, 2024, the Board of Directors awarded a construction contract to Borden Excavating (Borden) for a sum not to exceed \$829,999 [Director Memorandum 24-104].

Borden began construction of the pipeline on August 6, 2024. Construction of the pipeline has since been completed and is in preparation for the final tie-in to the existing drinking water system. In preparation for the tie-in, Borden completed the required pressure and bacteria testing to ensure the quality of the constructed pipeline. This newly constructed segment of the drinking water pipeline will not be in use until the completion of the R-16.2 drinking water reservoir.



Contract Change Order No. 1 includes the addition of unforeseen work that was completed by Borden and the elimination of a portion of pipeline and materials. The additional cost associated with the unforeseen work, and the reduction of cost due to the elimination of a portion of the pipeline work has resulted in no net contract change.

The project is now complete and District staff recommends the acceptance of the contract work that was performed by Borden and filing of the Notice of Completion.

| | Contract Changes | Contract Amount | Percentage Change from Original Bid Amount | Reference |
|---------------------|------------------|-----------------|--|-----------|
| Original Bid Amount | | \$829,999 | -- | DM 24-104 |
| Change Order No. 1 | (\$0.00) | \$829,999 | (0%) | DM 24-175 |

C.O. NO. 1
PAGE 1 OF 2

CONTRACT CHANGE ORDER NO. 1

K&S W.O. 818-133.6.1 F/C

CONTRACT: R-16.2 PIPELINE, DATED SEPTEMBER 18, 2024
 BY AND BETWEEN: YUCAIPA VALLEY WATER DISTRICT (OWNER),
 AND: BORDEN EXCAVATING, INC. (CONTRACTOR),

IS HEREBY DIRECTED TO MAKE THE FOLLOWING CHANGE IN CONTRACT WORK:

| ITEM NO. | DESCRIPTION OF CHANGE | DECREASE \$ | INCREASE \$ |
|----------|--|--------------|--------------|
| 1 | Unforeseen additional work, including removal of boulders and changes to pipeline profile due to unmarked SCE electrical line. Addition of hot tap connection, thrust block, and alignment changes for 12" Casa Blanca pipeline. Addition of 20± LF of 16" recycled water pipeline and 163± LF of 16" potable water pipeline. Reference Borden Excavating, Inc.'s Change Order Proposal No. 1.2, dated September 27, 2024. | | \$119,652.00 |
| 2 | Elimination of 62± LF of 12" Casa Blanca pipeline, two (2) 2" dual air valve assemblies, and two (2) offsite air valve assemblies. Reference Borden Excavating, Inc.'s Change Order Proposal No. 1.2, dated September 27, 2024. | \$119,652.00 | |

| | |
|---|---------------------|
| Total DECREASE in Contract Amount: | <u>\$119,652.00</u> |
| Total INCREASE in Contract Amount: | <u>\$119,652.00</u> |
| Net Change in Contract Amount: | <u>\$0.00</u> |
| Contract Amount Prior to Change: | <u>\$829,999.00</u> |
| Contract Amount Adjusted for Change: | <u>\$829,999.00</u> |

CONTRACT CHANGE ORDER NO. 1

PAGE 2 OF 2

By reason of Change Order No. 1, time of completion shall be adjusted as follows:

0 Working Days. Adjusted Contract Completion Date shall be DECEMBER 15, 2024.

All provisions of the Contract shall apply hereto, and shall become effective when fully executed (signed and dated) by both parties.

Recommended by (Engineer) John P. MacSack Date: 10/2/2024

Accepted by (Contractor) [Signature] Date: 10/3/24

Approved by (Owner) [Signature] Date: 10/3/2024

Remarks _____



October 31, 2024

818-133.6 F/C

Matthew Porras, Director of Engineering
 Yucaipa Valley Water District
 P.O. Box 730
 Yucaipa, CA 92399

Subject: R-16.2 Pipeline
 Recommendation of Acceptance of Contract Work

Dear Mr. Porras:

All work required to be performed by Borden Excavating, Inc. for the R-16.2 Pipeline is essentially complete. Only minor punch list work remains. The final Contract Amount for said project is set forth as follows:

| | |
|------------------------------|---------------|
| Original Contract Amount: | \$829,999.00 |
| Contract Change Order No. 1: | <u>\$0.00</u> |
| Final Contract Amount: | \$829,999.00 |

Since the Contract Work has been essentially completed in accordance with the Contract Documents, we recommend the District accept said Work. Subsequent to Board acceptance, a Notice of Completion should be filed and thereafter, following the lien period, the District should make final payment (i.e. release retained amount), provided no Stop Notices have been filed and minor punch list items are completed.

If you have any questions, please call.

Sincerely,

KRIEGER & STEWART, INCORPORATED

A handwritten signature in black ink that reads 'Jaclyn B. Makarzec'.

Jaclyn B. Makarzec

JBM/jmw
 818-133-PL-RECACCEPT

KRIEGER & STEWART, INCORPORATED
 Mailing Address: 3890 Orange Street #1509, Riverside, CA 92502
 Office/Shipping Address: 3602 University Avenue, Riverside, CA 92501
 Tel: (951) 684-6900 • Fax: (951) 684-6986 • www.kriegerandstewart.com

Recording Requested By:
Yucaipa Valley Water District

And When Recorded Mail To:
Yucaipa Valley Water District
P.O. Box 730
Yucaipa, CA 92399

SPACE ABOVE THIS LINE FOR RECORDERS USE

NOTICE OF COMPLETION

Project Number/task Number: 124939
Director Memorandum Number for Authorization: DM 24-104
Director Memorandum Number for Notice of Completion: DM 24-XXX

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest in the property hereinafter described:
2. The full name of the owner is Yucaipa Valley Water District
3. The full address of the owner is 12770 Second Street, Yucaipa, CA 92399
4. The Nature of the Interest or Estate of the Undersigned is: In Fee
5. A work performed hereinafter described was completed on November 19, 2024. The work done was: Improvements to the drinking water and recycled water system in Oak Glen Road, Yucaipa.
6. The name of the contractor for such work was: Borden Excavating
June 18th, 2024
(Date of Contract)
7. The property on which said work was complete in the City of Yucaipa
County of San Bernardino, State of CA, and is described as: Oak Glen Road, East of Casa Blanca Avenue
8. The street address of said property is Oak Glen Road Yucaipa, CA 92399
(if no street address has been assigned, insert "none")

Dated 11/19/2024

Mia Preciado, Senior Engineering Technician
Yucaipa Valley Water District

Verification

I, the undersigned, say: I am the General Manager of the Declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the comments thereof; the same is true to my knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, at Yucaipa, CA.

Joseph B. Zoba, General Manager
Yucaipa Valley Water District



Date: November 19, 2024

Task: 105496

Prepared By: Wade Allsup, Chief Information Officer

Subject: Authorization to Initiate Improvements for the Replacement of the Instrumentation Enclosure at Yucaipa Valley Regional Water Filtration Facility

Recommendation: That the Board authorize the General Manager to execute a contract with GHD for an amount not to exceed \$117,415 for professional services.

The Yucaipa Valley Water District is in the process of updating the SCADA (supervisory control and data acquisition) systems throughout the District. Staff have found the need to upgrade the instrumentation enclosure (doghouse) at the Yucaipa Valley Regional Water Filtration Facility (YVRWFF) due to obsolete equipment.

This equipment has reached the end of its useful life and needs to be replaced. GHD is the engineer the District has used for all SCADA upgrade projects. GHD has been requested to provide engineering design services for the replacement of the existing instrument enclosure with integration into the SCADA system at the YVRWFF.

Part of the upgrade process design will include replacing all Programmable Logic Controllers (PLC) along with all other SCADA hardware. This upgrade will provide the District with a robust and modern system that will meet the District’s cybersecurity goals while meeting the hardware standards the District is implementing at both plant facilities.

| Predicted Project Timeline | | |
|-----------------------------|---------------|---------------|
| | Start Date | End Date |
| Project Design | November 2024 | March 2025 |
| Project Bid | March 2025 | June 2025 |
| Project Construction | July 2025 | December 2025 |

Financial Impact:

This expense will be funded by the WIFIA loan and is part of the Y16 WIFIA Project.



Director Memorandum 24-177

Date: November 19, 2024

Task: N/A

Prepared By: Joseph Zoba, General Manager

Subject: Approval of Bylaws for the California Special Districts Association

Recommendation: That the Board approve the proposed CSDA Bylaw changes and authorize the General Manager to submit ballot confirming the approval of the Bylaws.

The California Special Districts Association has conducted a review of their existing Bylaws and have asked CSDA members to vote on the proposed Bylaw changes. There are several verbiage and grammar changes as well as more significant updates that include:

- **Membership** - The Bylaws clarify membership categories and voting rights. Regular voting members now explicitly include certain public agencies like air quality management districts, transit authorities, and flood control districts. The Bylaws also introduce a new "Retired Non-Voting Member" category for retired special district staff or board members.
- **Voting** - Voting procedures have been updated to allow for electronic meetings and voting. Members can now participate in annual and special meetings via web-based video communication software. The Bylaws specify requirements for electronic notice of meetings and electronic voting, including procedures to ensure secure and verifiable electronic ballots.
- **Board of Directors** - The Bylaws introduce new provisions regarding directors' terms and eligibility. If a director transitions to a new regular voting member district within the same network, they may retain their seat and term, subject to certain conditions. The Bylaws also allow for early assumption of office by a candidate-elect to fill a vacant seat, if approved by the Board.
- **Elections** - The election process has been refined, with more specific timelines for nominations and voting. The nomination period can now be extended by ten days if an incumbent does not run for re-election. The bylaws also clarify that if there is only one nomination in a network, that nominee automatically assumes the seat without a ballot being distributed.

These changes aim to modernize CSDA's operations, clarify membership categories and voting rights, and provide more flexibility in board membership and elections while maintaining the Association's core structure and purpose.



BYLAWS California Special Districts Association

Approved Bylaw Revision Dates:

Revised 1996

Revised 1999

Revised 2004

Revised October 1, 2009

Revised August 2, 2010

Revised August 1, 2011

Revised July 1, 2014

Revised July 1, 2016

Revised November 15, 2021

Revised XXXXX XX, 2024

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ARTICLE I – GENERAL

Section 1. Purpose:

In addition to the general and specific purposes set forth in the Articles of Incorporation of the California Special Districts Association (hereinafter referred to as "CSDA"), CSDA will provide outreach, advocacy, professional development, information, and other various services to member districts. CSDA will interact and collaborate, where appropriate, with the associations and groups that support or oppose its membership's interests. The control and governance of CSDA shall be the responsibility of CSDA's Board of Directors (the "Board of Directors").

Section 2. CSDA Networks:

The state of California shall be divided ~~along county boundaries~~ into six voting networks, using county boundaries to shape the respective networks. The areas of the networks are determined by the Board of Directors of CSDA. A map of the six (6) networks of CSDA is attached as Exhibit A.

Section 3. Principal Office:

The principal business office of CSDA is located at 1112 I Street, Suite 200, Sacramento, California 95814. The Board of Directors shall have authority to change the principal office from one location to another.

ARTICLE II – MEMBERSHIP

Section 1. Qualification of Membership:

There may be several classes of membership in CSDA, as determined by the Board of Directors. The following classes have been adopted:

A. Regular Voting Members:

Regular voting members shall be any public agency formed pursuant to either general law or special act for the local performance of governmental or proprietary functions within limited boundaries, and which meets any one of the following criteria:

1. Meets the definition of "independent special district" set forth in Government Code Section 56044 by having a legislative body comprised entirely of elected members, or which members are appointed to fixed terms; or
2. The following public agencies: (a) air quality management districts; (b) air pollution control districts; (c) county water agencies or authorities; (d) transit or rapid transit districts, or transportation authorities; (e) metropolitan water districts; (f) flood control or water conservation districts; (g) sanitation agencies.

Regular voting members shall not include any state, cities, counties, school districts, community college districts, local agency formation commissions (LAFCOs), dependent districts, or joint powers authorities (JPAs) except as may be specifically referenced above.

Rights of Regular Membership: Regular voting members have voting privileges and may [have a member of the Board of Directors or a managerial employee](#) hold [a seats](#) on the Board of Directors. All Regular Members shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, Regular Members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law.

B. Associate Non-Voting Members:

Associate members shall be public agencies such as dependent districts composed of appointees from a single public agency, cities, counties, joint powers authorities, and other public agencies that do not satisfy the criteria for regular voting membership specified in Section A above.

Associate members have no voting privileges, except as approved members on a CSDA committee, and may not hold a seat on the Board of Directors.

C. Business Affiliate Non-Voting Members:

Business Affiliate members shall be those businesses or organizations that provide [products or services](#) to special districts and have evidenced interest in the purposes and goals of CSDA. Business Affiliates have no voting privileges, except as approved members on a CSDA committee, and may not hold a seat on the Board of Directors.

D. Retired Non-Voting Member (Individual Membership):

Retired Individual members shall be those persons that are retired from service as a staff or board member at a special district and have at least 1 year of previous service.

Retired members shall not be affiliated with or serve as a consultant to any agency eligible for regular, associate, or business affiliate membership in CSDA. Retired members cannot be employed by a company that provides services or products to special districts.

Retired members have no voting privileges and may not hold a seat on the CSDA Board of Directors or any CSDA committees.

CSDA benefits available to retired members shall be determined by the CSDA Board of Directors.

Section 2. Membership Application:

Application for membership to CSDA will be directed to staff, who will determine if the applicant's interest and purpose is in common with CSDA. If the applicant meets the requirements of membership, the Board of Directors shall approve the new member by a majority vote of the Board [at the next regularly scheduled Board meeting](#). Acceptance to membership shall authorize participation in CSDA activities as specified in these Bylaws. The Board shall retain the authority to deny membership in CSDA at its discretion.

Section 3. Membership Dues:

The membership dues of CSDA shall be established annually by a majority vote of the Board of Directors at a scheduled Board meeting. Authority to adjust the dues shall remain with the Board of Directors.

Section 4. Membership Voting:

Matters to be voted upon by the authorized voting membership shall be determined by the Board of Directors in accordance with these Bylaws. Only those matters of which notice has been given to voting members by CSDA may be voted upon.

A. Voting Designee:

In accordance with these Bylaws, regular voting members in good standing shall have voting privileges. The governing body of each regular voting member shall designate one representative from their respective district who shall have the authority to exercise the right of the regular voting member to vote. Such voting designee shall be a Board ~~member~~ [Member](#) or managerial employee of the regular voting member.

B. Voting Authorization:

Regular voting members who have paid the required dues as set by the Board of Directors are members in good standing. Each regular voting member in good standing shall be entitled to one vote on all matters brought before the membership for vote at any meeting or by ballot.

C. Non-Voting Members:

CSDA may refer to Associate Members, [Retired Members](#) and Business Affiliate Members or other persons or entities associated with it, as "members", even though those persons or entities are not voting Regular Members as set forth in Article II Section I A ~~hereof~~. No such reference as "members" shall constitute anyone as a voting member of this corporation unless that person or entity has qualified for voting Regular Membership pursuant to Article II Section I A of these Bylaws. The Board of Directors may adopt policies which grant some or all of the rights of a Regular Member, other than voting rights, to an Associate Member, [Retired Member](#) or Business Affiliate Member, but no such person or entity shall be a Regular Member by virtue of such grant of rights.

Section 5. Membership Quorum:**A. Meeting Quorum:**

Twenty-five voting designees, as defined in Article II, Section 4, present at any annual or special meeting of the CSDA shall constitute a quorum. No regular voting member shall have the right to vote by means of an absentee or proxy ballot.

B. Mailed or Electronic Ballot Quorum:

Mail ballots or electronic ballots received from 25 voting designees officially designated by each regular voting member shall constitute a quorum. Each regular voting member shall be entitled to one vote. No regular voting member shall have the right to vote by means of a proxy.

Section 6. Membership Meetings:**A. Annual Business Meeting:**

The annual business meeting of the members shall be held at the [CSDA Annual CSDA Conference](#) at such time and place as determined by the Board of Directors or Staff. Written notice of the annual business meeting distributed by mail or electronically shall include all matters that the Board intends to present for action and vote by the members [if such a vote is required](#).

B. Special Meetings:

Special meetings of the members may be called at any time by the President, by a majority of the Board of Directors, or at least a quorum of the members (25 members). Such a special meeting may be called by written request, specifying the general nature of the business proposed to be transacted and addressed to the attention of and submitted to the President of the Board. The President shall direct the Chief Executive

Officer to cause notice to be given promptly to the members stating that a special meeting will be held at a specific time and date fixed by the Board. No business other than the business that was set forth in the notice of the special meeting may be transacted at a special meeting.

C. Notice of Meetings:

~~Whenever members are permitted~~ In any case that members are requested to take any action at any annual or special meeting, written notice of the meeting distributed by mail or electronically shall be given-sent to each member entitled to vote at that meeting. The notice shall specify the place, date and hour of the meeting, and the means of communication to be utilized by and between CSDA and its members, if any, through which members may participate in the meeting. For the Annual Membership Meeting, the notice shall state the matters that the Board intends to present for action by the members. For a special meeting the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

1. Notice Requirements. Written notice of any annual membership meeting shall be given at least 45 days before the meeting date either personally, by first class registered or certified mail, or by electronic transmission.

2. Electronic Notice. Notice given by electronic transmission by CSDA shall be valid if delivered by either (a) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address for that main contact member on record with CSDA; (b) posting on an electronic message board or network-website community that CSDA has designated for such communications, together with a separate electronic notice to each member of the posting; or (c) any other means of electronic communication. Such electronic transmission must be directed to each member which has ~~provided to CSDA an unrevoked~~ not revoked consent to the use of electronic transmission for such communications. The method of electronic communication utilized must create a record that is capable of retention, retrieval and review by CSDA.

All such electronic transmissions shall include a written statement that each member receiving such communication has the right to have the notice provided in non-electronic form. Any member may withdraw its consent to receive electronic transmissions in the place of written communications by providing written notice to CSDA of such withdrawal of consent.

Notice shall not be given by electronic transmission by CSDA if CSDA is unable to deliver two (2) consecutive notices to a member by that means, or otherwise becomes aware of the fact that the member cannot receive electronic communications.

D. Electronic Meetings:

Members not physically present in person at either an annual or special meeting of members may participate in such a meeting by electronic transmission or by electronic video-screen communication use of web-based video communication software by and between such members and CSDA. Any eligible member participating in a meeting

electronically shall be deemed present in person and eligible to vote at such a meeting, whether that meeting is to be held at a designated place, conducted entirely by means of electronic transmission, or conducted in part by electronic communication between CSDA and those members who are not capable of being physically present at such designated meeting place.

Annual and special meetings of the members may be conducted in whole or in part by electronic transmission or by ~~use of web-based video communication software~~ ~~electronic video screen communication~~ by and between CSDA and its members if all of the following criteria are satisfied: (1) CSDA implements reasonable procedures to provide members participating by means of electronic communication a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to hear the proceedings of the meeting including comments of members participating in person substantially concurrent with such proceedings; and (2) any votes cast by a member by means of electronic communication by and between CSDA and a member must be recorded and maintained in the minutes by CSDA.

E. Majority Vote:

Any matter submitted to the membership for action or approval shall constitute the action or approval of the members only when: (1) the number of votes cast by regular voting members present at the meeting equals or exceeds the quorum requirement of 25 ~~registered voters~~ ~~regular voting members~~; and (2) the number of votes approving the action or proposal equals or exceeds a majority (*i.e.*, 50% plus one) of the regular voting members present and casting votes on the issue.

F. Solicitation of Written Ballots from Members:

All solicitations of votes by written ballot, whether by means of electronic communication or first class mail, shall: (1) state the number of returned ballots needed to meet the quorum requirement; (2) state, with respect to returned ballots other than for election of directors, that the majority of returned ballots must indicate approval of each measure in order to adopt such measure; and (3) specify the time by which the written ballot must be received by CSDA in order to be counted. Each written ballot so distributed shall: (1) set forth the proposed action; (2) give members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time in which to return the ballots to CSDA either electronically or by first class mail.

Each written ballot distributed by first class mail shall be mailed to each regular voting member at least 45 days in advance of the date designated for return of the ballot by each such member to CSDA. Written ballots transmitted electronically to members shall be electronically communicated at least 45 days in advance of the date designated for return of the ballot by each member to CSDA.

G. Return of Ballots:

Written ballots shall be returned either by first class mail or by electronic communication to either the principal business address of CSDA or CSDA's designated electronic format specified on the ballot prior to the close of business (5:00 pm) on the designated election date. Written ballots received either by first class mail or electronic

communication from regular voting members after the specified date shall be invalid and shall not be counted.

H. Number of Votes Required for Approval of Action on Written Ballot:

Approval by written ballot shall be valid only when (1) the number of votes cast by written ballot either by means of electronic communication or first class mail within the specified time equals or exceeds the quorum required to be present at a meeting authorizing the action (25 votes); and (2) the number of ~~approvals-votes in favor of the action~~ equals or exceeds the number of votes that would be required for approval at a meeting of members, (i.e. 50% plus one) of those participating members casting written ballots either electronically or by first class mail.

Section 7. Termination of Membership:

~~A member shall not be in good standing, and membership may be terminated.~~ On occurrence of any of the following events, ~~a member shall no longer be in good standing, and membership may be terminated:~~

- A. Any member delinquent in the payment of dues for a period of three months after said dues are due and payable, shall be notified in writing of such arrearage, and shall be given written notice of possible termination. If such delinquent dues remain unpaid for 45 days after notice, the delinquent member shall automatically cease to be a member of CSDA. CSDA's Chief Executive Officer may approve special payment arrangements if deemed necessary including with those districts that may be members of the Special District Risk Management Authority (SDRMA).
- B. Determination by the Board of Directors that a member has failed in a material and serious degree to observe the rules of conduct or operational policies of CSDA, including but not limited to the Corporation's Anti-Trust Policies, or has engaged in conduct materially and seriously prejudicial to ~~this~~ CSDA's purposes and interests.

Section 8. Procedure for Termination of Membership:

If grounds exist for terminating the membership of a member under Section 7 ~~hereof~~ ~~these~~ ~~bylaws~~, the following procedures shall be followed:

- A. The Board of Directors shall give the member at least 15 days prior written notice of the proposed termination and the reasons for the proposed termination of membership. Notice ~~shall~~ ~~may~~ be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class mail to the member's last address as shown on CSDA records.
- B. The member shall be ~~given an opportunity to be heard~~ ~~provided an opportunity to contest the termination~~, either orally or in writing, at least 5 days before the effective date of the proposed termination of _____ membership. ~~The A hearing meeting shall be held in a time and manner determined by the Chief Executive Officer,~~ or the written statement considered, by the Board of Directors which is responsible for determining in its sole discretion whether the termination of membership should occur.

- C. The Board of Directors shall determine whether the membership shall be terminated. The decision of the Board of Directors shall be final.

ARTICLE III – DIRECTORS

Section 1. Number of Directors:

The authorized number of elected directors to serve on the Board of Directors shall be 18. Each regular voting member shall be limited to one seat on the Board.

There shall be three directors elected from three different regular voting members in each of the six CSDA networks. Directors elected from each of the six networks shall hold staggered three-year terms.

Section 2 Term of Office:

Directors elected from each of the six networks shall hold staggered three-year terms. After the annual election of directors, a meeting of the Board shall be held to ratify the election results. The term of office of the newly elected persons shall commence on the following January 1 and shall automatically terminate three years thereafter unless a newly elected or appointed Director is completing the remaining balance of an incomplete term due to a vacancy in a respective Director seat.

Early Assumption of Office: In such cases, if there is a candidate-elect who has won the election and is willing to assume office early to fill a vacant seat, the Board of Directors may allow the candidate-elect to assume office prior to the regular January 1 start date.

Conditions: The candidate-elect assuming office early shall meet all eligibility requirements for Board membership.

Ratification: The early assumption of office by the candidate-elect shall be subject to ratification by the Board of Directors at its next regularly scheduled meeting following the completion of the election.

Change in Regular Voting Member Affiliation: Any Director that is a board member or managerial employee of a member district and subsequently transitions to a board member or managerial employee position at another regular voting member district in the same Network, shall retain their seat and term.

Conditions: In order to retain voting rights on the CSDA Board of Directors, the Director shall provide a resolution or minute action from their new district within two months of the change affirming the individual Directors continued service on the CSDA Board of Directors.

Section 3. Nomination of Directors:

Nomination of Directors seeking to serve on the Board shall be by network. Any regular voting member in good standing is eligible to nominate one person from their district to run for director of CSDA. The CSDA director nominee shall be a member of the board of directors of the district or a managerial employee as defined by that district's board of directors. Nomination of the director designee shall be made by a resolution or minute action of the regular voting member's

Board of Directors. Only one individual from each regular voting member district may be nominated to run at each election.

CSDA staff will review all nominations received and accept all that meet the qualifications set by these Bylaws. A slate of each network's qualified nominees will be transmitted by mail or electronic ballot to that network's regular voting membership for election pursuant to Article III, Section 4

Section 4. Election of Directors:

The Election and Bylaws Committee shall have primary responsibility for establishing and conducting elections for the Board of Directors. The Committee may enforce any regulation to facilitate the conduct of said elections. Directors shall be voted upon and elected by the regular voting members from the network from which they are nominated.

The Election and Bylaws Committee shall meet each year to review, with CSDA staff, the networks where election of directors will be necessary. The Committee will coordinate, with staff, the dates nomination requests shall be mailed to the regular voting members, the official date for the nomination requests to be received at the CSDA office, and set the date of the election.

A. Written Notice:

Written notice requesting nominations of candidates for election to the Board of Directors shall be sent by first class mail or electronically to each regular voting member in good standing on the date specified by the Election and Bylaws Committee, which shall be at least ~~420-100~~ days prior to the election. The nominations must be received either by mail or electronically by CSDA before the established deadline which shall be no later than 60 days prior to the election. Nominations received after the deadline date shall be deemed invalid. In the event an incumbent does not re-run for their seat, the nomination period for that network shall be extended by ten days.

B. Balloting and Election:

Voting for directors shall be by written ballot distributed by mail or by electronic transmission by CSDA directly or via authorized third-party to members eligible to vote in each network.

After the nomination period for directors is closed, a written ballot specifying the certified nominees in each network shall be distributed by first class mail or electronically to each regular voting member in that network. Each such regular member in good standing in each network shall be entitled to cast one vote for each of that network's open seats on the Board. In the event there is more than one seat available for election, regular members shall be entitled to a number of votes equal to the seats available for election in their network.

The ballot for each network shall contain all nominations accepted and approved by CSDA staff. In the event there is only one nomination in a network, the nominee shall automatically assume the Seat up for election and a ballot shall not be mailed or electronically transmitted. Staff will execute a Proof of Service certifying the date upon which all regular voting members of each network were sent a ballot, either by first class

mail or by electronic transmission. The form of written ballot and any related materials sent by electronic transmission by CSDA and completed ballots returned to CSDA by electronic transmission by participating members must comply with all of the requirements of Article II, Section 6(F-H) of these Bylaws. If a member does not consent to electronic communication for balloting purposes, a form of written ballot will be mailed to such participating member no later than 45 days prior to the date scheduled for such election. All written ballots shall indicate that each participating member may return the ballot by electronic communication or ~~first class~~ first-class mail.

All solicitations of votes by written ballot shall: (1) state the number of returned ballots needed to meet the quorum requirement ; (2) state, with respect to ballots for election of directors, that those nominees receiving the highest number of votes for each Board position subject to election will be certified as elected to that Board position.

Election of a nominee to a Board position shall be valid only when: (1) the number of votes cast by written ballot, transmitted either electronically or by first class mail, within the time specified, equals or exceeds the quorum required to be present at a meeting of members authorized in such action ; and (2) the number of written ballots approving the election of a nominee must be the highest number of votes cast for each respective Board position subject to election. ~~as would be required for an election of a nominee at a meeting of the members.~~

Written ballots shall be returned either by first class mail or by electronic mail communication to either the principal business address of CSDA or CSDA's designated electronic format specified on the ballot prior to the close of business (5:00 pm) on the designated election date, which shall be at least ~~45~~ 30 days prior to the Annual Conference. Written ballots received either by first class mail or electronic communication after the specified date shall be invalid and shall not be counted.

All written ballots received by mail shall remain sealed until opened in the presence of the Election and Bylaws Committee chairperson or their designee. All electronic ballots will be prepared, distributed, authenticated, received, tabulated, and kept secure and confidential. Election documents will be retained as outlined in CSDA's Board approved records retention policy.

Section 5. Event of Tie:

In the event of a tie vote, a supplemental written ballot containing only the names of those candidates receiving the same number of votes shall be distributed either by first class mail or electronically to each regular voting member in the network where the tie vote occurred.

Those written ballots received by mail or electronically prior to the close of business (5:00 pm) on the date designated by the Election and Bylaws Committee shall be considered valid and counted. All supplemental written ballots received after the designated date whether by first class mail or electronically shall be deemed invalid. All written ballots received either by mail or electronically shall remain sealed as provided in Article III, Section 4.B of these Bylaws.

In the event the supplemental written ballot also results in a tie vote, the successful candidate will be chosen by a drawing by lot.

Section 6. Director Vacancy:

In the event of a director vacating their seat on the Board of Directors, an individual who meets the qualifications as specified in [these Article III Section 3 of these B](#)ylaws may be appointed or elected to complete the director's unexpired term.

A. Two or Three Vacant Seats in the Same Network:

In the event more than one seat on the CSDA Board of Directors in any one network is vacant at the same time, such vacancies shall be filled by election. A written ballot shall be prepared; listing all nominees for that network accepted and approved by CSDA and distributed to each regular voting member in each such network either by first class mail or by electronic communication pursuant to the provisions of Article III, Section 4.A and B of these Bylaws

Regular members of each network shall be entitled to cast one vote for each open seat in that network by returning a completed written ballot to CSDA either by first class mail or by electronic communication. The candidate receiving the most votes will be elected to the vacant seat with the longest remaining term. The candidate receiving the second highest number of votes will be elected to fill the vacant seat with the second longest remaining term. The candidate receiving the third highest number of votes will be elected to fill the vacant position with the third longest remaining term.

B. Vacancy Outside of Nomination Period

In the event of a vacancy occurring outside of the nomination period timeframe, at the discretion of the CSDA Board, the vacancy may be filled by appointment or special election. The CSDA Board at its discretion may leave a vacancy that occurs outside of the nomination period unfilled until the next regularly scheduled election.

Should the CSDA Board choose to fill the vacancy by appointment, notification of the vacancy and request for nominations shall be sent by regular mail or electronic communication to all regular members in good standing in the network in which the vacancy occurred. The network's existing directors sitting on the CSDA Board shall interview all interested candidates of that network and bring a recommendation to the CSDA Board of Directors for consideration. The Board shall make the appointment to fill the unexpired term of the vacated Board position.

Should the CSDA Board choose to fill the vacancy by special election, written notification of the vacancy and request for nominations shall be sent either by first class mail or electronically to each regular member in good standing in the network in which the vacancy occurred. Nominations will be accepted for the vacant seat by first class mail or by electronic communication and shall be placed on the written ballot for election in that network. Such election shall be conducted pursuant to the provisions of Article III, Section 4.A and B hereof.

C. Vacancy During Nomination Period:

In the event of a vacancy occurring during the nomination period, the vacancy shall be filled by election. Written notification of the vacancy and request for nominations shall be sent either by first class mail or electronically to each regular member in the network

in which the vacancy occurred. Nominations will be accepted for the vacant seat by first class mail or by electronic communication and shall be placed on the written ballot for election in that network. Such election shall be conducted pursuant to the provisions of Article III, Section 4.A and B [hereof of these bylaws](#).

Section 7. Director Disqualification:

A. A director shall [become](#) disqualified from further service on the Board of Directors or any committee upon the occurrence of any of the following:

1. A director's district is no longer a member of CSDA;
2. A director is no longer a board member or an employee of a member district;
- ~~2.3.~~ [A director is no longer a board member or an managerial employee of a regular member district in the Network they were elected or appointed from;](#)
- ~~3.4.~~ A director is elected or appointed to the Board of Directors of the Special District Risk Management Authority (SDRMA) or
- ~~4.5.~~ A director's resignation [from CSDA](#).

Any officer or director may resign at any time by giving written notice to the President or CEO. Any such resignation shall take effect at the date of the receipt of such notice or at any time specified therein.

B. The position of a director may be declared vacant by a majority vote of the CSDA Board of Directors when a director is unexcused and fails to attend three consecutive meetings of the Board or has not completed the Board Member requirements and expectations as outlined in policy.

Section 8. Powers of Directors:

Subject to the limitations of these Bylaws, the Articles of Incorporation, and the California General Nonprofit Corporation Law, all corporate powers of the CSDA shall be exercised by or under the authority of the Board of Directors.

Directors shall serve without compensation. However, they shall be allowed reasonable reimbursement for pre-approved expenses incurred in the performance of their duties as Directors.

Annual Report: The Board of Directors shall cause an annual report to be sent to the members within 120 days after the end CSDA's fiscal year. That report shall contain the following information, in appropriate detail:

- The assets and liabilities of CSDA as of the end of the fiscal year;
- The principal changes in assets and liabilities;
- CSDA's revenue or receipts, both unrestricted and restricted to particular purposes;
- CSDA's expenses or disbursements for both general and restricted purposes.

The CSDA Annual Financial Audit shall serve as the Annual Report of CSDA.

Section 9. No Dual Directorships:

During any period that CSDA is a participant in the Alliance Executive Council Memorandum of Understanding (MOU), the Board of Directors of CSDA shall appoint three (3) members of its board to serve as members of the Alliance Executive Council. No member of the Board of Directors of CSDA shall serve as a director on the board of SDRMA during the term of the MOU. In the event a director is elected to SDRMA, that director shall immediately be disqualified from further service on the Board of Directors of CSDA.

ARTICLE IV – DIRECTOR MEETINGS

Section 1. Place of Meetings:

Meetings of the Board of Directors shall be held in the state of California, at such places as the Board may determine. Directors may participate and have voting privileges remotely from other states and countries.

Section 2. Ratification Meeting:

Following the election of Directors, the Board shall hold a meeting at such time and place as determined by the Board for the purpose of ratifying the newly elected directors and to transact other business of CSDA.

Section 3. Organization Meeting:

After the ratification meeting, an organizational meeting of the Board shall be held at such time and place as determined by the Board for the purpose of electing the officers of the Board of Directors and the transaction of other business of CSDA.

Section 4. Planning Session:

As directed by the Board of Directors, a special Strategic Planning Meeting shall be held to review, evaluate, and update the plans, policies and activities related to the business interests of CSDA. Timing and intervals of the Strategic Planning Meeting shall be determined by the Board of Directors.

Section 5. Regular Meetings:

The dates of the regular meetings of the Board of Directors on an annual basis shall be ratified at the last Board meeting of the previous year. The meetings shall be held at such time and place as the Board may determine. The dates and places of the Board meetings shall be published in the CSDA's publications for the benefit of the members.

Section 6. Special Meetings:

A special meeting of the Board of Directors may be called for any purpose at any time by the President or by any group of 10 directors or as described in Article II, Section 6.B.

Such meetings may be held at any place designated by the Board of Directors. In the event directors are unable to personally attend the special meeting, teleconferencing means will be made available.

Notice of the time and place of special meetings shall be given personally to the ~~directors,~~ ~~or directors or~~ sent by written or electronic communication. All written notices shall be sent at least ten days prior to the special meeting and electronic notices at least five days prior.

Section 7. Board of Directors Meeting Quorum:

A quorum of the Board of Directors for the purpose of transacting business of the CSDA shall consist of ten directors. A majority vote among at least ten directors present at a duly noticed meeting shall constitute action of the Board of Directors.

Section 8. Board Meetings by Telephone and Electronic Communications:

Any Board meeting may be held by conference telephone, use of web-based video communication software ~~video screen communication~~ or other electronic communications equipment. Participation in such a meeting under this Section shall constitute presence in person at the meeting if both of the following apply: (a) each Board member participating in the meeting can communicate concurrently with all other Board members; and (b) each member of the Board is provided a means of participating in all matters before the Board, including the capacity to propose or interpose an objection to a specific action to be taken by CSDA, and the capacity to vote on any proposal requiring action of the Board.

Section 9. Official Records:

All official records of the meetings of the CSDA shall be maintained at the principal business office of the CSDA or on official CSDA electronic file server(s).

ARTICLE V – OFFICERS

Section 1. Number and Selection:

The officers of CSDA shall be the President, Vice President, Secretary, Treasurer and the Immediate Past President. The officers shall be elected annually from the members of the Board of Directors without reference to networks. All officers shall be subordinate and responsible to the CSDA Board of Directors and shall serve without compensation.

Each officer shall hold office for the term of one year, or until resignation or disqualification.

The Board of Directors may appoint such other officers as the business of CSDA may require. Each of the appointed officers shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may determine.

Section 2. Duties of the President:

The President shall be the chief officer of the CSDA and shall, subject to the approval of the Board of Directors, give supervision and direction to the business and affairs of CSDA.

The President shall preside at all Board of Director and membership meetings. The President shall be an ex-officio member of all Standing Committees. The President shall appoint committee chairs and vice-chairs and members of the Standing Committees, subject to confirmation by the Board of Directors.

The President shall have the general powers, duties and management usually vested in the office of the president of a corporation. The President shall have such other powers and duties as may be prescribed by these Bylaws or by the vote of the Board of Directors.

Section 3. Duties of the Vice President:

In the absence of, or disability of the President, the Vice President shall perform all of the duties of the President. When so acting, the Vice President shall have all the powers of the President, and be subject to all the restrictions upon the President.

The Vice President shall be an ex-officio member of all of the Standing Committees.

Section 4. Duties of the Secretary:

The Secretary or a designee appointed by the Board of Directors shall give notice of meetings to the Board of Directors, and notices of meetings to the members as provided by these Bylaws.

The Secretary or designee shall record and keep all motions and resolutions of the Board. A record of all meetings of the Board and of the members shall be maintained. All written records of the Secretary shall be kept at the business office of CSDA.

A list of the membership of CSDA shall be maintained by the Secretary or such designee. Such record shall contain the name, address and type of membership, of each member. The date of membership shall be recorded, and in the event the membership ceases, the date of termination.

The Secretary or designee shall perform such other duties as may be required by law, by these Bylaws, or by the Board of Directors.

Section 5. Duties of the Treasurer:

The Treasurer or a designee appointed by the Board of Directors shall keep and maintain adequate and correct accounts of the properties and the business transactions of CSDA, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any director or member of the CSDA.

The Treasurer or designee shall be responsible to cause the deposit of all moneys of the CSDA, and other valuables in the name and to the credit of CSDA, with such depositories as may be designated by the Board of Directors.

The Treasurer or designee, shall disburse, or cause to be disbursed by persons as authorized by resolution of the Board of Directors, the funds of CSDA, as ordered by the Board of Directors.

The Treasurer or designee shall serve as chair of the CSDA Fiscal Committee. The Treasurer shall render to the President and the Board of Directors an account of all financial transactions and the financial condition of CSDA at each Board meeting and on an annual basis, or upon request of the Board.

The Treasurer or designee shall, after the close of the fiscal year of CSDA, cause an annual audit of the financial condition of CSDA to be done.

The Treasurer or such designee shall perform such other duties as may be required by law, by these Bylaws, or by the Board of Directors.

Section 6. Disbursement of Funds:

No funds shall be disbursed by CSDA unless a check, draft or other evidence of such disbursement has been executed on behalf of CSDA by persons authorized by resolution of the Board of Directors.

Section 7. Removal of Officers:

Officers of the Board may be removed with or without cause at any meeting of the Board of Directors by the affirmative vote of a majority of the Board of Directors present at such meeting.

ARTICLE VI – COMMITTEES

Section 1. Committee Structure:

Each committee shall have a chair and a vice-chair. Committee chairs shall be a member of the Board of Directors, except for the CSDA Finance Corporation Committee. Committee Vice-Chairs may be individuals from Regular Member districts in good standing upon appointment by the CSDA Board President and ratification by the CSDA Board of Directors. Each committee shall have at least two Board members and no more than nine Board members. Directors may be appointed as alternate members of a committee, in the event of an absent committee member.

Other members of any committee may include designees of regular, associate or Business Affiliate members.

Section 2. Committee Actions:

All actions of any committee of the CSDA shall be governed by and taken in accordance with the provisions of these Bylaws. All committees shall serve at the pleasure of the Board and have such authority as provided by the Board of Directors. Minutes of each committee meeting shall be kept-maintained and each committee shall present a report to the Board of Directors at each regularly scheduled Board meeting.

No committee may take any final action on any matter that, under these Bylaws, or under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members of the CSDA.

All committees, regardless of Board resolution, are restricted from any of the following actions as imposed by the California Nonprofit Public Benefit Corporation Law:

- No committee may fill vacancies on the Board of Directors or on any committee that has authority of the Board, establish any other committees of the Board, or appoint the members of the committees of the Board.
- No committee may fix compensation of the directors for serving on the Board or on any committee, expend corporate funds to support a nominee for director, or approve any contract or transaction to which CSDA is a party and in which one or more of its directors has a material financial interest.
- No committee may amend or repeal Bylaws or adopt new Bylaws or amend or repeal any resolution of the Board that by its express terms is not subject to amendment or repeal.

Section 3. Committee Meetings:

Meetings of the committees of CSDA shall be held in accordance with the provisions of these Bylaws. The time and place for regular meetings of such committees may be determined by the Board or by such committees. Special meetings of the committees may be called by the chair of such committee, or by the Board of Directors.

Written notice of any regular or special committee meeting may be given either personally, by first class mail, or by electronic transmission as specified in Article II, Section 6.C.2 of these Bylaws. Any committee meeting may also be held by conference telephone, [use of web-based video communication software web-conference](#) or other electronic communication equipment. Participation in such a meeting under this Section shall constitute presence in person at the committee meeting if both of the following apply: (a) each committee member participating in the meeting can communicate concurrently with all other committee members; and (b) each member of the committee is provided a means of participating in all matters before the committee, including the capacity to propose or interpose an objection to a specific action to be taken by that committee, and the capacity to vote on any proposal requiring action or recommendation by the committee.

Section 4. Standing Committees:

Standing Committees of CSDA shall be advisory in nature except for the Finance Corporation (see Section 4D). The Standing Committees are: Executive, Professional Development, Elections and Bylaw, Finance Corporation, Fiscal, Legislative, Member Services and Audit.

The President shall recommend the appointment of committee officers and members of each Standing Committee except the Executive Committee. All committee members are subject to ratification by the Board of Directors.

A. Executive Committee:

The Executive Committee shall consist of all officers of CSDA: the President, Vice President, Secretary, Treasurer and the Immediate Past President of CSDA. If the Immediate Past President is no longer a member of the Board of Directors, a previous past president may be appointed. If there are no directors who have served previously as President, the President shall appoint a current director to serve as a member of the Executive Committee.

Subject to these Bylaws and approval of the Board of Directors, the Executive Committee shall have full power, authority and responsibility for the operation and function of the CSDA.

B. Professional Development Committee:

The Professional Development Committee shall provide advice, feedback and general guidance for CSDA professional development programs and events.

C. Election and Bylaws Committee:

The Election and Bylaws Committee shall be responsible for conducting all elections for the CSDA Board of Directors as provided in these Bylaws. The Committee shall annually review the Bylaws and shall be responsible for membership vote on any bylaw changes and approval of election materials.

D. Finance Corporation Committee:

The Finance Corporation Committee shall serve as ex officio members of the Board of Directors of the CSDA Finance Corporation, a California non-profit public benefit corporation organized to provide financial assistance to CSDA members in acquiring, constructing and financing various public facilities and equipment for the use and benefit of the public. The Finance Corporation Committee is not an advisory committee, but rather has all of the powers described in the CSDA Finance Corporation Bylaws, which are incorporated herein by this reference. Such powers include the powers to manage and control the business affairs of the corporation, to approve policies for the corporation's operations, and to enter into all contracts necessary to provide financial assistance to CSDA members.

E. Fiscal Committee:

The Treasurer shall serve as the chair of the Fiscal Committee and shall, with the Committee, be responsible for oversight of all the financial transactions of the CSDA. An annual budget shall be reviewed by the committee and ratified by the Board of Directors.

F. Legislative Committee:

The Legislative Committee shall be responsible for the development of CSDA's legislative agenda and advocacy priorities. The Legislative Committee shall review, direct and assist the CSDA Advocacy and Public Affairs Department with legislative and public policy issues.

G. Member Services Committee:

The Member Services Committee shall be responsible for recruitment and retention activities as well as recommendation of new members and benefits to the CSDA Board of Directors. All new members shall be ratified by the Board of Directors.

H. Audit Committee:

The Audit Committee is responsible for maintaining and updating internal controls. The Committee selects the Auditor for Board of Directors approval and provides guidance to the auditors on possible audit and fraud risks. The Committee reviews the audit and management letter and makes recommendation to the Board of Directors for action.

Section 5. Ad Hoc Committees:

The President may appoint other Ad Hoc Committees and their officers as may be determined necessary for the proper operation of the CSDA. The Standing Committees and the Ad Hoc Committees shall plan and authorize such programs as may be directed by the Board of Directors.

The Ad Hoc Committees shall be advisory in nature and shall be composed of at least two members of the Board of Directors. Other members of such committees may include designees of regular, associate or professional members, or members of the public, as approved by the Board of Directors.

Section 6. Special Committee of the Board:

A Special Committee may be granted authority of the Board as a Committee of the Board, as required by the California Nonprofit Public Benefit Corporation Law, provided by a specific resolution adopted by a majority of the Board of Directors then in office. In such case, the Special Committee shall be composed exclusively of two or more directors, but less than a quorum of the Board of Directors.

ARTICLE VII – INDEMNIFICATION**Section 1. Right of Indemnity:**

To the fullest extent permitted by law, the CSDA shall defend, indemnify and hold harmless both its past and present directors, officers, employees and other persons described in Section 5238(a) of the California Corporations Code, against any and all actions, expenses, fines, judgments, claims, liabilities, settlements and other amounts reasonably incurred by them in connection with any "proceeding", as that term is used in the Section 5238(a) of the California Corporations Code.

"Expenses", as used in these Bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 2. Approval of Indemnity:

On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met, and if so, the Board shall authorize indemnification.

If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of the members.

At the request for indemnification meeting, the members shall determine under Section 5238(e) of the California Corporations Code whether the applicable standard or conduct set forth in Section 5238(b) or Section 5238(c) has been met, and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

Section 3. Insurance:

CSDA shall have the right to purchase and maintain insurance to the full extent permitted by law, on behalf of its officers, directors, employees, and agents, against any liability asserted against or incurred by any officer, director, employee or agent in such capacity, or arising out of the officer's, director's, employee's, or agent's status as such.

Section 4. Liability:

No member, individual, director, or staff member of the CSDA shall be personally liable to the CSDA's creditors, or for any indebtedness or liability. Any and all creditors shall look only to the CSDA's assets for payment.

ARTICLE VIII – AFFILIATED CHAPTERS

Section 1. Purpose:

The purpose of affiliated chapters is to provide local forums of members for the discussion, consideration and interchange of ideas concerning matters relating to the purposes and powers of special districts and the CSDA.

The affiliated chapters may meet to discuss issues bearing upon special districts and the CSDA. The chapters may make recommendations to the CSDA's Board of Directors.

Section 2. Organization:

The regular voting members of CSDA are encouraged to create and establish affiliated chapters. In order to be recognized as a CSDA Chapter, each Chapter must approve and execute a Chapter Affiliation Agreement in order to obtain the right to use the CSDA name, logo, membership mailing list, intellectual property, endorsements, and CSDA staff support and technical assistance in conducting Chapter activities. The terms and conditions of the Chapter Affiliation Agreement are incorporated herein by this reference.

Each chapter formed prior to August 1, 2011 must have at least one CSDA member in their membership at all times, including but not limited to the following chapters: Alameda, Butte, Contra Costa, Kern, Marin, Monterey, Orange (ISDOC), Placer, Sacramento, San Bernardino, San Diego, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara and Ventura. Such existing chapters may include as members: local organizations and businesses, districts and professionals who are not members of CSDA.

New chapters formed after August 1, 2011, are required to have 100 percent of their special district members as current members of CSDA in order to be a chapter affiliate of CSDA. Such chapters may include as members: local organizations/businesses and professionals who are not members of CSDA.

Affiliated chapters shall be determined upon approval and execution of the Chapter Affiliation Agreement by the chapter and approval and ratification of the Chapter Affiliation Agreement by the CSDA Board of Directors. The chapters shall be required to provide updated membership lists to the CSDA at least annually or upon request by the President or CEO.

No partnership or joint venture shall be established between CSDA and its affiliated chapters by reason of the provisions of these Bylaws or the Chapter Affiliation Agreement.

Section 3. Rules, Regulations and Meetings:

Each affiliated chapter shall adopt such rules and regulations, meeting place and times as the membership of such affiliated chapter may decide by majority vote. Rules and regulations of the affiliated chapter shall not be inconsistent with the Articles of Incorporation or Bylaws of CSDA.

Section 4. Financing of Affiliated Chapters:

No part of CSDA's funds shall be used for the operation of the affiliate chapters. CSDA is not responsible for the debts, obligations, acts or omissions of the affiliate chapters.

Section 5. Legislative Program Participation:

Affiliate chapters may function as a forum regarding federal, state and local legislative issues. The chapters may assist CSDA in the distribution of information to their members.

ARTICLE IX – AMENDMENTS TO THE BYLAWS

Section 1. Amendment Proposals:

Any regular voting member in good standing may propose changes to these Bylaws. The proposed amendments shall be reviewed by the Board of Directors and submitted to the Election and Bylaws Committee for their study.

After examination by the Election and Bylaws Committee and upon approval by the Board of Directors the amendment proposals may be submitted for vote at the Annual Business meeting of the members held by CSDA, at a specially called meeting, or by mail or electronic ballot.

Section 2. Amendment Membership Meeting:

Prior notice in writing of the proposed amendments to these Bylaws shall be given either by first class mail or by electronic transmission by the Board of Directors to the regular voting members in good standing, not later than 45 days in advance of the amendment meeting pursuant to the provisions of Article II, Section 6.C of these Bylaws. The electronic notice shall include copies of the proposed amendments.

Electronic copies of the proposed amendments shall also be available on the CSDA website for review by the regular voting members prior to the meeting. Copies of the proposed amendments shall also be available for the regular voting members at the amendment membership meeting.

The amendment membership meeting may be conducted as an electronic meeting pursuant to the provisions of Article II, Section 6.D of these Bylaws.

Section 3. Written Bylaw Amendment Ballot:

The Board of Directors of CSDA may submit Bylaw amendments for approval of regular voting members by mail or electronic ballot rather than by means of an amendment membership meeting.

When a written ballot is used to amend these Bylaws, the ballot shall include the text of all proposed Bylaw amendments the Board of Directors intends to present for vote by the members. Such written ballot shall contain the information specified in Article II, Section 6.F of these Bylaws and shall be distributed to regular voting members either by first class mail or by electronic transmission at least 45 days in advance of the date designated for return of the ballot.

Written ballots shall be returned either by first class mail or by electronic communication to either the principal business address of CSDA or CSDA's designated electronic format specified on the ballot prior to the close of business (5:00 pm) on the designated election date. Written ballots received either by first class mail or electronic communication after the specified date shall not be counted and will be deemed invalid.

Section 4. Bylaw Amendment Ratification:

A. Membership Meeting:

The proposed Bylaw amendments shall be deemed adopted by the members when the number of votes cast by regular voting members present at such membership meeting meets or exceeds the required quorum of 25 regular voting members, and the number of votes cast approving the Bylaw amendments constitutes a majority of votes cast, i.e., 50% plus one of regular voting members casting ballots at such meeting.

B. Mail or Electronic Ballot:

The proposed Bylaw amendment/s shall be deemed adopted by a majority of the regular voting members by mail or electronic ballot when the provisions of Article II, Section 6.H of these Bylaws have been satisfied.

EXHIBIT A

Updated November 1, 2019





Date: November 19, 2024

Task:

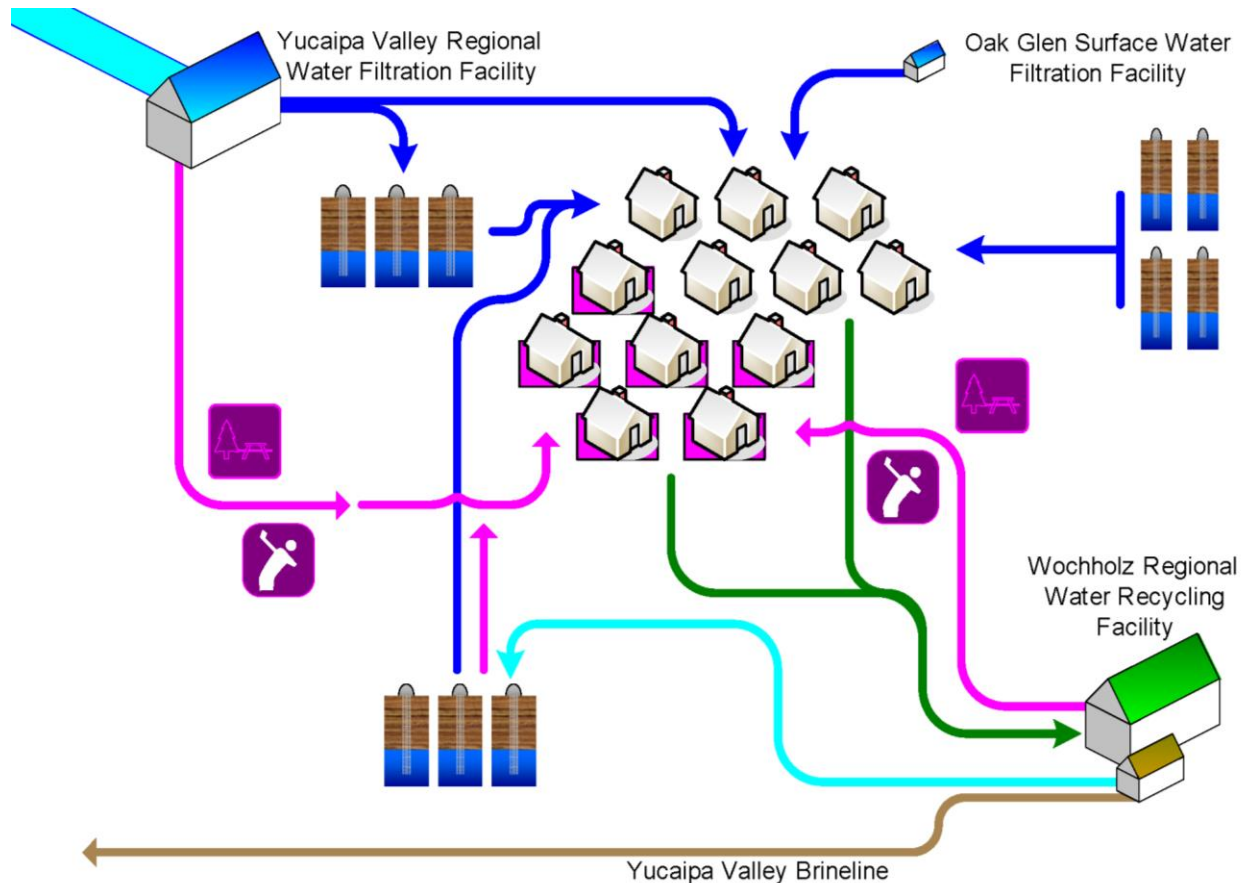
Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Resolution No. 2024-54 Supporting the Construction of Surface Water Spreading Basins in the Westerly Portion of the Calimesa Management Area as the South Mountain Aquifer Restoration Initiative

Recommendation: That the Board adopt Resolution No. 2024-54.

On August 20, 2008, the Board of Directors adopted Resolution No. 11-2008 establishing a strategic plan for the management, integration, and preservation of water resources. This Plan embodied the concepts of water resource management and the full integration of services offered by the Yucaipa Valley Water District.

The strategic plan is based on maximizing the integration of diverse water management approaches to create a sustainable future for the Yucaipa Valley.



The Yucaipa Valley Water District and South Mountain Water Company have been working together to develop a management strategy to improve the water quality and water resources in the Calimesa Management Area. The preferred strategy is to create spreading basins to increase the quantity of water available in this region of the Yucaipa Basin. The supplemental water supply for these basins will be imported water from the State Water Project. The plan will also involve the construction of new irrigation wells and drinking water wells to maximize the recovery of the supplemental water.



Should the Board of Directors approve the attached resolution, the District staff will continue to work with the South Mountain Water Company to initiate efforts to complete the design and secure funding for this project from various sources including project partners, loans, and grants.

RESOLUTION NO 2024-54

A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT SUPPORTING THE CONSTRUCTION OF SURFACE WATER SPREADING BASINS IN THE WESTERLY PORTION OF THE CALIMESA MANAGEMENT AREA (South Mountain Aquifer Restoration Initiative)

WHEREAS, on January 17, 2014, California Governor Edmund G. Brown Jr issued Proclamation No. 1 -17-2014 declaring a State of Emergency to exist in California due to severe drought conditions and calling on all Californian's to reduce their water usage by 20 percent.

WHEREAS, on April 25, 2014, Governor Edmund G. Brown Jr. issued an Executive Order calling on all Californian's to redouble their efforts to conserve water. The Executive Order finds that the continuous severe drought conditions present urgent challenges across the State including water shortages in communities and for agricultural production, increased wildfires, degraded habitat for fish and wildlife, threat of saltwater contamination, and additional water scarcity if drought conditions continue into 2015.

WHEREAS, the National Integrated Drought Information System reported that nearly 80% of the State was reported to be under "extreme" drought conditions at the end of June 2014.

WHEREAS, Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable diversion of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports".

WHEREAS, over the past several years, the Yucaipa Valley Water District has taken bold steps to augment groundwater supplies in the Yucaipa Basin.

WHEREAS, the Yucaipa Valley Water District supports the expansion and further development of the surface water spreading basins throughout the service territory to maximize the use of imported water supplies and sustainably manage groundwater resources.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the Yucaipa Valley Water District is committed to support the South Mountain Aquifer Restoration Initiative.

Furthermore, the Board of Directors directs District staff to coordinate the design and construction of the proposed spreading basins, groundwater wells and other improvements with the South Mountain Water Company and to solicit recommendations on design alternatives, cost-sharing, financial plans, protection of water quality objectives, and the replenishment of water resources to enhance the long-term drought preparedness for the region.

PASSED, APPROVED and ADOPTED this 19th day of November 2024.

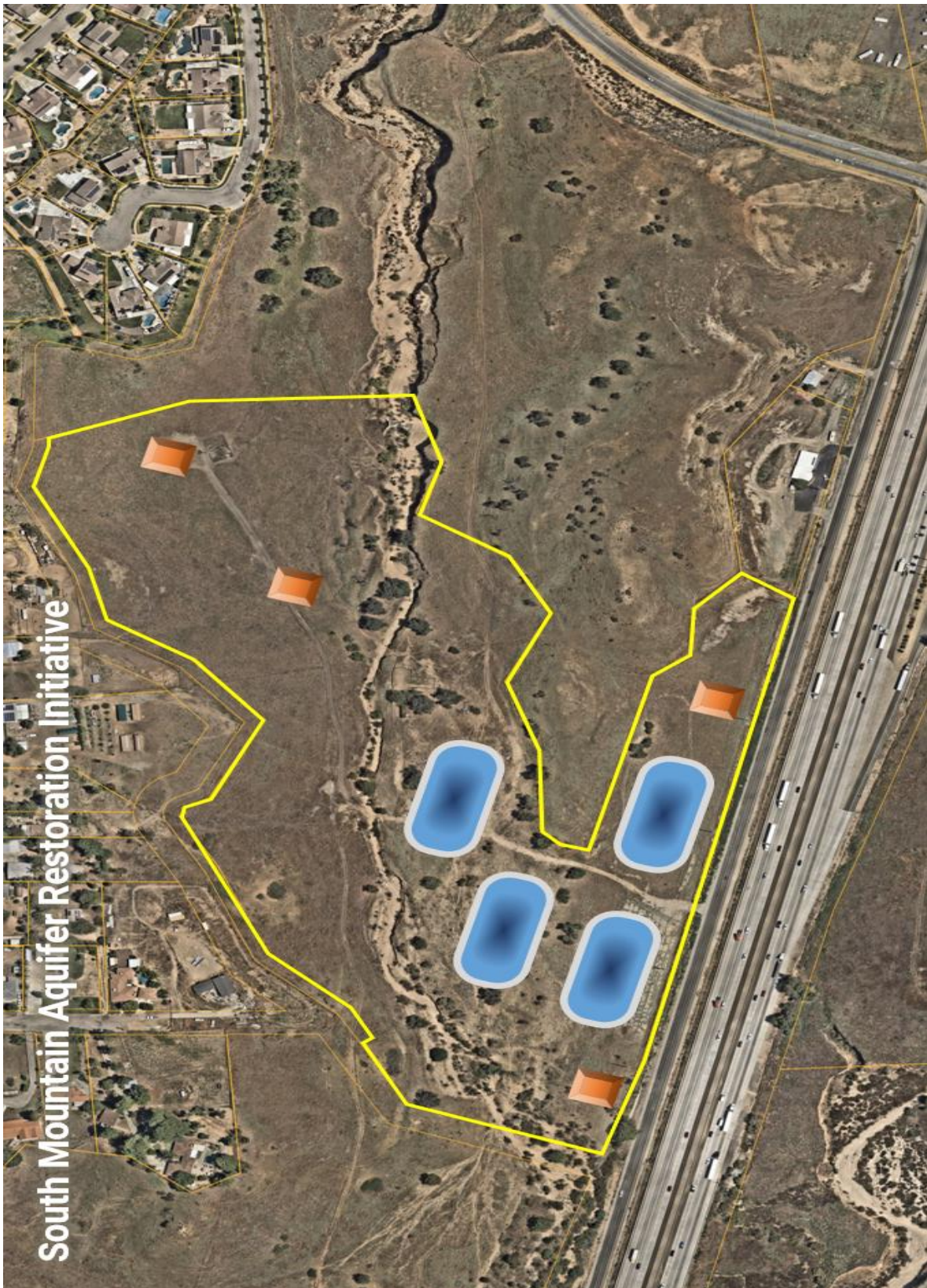
YUCAIPA VALLEY WATER DISTRICT

Joyce McIntire, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager

Exhibit "A"





Date: November 19, 2024 **Task:**

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Creating an Ad Hoc Funding Committee

Recommendation: No recommendation at this time.

President Joyce McIntire requested a board agenda item to discuss the creation of an Ad Hoc Funding Committee to discuss grants and funding options for future District projects. The District staff will provide information during the board meeting and answer questions during the discussion/deliberation of this agenda item.

Board Reports and 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
67 full time employees

FY 2024-25 Operating Budget: Water Division - \$20,490,211
Sewer Division - \$14,447,541
Recycled Water Division - \$2,112,896

Number of Services: 14,488 drinking water connections serving 19,654 units
15,007 sewer connections serving 22,190 units
849 recycled water connections serving 991 units

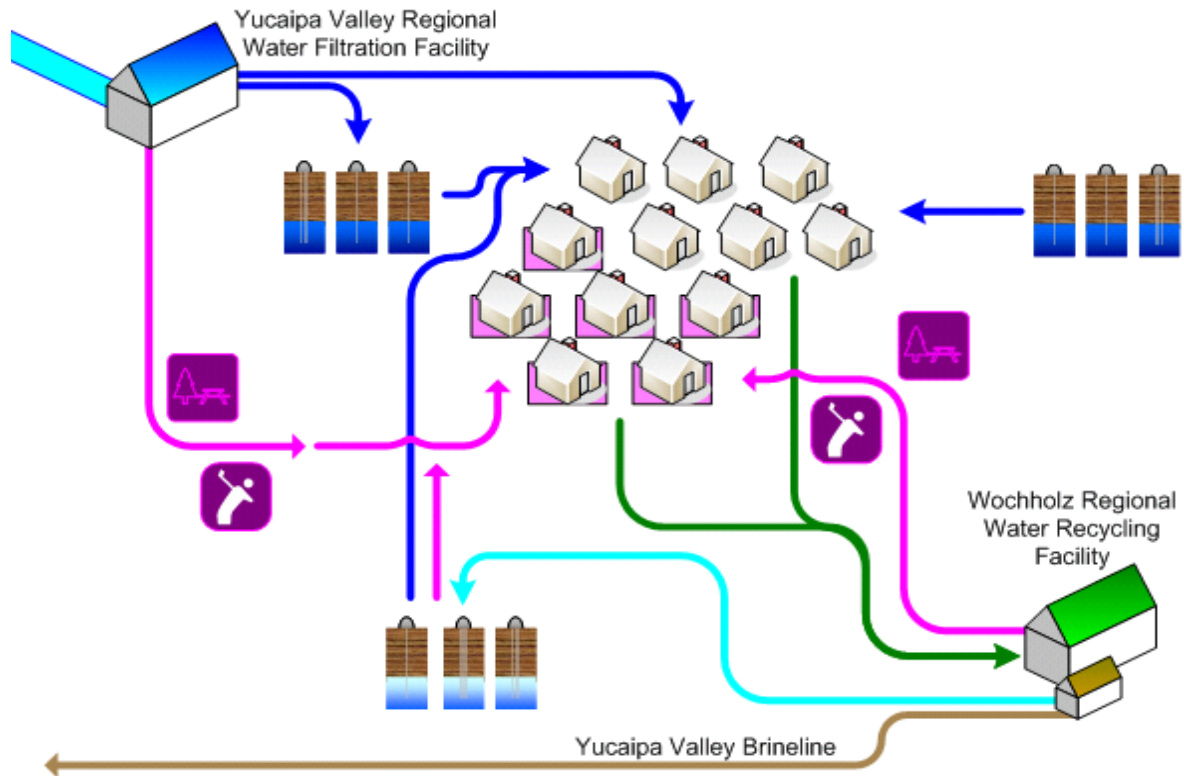
Water System: 243 miles of drinking water pipelines
2,296 fire hydrants
27 reservoirs - 38 million gallons of storage capacity
18 pressure zones
3.376 billion gallon annual drinking water demand
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 4.0 mgd
228 miles of sewer mainlines
4,846 sewer manholes
7 sewer lift stations
1.46 billion gallons of recycled water produced per year

Recycled Water: 44 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
0.623 billion gallon annual recycled water demand

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

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



Typical Rates, Fees, and Charges:

- Drinking Water Commodity Charge:

| | |
|-----------------------------------|--------------------------------|
| 1,000 gallons to 15,000 gallons | \$1.777 per each 1,000 gallons |
| 16,000 gallons to 60,000 gallons | \$2.692 per each 1,000 gallons |
| 61,000 gallons to 100,000 gallons | \$2.703 per each 1,000 gallons |
| 101,000 gallons or more | \$2.897 per each 1,000 gallons |

- Recycled Water Commodity Charge:

| | |
|-----------------------|--------------------------------|
| 1,000 gallons or more | \$1.922 per each 1,000 gallons |
|-----------------------|--------------------------------|

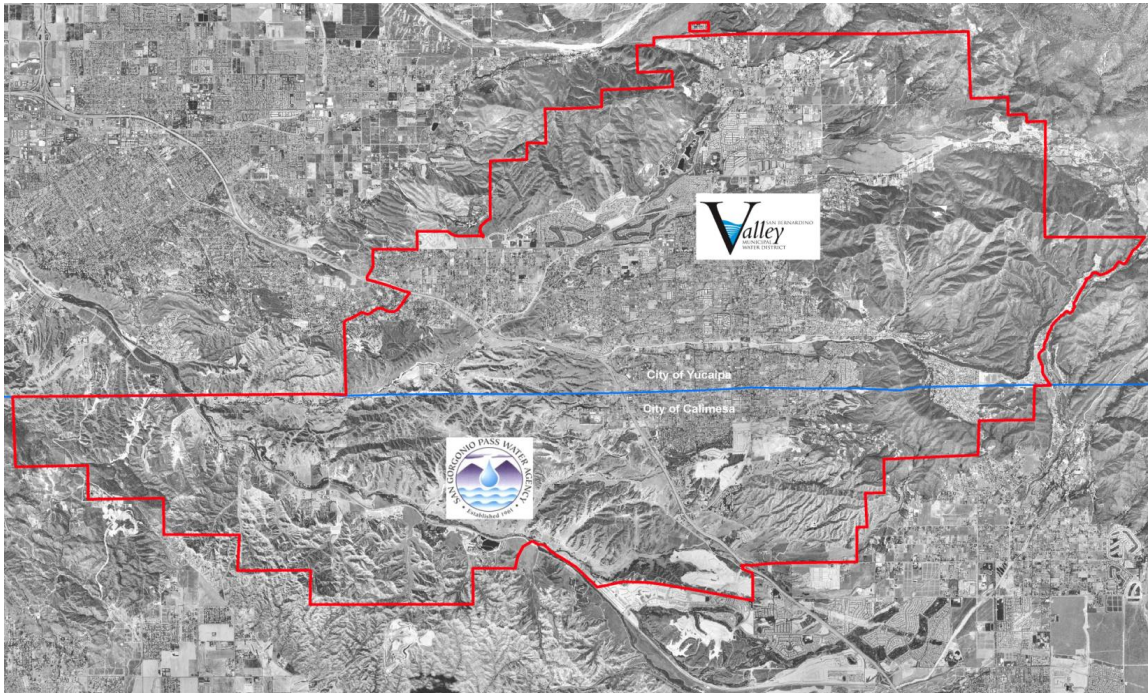
- Water Meter Service Charge (Drinking Water or Recycled Water):

| | |
|-------------------------|-------------------|
| 5/8" x 3/4" Water Meter | \$18.00 per month |
| 1" Water Meter | \$30.06 per month |
| 1-1/2" Water Meter | \$59.94 per month |

- Sewer Collection and Treatment Charge:

| | |
|----------------------------|-------------------|
| Typical Residential Charge | \$46.90 per month |
|----------------------------|-------------------|

State Water Contractors: San Bernardino Valley Municipal Water District
San Gorgonio Pass Water Agency



| | San Bernardino Valley Municipal Water District | San Gorgonio Pass Water Agency |
|-----------------------------|--|--------------------------------|
| Service Area Size | 353 square miles | 222 square miles |
| Table "A" Water Entitlement | 102,600 acre feet | 17,300 acre feet |
| Imported Water Rate | \$125.80 / acre foot | \$399 / acre foot |
| Tax Rates for FY 2023-24 | \$0.1200 per \$100 | \$0.1750 per \$100 |
| Number of Board Members | Five (5) | Seven (7) |
| Operating Budget FY 2024-25 | \$40,858,510 | \$20,980,000 |

Imported Water Charges (Pass-through State Water Project Charge)

- San Bernardino Valley Municipal Water District - Customers in San Bernardino County or City of Yucaipa pay a pass-through amount of \$0.3000 per 1,000 gallons.
- San Gorgonio Pass Water Agency - Customers in Riverside County or City of Calimesa pay a pass-through amount of \$0.9517 per 1,000 gallons.





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 specialized language of the group. Sometimes jargon can create communication 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 wastewater 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 of 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 wastewater treatment process. This high-quality product can be recycled as a soil amendment on farmland or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

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

Certificate of Participation (COP) – A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

Coliform Bacteria - A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere used as indicators of sewage pollution. E. coli is the most common bacteria in wastewater.

Collections System - In wastewater, it is the system of underground pipes that receive and convey sanitary wastewater or storm water.

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.

Contaminants of Potential Concern (CPC) - Pharmaceuticals, hormones, and other organic wastewater contaminants.

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 distinct 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.

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 used 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.

Levels of Service (LOS) - Goals to support environmental and public expectations for performance.

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 to 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.

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 later 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.

Santa Ana River Interceptor (SARI) Line - A regional brine line designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River basin to Orange County Sanitation District for treatment, use and/or disposal.

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

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 wastewater.

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

South Coast Air Quality Management District (SCAQMD) - Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.

Special district - A form of local government created by a local community to meet a specific need. Yucaipa Valley Water District is a County Water District formed pursuant to Section 30000 of the California Water Code

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.

Surface Water - Water found in lakes, streams, rivers, oceans, or reservoirs behind dams. In addition to using groundwater, Yucaipa Valley Water District receives surface water from the Oak Glen area.

Sustainable Groundwater Management Act (SGMA) - Pursuant to legislation signed by Governor Jerry Brown in 2014, the Sustainable Groundwater Management Act requires water agencies to manage groundwater extractions to not cause undesirable results from over production.

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 wastewater as it trickles over them.

Underground Service Alert (USA) - A free service (<https://www.digalert.org>) 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 carry 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 of water from the earth's surface to the atmosphere and back again.

Water Pressure - Water pressure is created by the weight and elevation of water and/or generated by pumps that deliver water to customers.

Water Service Line - A water service line is used to deliver water from the Yucaipa Valley Water District's mainline distribution system.

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.

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

Water-Wise House Call - a service which provides a custom evaluation of a customer's indoor and outdoor water use and landscape watering requirements.

Well - a hole drilled into the ground to tap an underground aquifer.

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

WIFIA - Water Infrastructure Finance and Innovation Act. The WIFIA program administered by the Environmental Protection Agency accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects.





COMMONLY USED ABBREVIATIONS

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