



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Board Member Nathan Douglass will participate telephonically
From Island Park Branch Library
4377 County Circle Road, Island Park, ID 83429
Wednesday, July 13th, 2016
Regular Session 7:00 p.m.**

Call to Order, President Cottrell

Pledge of Allegiance, Director Covington

Invocation, Director Slawson

Roll Call

Public Comment

PUBLIC COMMENT: At this time, any person may address the Board of Directors on matters within its jurisdiction which are not on the agenda. However, any non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the Board meeting. Please limit your comments to three minutes. Sharing or passing time to another speaker is not permitted.

ACTION ITEMS

1. Adjustments to the Agenda

2. Consent Calendar: All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. May 2016 Budget Variance Report Review** (pages 4-8)
- b. May 31, 2016 Cash/Investment Balance Report** (page 9)
- c. June 2016 Check Register Review** (pages 10-28)
- d. June 2016 Invoices Pending Approval** (pages 29-30)
- e. Minutes of the Regular Meeting June 8th, 2016** (pages 31-37)
- f. Review and Approve November 2016 Election Information** (pages 38-55)
- g. Annual Financial Report for 2015-DRAFT** (pages 56-117)

3. **California Special Districts Association (CSDA) 2016 Board Elections: Vote To Elect A Representative to the California Special District Association Board of Directors in our Network for Seat B.****(pages 118-126)
4. **Consideration of Request for “Will Serve Letter” for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA (Riverside County Assessor’s Parcel No’s 418-020-027, -032, -033, -034).**** (pages 127-152)
5. **Update Regarding the Acquisition of Imported Water Supply from the San Geronio Pass Water Agency for New Water System Connections.**** (pages 153-154)
6. **Presentation by SGPWA Regarding the Sites Reservoir Project.****(pages 155-176)
7. **Reports For Discussion**
 - a. Ad Hoc Committees
 - b. General Manager
 - c. Directors Reports
 - d. Legal Counsel Report

8. Announcements

- Beaumont Basin Watermaster meeting, August 3rd, 2016 at 10:00 a.m.
- Finance and Audit Committee meeting, August 4th, 2016 at 3:00 p.m.
- Regular Board meeting, August 10th, 2016 at 7:00 p.m.

9. Action List for Future Meetings

- Solar System Update
- Proposition 1 Bond Opportunities

10. Adjournment

** Information included in the agenda packet

AVAILABILITY OF AGENDA MATERIALS - Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Beaumont-Cherry Valley Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available from the District Office in the Board Room of the District's Office.

REVISIONS TO THE AGENDA -In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Board Meeting.

REQUIREMENTS RE: DISABLED ACCESS - In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office, at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. The District Office may be contacted by telephone at (951) 845-9581, email at info@bcvwd.org or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

General Ledger

Budget Variance Revenue

User: wclayton
 Printed: 06/28/16 10:27:57
 Period 05 - 05
 Fiscal Year 2016

Beaumont-Cherry Valley Water District

560 Magnolia Avenue
 Beaumont CA 92223
 (951) 845-9581
 www.bcavwd.org



| Account Number | Description | Budget | Period Amt | End Bal | Variance | % Avail |
|----------------------|---------------------------------|-------------------------|----------------------|------------------------|------------------------|---------------|
| 50 | GENERAL | | | | | |
| 01-50-510-419061 | Miscellaneous Income | \$ 250.00 | \$ - | \$ 558.64 | \$ (308.64) | -123.46% |
| 01-50-510-490001 | Interest Income - Bonita Vista | \$ 2,800.00 | \$ 599.83 | \$ 994.08 | \$ 1,805.92 | 64.50% |
| 01-50-510-490011 | Interest Income-Fairway Canyon | \$ 50,000.00 | \$ - | \$ 56,331.28 | \$ (6,331.28) | -12.66% |
| 01-50-510-490021 | Interest Income - General | \$ 20,000.00 | \$ - | \$ 19,456.49 | \$ 543.51 | 2.72% |
| | Misc Income | \$ 73,050.00 | \$ 599.83 | \$ 77,340.49 | \$ (4,290.49) | -5.87% |
| 01-50-510-481001 | Fac Fees-Wells | \$ 387,200.00 | \$ - | \$ 195,981.28 | \$ 191,218.72 | 49.39% |
| 01-50-510-481006 | Fac Fees-Water Rights (SWP) | \$ 245,000.00 | \$ - | \$ 124,006.75 | \$ 120,993.25 | 49.39% |
| 01-50-510-481012 | Fac Fees-Water Treatment Plant | \$ 184,200.00 | \$ - | \$ 93,232.83 | \$ 90,967.17 | 49.39% |
| 01-50-510-481018 | Fac Fees-Local Water Resources | \$ 97,000.00 | \$ - | \$ 49,096.55 | \$ 47,903.45 | 49.39% |
| 01-50-510-481024 | Fac Fees-Recycld Wtr Facilities | \$ 280,400.00 | \$ - | \$ 162,856.32 | \$ 117,543.68 | 41.92% |
| 01-50-510-481030 | Fac Fees-Transmission (16") | \$ 313,600.00 | \$ - | \$ 158,728.64 | \$ 154,871.36 | 49.39% |
| 01-50-510-481036 | Fac Fees-Storage | \$ 401,600.00 | \$ - | \$ 203,269.84 | \$ 198,330.16 | 49.39% |
| 01-50-510-481042 | Fac Fees-Booster | \$ 27,800.00 | \$ - | \$ 14,070.97 | \$ 13,729.03 | 49.39% |
| 01-50-510-481048 | Fac Fees-Pressure Reducng Stns | \$ 14,200.00 | \$ - | \$ 7,187.33 | \$ 7,012.67 | 49.39% |
| 01-50-510-481054 | Fac Fees-Misc Projects | \$ 12,400.00 | \$ - | \$ 6,276.26 | \$ 6,123.74 | 49.39% |
| 01-50-510-481060 | Fac Fees-Financing Costs | \$ 61,000.00 | \$ - | \$ 31,505.88 | \$ 29,494.12 | 48.35% |
| 01-50-510-485001 | Front Footage Fees | \$ - | \$ 4,702.50 | \$ 4,702.50 | \$ (4,702.50) | 0.00% |
| | Non-Operating Revenue | \$ 2,024,400.00 | \$ 4,702.50 | \$ 1,050,915.15 | \$ 973,484.85 | 48.09% |
| 01-50-510-410100 | Sales | \$ 3,700,000.00 | \$ 253,490.33 | \$ 1,217,096.96 | \$ 2,482,903.04 | 67.11% |
| 01-50-510-410151 | Agricultural Irrigation Sales | \$ 25,500.00 | \$ 1,222.10 | \$ 3,463.29 | \$ 22,036.71 | 86.42% |
| 01-50-510-410171 | Construction Sales | \$ 68,000.00 | \$ 19,216.50 | \$ 50,123.90 | \$ 17,876.10 | 26.29% |
| 01-50-510-413001 | Backflow Admin Charges | \$ 30,000.00 | \$ 2,189.81 | \$ 14,518.61 | \$ 15,481.39 | 51.60% |
| 01-50-510-413011 | Fixed Meter Charges | \$ 2,600,000.00 | \$ 214,438.28 | \$ 1,134,939.16 | \$ 1,465,060.84 | 56.35% |
| 01-50-510-413021 | Meter Fees | \$ 95,000.00 | \$ 38,929.00 | \$ 153,703.00 | \$ (58,703.00) | -61.79% |
| 01-50-510-415001 | SGPWA Importation Charges | \$ 1,750,000.00 | \$ 124,474.13 | \$ 582,784.26 | \$ 1,167,215.74 | 66.70% |
| 01-50-510-415011 | SCE Power Charges | \$ 1,550,000.00 | \$ 89,296.66 | \$ 418,088.67 | \$ 1,131,911.33 | 73.03% |
| 01-50-510-417001 | 2nd Notice Penalties | \$ 90,000.00 | \$ 7,455.00 | \$ 36,465.00 | \$ 53,535.00 | 59.48% |
| 01-50-510-417011 | 3rd Notice Charges | \$ 32,000.00 | \$ 2,175.00 | \$ 9,225.00 | \$ 22,775.00 | 71.17% |
| 01-50-510-417021 | Account Reinstatement Fees | \$ 75,000.00 | \$ 5,900.00 | \$ 23,650.00 | \$ 51,350.00 | 68.47% |
| 01-50-510-417031 | Lien Processing Fees | \$ 3,800.00 | \$ 400.00 | \$ 3,300.00 | \$ 500.00 | 13.16% |
| 01-50-510-417041 | Credit Check Processing Fees | \$ 7,500.00 | \$ 840.00 | \$ 3,885.00 | \$ 3,615.00 | 48.20% |
| 01-50-510-417051 | Returned Check Fees | \$ 2,000.00 | \$ 95.00 | \$ 1,015.00 | \$ 985.00 | 49.25% |
| 01-50-510-417061 | Custmr Damages/Upgrade Charges | \$ 8,000.00 | \$ 1,449.70 | \$ 2,552.35 | \$ 5,447.65 | 68.10% |
| 01-50-510-417071 | After Hours Call Out Charges | \$ 600.00 | \$ 150.00 | \$ 400.00 | \$ 200.00 | 33.33% |
| 01-50-510-417081 | Bench Test Fees | \$ 180.00 | \$ - | \$ 30.00 | \$ 150.00 | 83.33% |
| 01-50-510-417091 | Credit Card Processing Fees | \$ 33,000.00 | \$ 3,386.25 | \$ 15,830.50 | \$ 17,169.50 | 52.03% |
| 01-50-510-419011 | Development Income | \$ 85,000.00 | \$ 91,464.89 | \$ 111,614.08 | \$ (26,614.08) | -31.31% |
| 01-50-510-419021 | Recharge Income | \$ 35,000.00 | \$ 10,149.24 | \$ 17,975.16 | \$ 17,024.84 | 48.64% |
| | Operating Revenue | \$ 10,190,580.00 | \$ 866,721.89 | \$ 3,800,659.94 | \$ 6,389,920.06 | 62.70% |
| 01-50-510-471001 | Rent - 12303 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 1,000.00 | \$ 1,400.00 | 58.33% |
| 01-50-510-471011 | Rent - 13695 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 1,000.00 | \$ 1,400.00 | 58.33% |
| 01-50-510-471021 | Rent - 13697 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 1,000.00 | \$ 1,400.00 | 58.33% |
| 01-50-510-471031 | Rent - 9781 Avenida Miravilla | \$ 2,400.00 | \$ 200.00 | \$ 1,000.00 | \$ 1,400.00 | 58.33% |
| 01-50-510-471101 | Util - 12303 Oak Glen | \$ 2,320.00 | \$ 163.56 | \$ 878.83 | \$ 1,441.17 | 62.12% |
| 01-50-510-471111 | Util - 13695 Oak Glen | \$ 1,400.00 | \$ 61.33 | \$ 295.82 | \$ 1,104.18 | 78.87% |
| 01-50-510-471121 | Util - 13697 Oak Glen | \$ 2,800.00 | \$ 107.74 | \$ 639.18 | \$ 2,160.82 | 77.17% |
| 01-50-510-471131 | Util - 9781 Avenida Miravilla | \$ 2,300.00 | \$ 73.46 | \$ 373.70 | \$ 1,926.30 | 83.75% |
| | Rent/Utilities | \$ 18,420.00 | \$ 1,206.09 | \$ 6,187.53 | \$ 12,232.47 | 66.41% |
| Revenue Total | | \$ 12,306,450.00 | \$ 873,230.31 | \$ 4,935,103.11 | \$ 7,371,346.89 | 60.00% |

General Ledger

Budget Variance Expense

User: wclayton
 Printed: 06/28/16 10:28:51
 Period 05 - 05
 Fiscal Year 2016

Beaumont-Cherry Valley Water District

560 Magnolia Avenue
 Beaumont CA 92223
 (951) 845-9581
 www.bcavwd.org



| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ |
|----------------------|---|------------------------|----------------------|----------------------|------------------------|--------------------|----------------|
| 10 | BOARD OF DIRECTORS | | | | | | |
| 01-10-110-500101 | Board of Directors Fees | \$ 30,800.00 | \$ 3,200.00 | \$ 12,000.00 | \$ 18,800.00 | \$ - | 61.04% |
| 01-10-110-500115 | Social Security | \$ 3,100.00 | \$ 198.40 | \$ 744.00 | \$ 2,356.00 | \$ - | 76.00% |
| 01-10-110-500120 | Medicare | \$ 700.00 | \$ 46.40 | \$ 174.00 | \$ 526.00 | \$ - | 75.14% |
| 01-10-110-500145 | Workers' Compensation | \$ 450.00 | \$ 35.22 | \$ 132.06 | \$ 317.94 | \$ - | 70.65% |
| 01-10-110-500175 | Seminar & Travel Expenses | \$ 10,000.00 | \$ - | \$ - | \$ 10,000.00 | \$ - | 100.00% |
| | Board of Directors Personnel | \$ 45,050.00 | \$ 3,480.02 | \$ 13,050.06 | \$ 31,999.94 | \$ - | 71.03% |
| 01-10-110-550012 | Election Expenses | \$ 30,000.00 | \$ - | \$ - | \$ 30,000.00 | \$ - | 100.00% |
| | Board of Directors Services | \$ 30,000.00 | \$ - | \$ - | \$ 30,000.00 | \$ - | 100.00% |
| Expense Total | BOARD OF DIRECTORS | \$ 75,050.00 | \$ 3,480.02 | \$ 13,050.06 | \$ 61,999.94 | \$ - | 83.00% |
| 20 | ENGINEERING | | | | | | |
| 01-20-210-500105 | Labor | \$ 208,929.00 | \$ 13,932.38 | \$ 62,632.75 | \$ 146,296.25 | \$ - | 70.02% |
| 01-20-210-500115 | Social Security | \$ 11,772.00 | \$ 905.96 | \$ 4,087.54 | \$ 7,684.46 | \$ - | 65.28% |
| 01-20-210-500120 | Medicare | \$ 3,029.00 | \$ 211.89 | \$ 955.99 | \$ 2,073.01 | \$ - | 68.44% |
| 01-20-210-500125 | Health Insurance | \$ 20,432.00 | \$ 1,702.66 | \$ 8,088.05 | \$ 12,343.95 | \$ - | 60.41% |
| 01-20-210-500140 | Life Insurance | \$ 883.00 | \$ 48.99 | \$ 220.48 | \$ 662.52 | \$ - | 75.03% |
| 01-20-210-500145 | Workers' Compensation | \$ 3,938.00 | \$ 196.10 | \$ 884.82 | \$ 3,053.18 | \$ - | 77.53% |
| 01-20-210-500155 | Retirement/CalPERS | \$ 30,295.00 | \$ 2,399.91 | \$ 11,055.49 | \$ 19,239.51 | \$ - | 63.51% |
| 01-20-210-500165 | Uniforms & Employee Benefits | \$ 50.00 | \$ - | \$ - | \$ 50.00 | \$ - | 100.00% |
| 01-20-210-500170 | Education Expenses | \$ 2,500.00 | \$ - | \$ - | \$ 2,500.00 | \$ - | 100.00% |
| 01-20-210-500175 | Seminar & Travel Expenses | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-20-210-500180 | Accrued Sick Leave Expenses | \$ - | \$ 744.47 | \$ 20,181.25 | \$ (20,181.25) | \$ - | 0.00% |
| 01-20-210-500185 | Accrued Vacation Expenses | \$ - | \$ 1,424.44 | \$ 2,772.83 | \$ (2,772.83) | \$ - | 0.00% |
| 01-20-210-500195 | CIP Related Labor | \$ (121,157.68) | \$ (4,905.35) | \$ (17,693.09) | \$ (103,464.59) | \$ - | 85.40% |
| | Engineering Personnel | \$ 161,170.32 | \$ 16,661.45 | \$ 93,186.11 | \$ 67,984.21 | \$ - | 42.18% |
| 01-20-210-540048 | Permits, Fees & Licensing | \$ 4,000.00 | \$ - | \$ - | \$ 4,000.00 | \$ - | 100.00% |
| | Engineering Materials & Supplies | \$ 4,000.00 | \$ - | \$ - | \$ 4,000.00 | \$ - | 100.00% |
| 01-20-210-540012 | Dev Reimbursable Engineering | \$ 15,000.00 | \$ 22,680.00 | \$ 22,680.00 | \$ (7,680.00) | \$ - | -51.20% |
| 01-20-210-550068 | Software Maintenance | \$ 22,500.00 | \$ - | \$ 10,000.00 | \$ 12,500.00 | \$ - | 55.56% |
| 01-20-210-580031 | Outside Engineering | \$ 60,000.00 | \$ 4,343.45 | \$ 11,370.13 | \$ 48,629.87 | \$ 9,040.00 | 65.98% |
| 01-20-210-580032 | CIP Related Outside Engineering | \$ (30,000.00) | \$ - | \$ - | \$ (30,000.00) | \$ - | 100.00% |
| | Engineering Services | \$ 67,500.00 | \$ 27,023.45 | \$ 44,050.13 | \$ 23,449.87 | \$ 9,040.00 | 21.35% |
| Expense Total | ENGINEERING | \$ 232,670.32 | \$ 43,684.90 | \$ 137,236.24 | \$ 95,434.08 | \$ 9,040.00 | 37.00% |
| 30 | FINANCE & ADMIN SERVICES | | | | | | |
| 01-30-310-500105 | Labor | \$ 1,091,965.00 | \$ 71,691.50 | \$ 331,983.31 | \$ 759,981.69 | \$ - | 69.60% |
| 01-30-310-500110 | Overtime | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-30-310-500115 | Social Security | \$ 60,682.00 | \$ 5,024.67 | \$ 23,155.58 | \$ 37,526.42 | \$ - | 61.84% |
| 01-30-310-500120 | Medicare | \$ 15,833.00 | \$ 1,175.09 | \$ 5,415.27 | \$ 10,417.73 | \$ - | 65.80% |
| 01-30-310-500125 | Health Insurance | \$ 234,967.00 | \$ 15,480.47 | \$ 73,495.36 | \$ 161,471.64 | \$ - | 68.72% |
| 01-30-310-500130 | CalPERS Health Admin Costs | \$ 2,000.00 | \$ 134.39 | \$ 701.47 | \$ 1,298.53 | \$ - | 64.93% |
| 01-30-310-500140 | Life Insurance | \$ 6,806.00 | \$ 345.85 | \$ 1,568.98 | \$ 5,237.02 | \$ - | 76.95% |
| 01-30-310-500145 | Workers' Compensation | \$ 18,155.00 | \$ 960.10 | \$ 4,434.37 | \$ 13,720.63 | \$ - | 75.57% |
| 01-30-310-500150 | Unemployment Insurance | \$ 74,709.00 | \$ - | \$ - | \$ 74,709.00 | \$ - | 100.00% |
| 01-30-310-500155 | Retirement/CalPERS | \$ 154,821.00 | \$ 10,879.09 | \$ 50,980.93 | \$ 103,840.07 | \$ - | 67.07% |
| 01-30-310-500160 | Post-Employment Health Expenses | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-30-310-500165 | Uniforms & Employee Benefits | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-30-310-500170 | Education Expenses | \$ 2,000.00 | \$ 150.00 | \$ 245.00 | \$ 1,755.00 | \$ - | 87.75% |
| 01-30-310-500175 | Seminar & Travel Expenses | \$ 16,000.00 | \$ 2,995.00 | \$ 5,837.00 | \$ 10,163.00 | \$ - | 63.52% |
| 01-30-310-500180 | Accrued Sick Leave Expenses | \$ - | \$ 2,022.16 | \$ 62,955.29 | \$ (62,955.29) | \$ - | 0.00% |
| 01-30-310-500185 | Accrued Vacation Expenses | \$ - | \$ 16,719.03 | \$ 37,591.63 | \$ (37,591.63) | \$ - | 0.00% |
| 01-30-310-500195 | CIP Related Labor | \$ (25,000.00) | \$ - | \$ - | \$ (25,000.00) | \$ - | 100.00% |
| 01-30-310-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| | Finance & Admin Services Personnel | \$ 1,659,138.00 | \$ 127,577.35 | \$ 598,364.19 | \$ 1,060,773.81 | \$ - | 63.94% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ |
|----------------------|--|------------------------|----------------------|------------------------|------------------------|-------------|---------------|
| 01-30-310-520001 | Maint & Rpr-Office Equipment | \$ 2,800.00 | \$ - | \$ 124.32 | \$ 2,675.68 | \$ - | 95.56% |
| 01-30-310-550006 | Cashiering Shortages/Overages | \$ 50.00 | \$ (0.69) | \$ 3.30 | \$ 46.70 | \$ - | 93.40% |
| 01-30-310-550018 | Employee Medical/First Aid | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-30-310-550042 | Office Supplies | \$ 15,000.00 | \$ 1,717.67 | \$ 7,266.27 | \$ 7,733.73 | \$ - | 51.56% |
| 01-30-310-550046 | Office Equipment | \$ 65,000.00 | \$ 2,539.29 | \$ 11,728.76 | \$ 53,271.24 | \$ - | 81.96% |
| 01-30-310-550048 | Postage | \$ 58,800.00 | \$ 3,871.85 | \$ 19,828.30 | \$ 38,971.70 | \$ - | 66.28% |
| 01-30-310-550066 | Subscriptions | \$ 10,000.00 | \$ 443.10 | \$ 1,933.85 | \$ 8,066.15 | \$ - | 80.66% |
| 01-30-310-550072 | Misc Operating Expenses | \$ 5,000.00 | \$ 0.60 | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-30-310-550078 | Bad Debt Expenses | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-30-310-550084 | Depreciation | \$ 1,871,002.00 | \$ 208,517.68 | \$ 1,045,348.37 | \$ 825,653.63 | \$ - | 44.13% |
| | Finance & Admin Services Materials & Supplies | \$ 2,032,852.00 | \$ 217,089.50 | \$ 1,086,233.17 | \$ 946,618.83 | \$ - | 46.57% |
| 01-30-310-550001 | Bank Charges | \$ 33,000.00 | \$ 2,388.17 | \$ 12,780.16 | \$ 20,219.84 | \$ - | 61.27% |
| 01-30-310-550030 | Membership Dues | \$ 35,000.00 | \$ 1,342.92 | \$ 13,058.60 | \$ 21,941.40 | \$ - | 62.69% |
| 01-30-310-550036 | Notary & Lien Fees | \$ 1,000.00 | \$ 69.00 | \$ 529.00 | \$ 471.00 | \$ - | 47.10% |
| 01-30-310-550054 | Property, Auto& Gen Liab Insur | \$ 85,000.00 | \$ 6,305.17 | \$ 31,807.07 | \$ 53,192.93 | \$ - | 62.58% |
| 01-30-310-580001 | Accounting & Audit | \$ 35,000.00 | \$ 7,600.00 | \$ 10,200.00 | \$ 24,800.00 | \$ - | 70.86% |
| 01-30-310-580011 | General Legal | \$ 150,000.00 | \$ 2,003.92 | \$ 26,824.62 | \$ 123,175.38 | \$ - | 82.12% |
| 01-30-310-580021 | IT/Software Support | \$ 30,000.00 | \$ 3,240.59 | \$ 15,204.43 | \$ 14,795.57 | \$ - | 49.32% |
| | Finance & Admin Services | \$ 369,000.00 | \$ 22,949.77 | \$ 110,403.88 | \$ 258,596.12 | \$ - | 70.08% |
| Expense Total | FINANCE & ADMIN SERVICES | \$ 4,060,990.00 | \$ 367,616.62 | \$ 1,795,001.24 | \$ 2,265,988.76 | \$ - | 56.00% |
| 40 | OPERATIONS | | | | | | |
| 410 | Source of Supply Personnel | | | | | | |
| 01-40-410-500105 | Labor | \$ 239,658.00 | \$ 12,415.86 | \$ 59,060.83 | \$ 180,597.17 | \$ - | 75.36% |
| 01-40-410-500110 | Overtime | \$ 13,476.00 | \$ 371.67 | \$ 2,987.10 | \$ 10,488.90 | \$ - | 77.83% |
| 01-40-410-500111 | Double time | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-40-410-500115 | Social Security | \$ 14,859.00 | \$ 880.69 | \$ 4,240.90 | \$ 10,618.10 | \$ - | 71.46% |
| 01-40-410-500120 | Medicare | \$ 3,475.00 | \$ 205.99 | \$ 991.87 | \$ 2,483.13 | \$ - | 71.46% |
| 01-40-410-500125 | Health Insurance | \$ 81,728.00 | \$ 4,133.55 | \$ 19,598.11 | \$ 62,129.89 | \$ - | 76.02% |
| 01-40-410-500140 | Life Insurance | \$ 1,539.00 | \$ 60.72 | \$ 279.96 | \$ 1,259.04 | \$ - | 81.81% |
| 01-40-410-500145 | Workers' Compensation | \$ 19,748.00 | \$ 825.81 | \$ 3,960.02 | \$ 15,787.98 | \$ - | 79.95% |
| 01-40-410-500155 | Retirement/CalPERS | \$ 44,846.00 | \$ 3,144.91 | \$ 14,982.66 | \$ 29,863.34 | \$ - | 66.59% |
| 01-40-410-500165 | Uniforms & Employee Benefits | \$ 1,000.00 | \$ - | \$ 171.04 | \$ 828.96 | \$ - | 82.90% |
| 01-40-410-500170 | Education Expenses | \$ 1,400.00 | \$ - | \$ 60.00 | \$ 1,340.00 | \$ - | 95.71% |
| 01-40-410-500175 | Seminar & Travel Expenses | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-40-410-500180 | Accrued Sick Leave Expenses | \$ - | \$ 680.81 | \$ 18,650.14 | \$ (18,650.14) | \$ - | 0.00% |
| 01-40-410-500185 | Accrued Vacation Expenses | \$ - | \$ 1,341.80 | \$ 2,210.00 | \$ (2,210.00) | \$ - | 0.00% |
| 01-40-410-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 440 | Transmission & Distribution Personnel | | | | | | |
| 01-40-440-500105 | Labor | \$ 514,533.00 | \$ 24,517.03 | \$ 105,748.32 | \$ 408,784.68 | \$ - | 79.45% |
| 01-40-440-500110 | Overtime | \$ 20,000.00 | \$ 1,043.91 | \$ 4,616.78 | \$ 15,383.22 | \$ - | 76.92% |
| 01-40-440-500111 | Double time | \$ 1,500.00 | \$ - | \$ 53.08 | \$ 1,446.92 | \$ - | 96.46% |
| 01-40-440-500115 | Social Security | \$ 31,901.00 | \$ 1,813.26 | \$ 8,004.54 | \$ 23,896.46 | \$ - | 74.91% |
| 01-40-440-500120 | Medicare | \$ 7,461.00 | \$ 424.06 | \$ 1,872.05 | \$ 5,588.95 | \$ - | 74.91% |
| 01-40-440-500125 | Health Insurance | \$ 214,535.00 | \$ 13,291.67 | \$ 58,208.63 | \$ 156,326.37 | \$ - | 72.87% |
| 01-40-440-500140 | Life Insurance | \$ 3,303.00 | \$ 168.35 | \$ 668.10 | \$ 2,634.90 | \$ - | 79.77% |
| 01-40-440-500145 | Workers' Compensation | \$ 39,302.00 | \$ 1,529.84 | \$ 6,631.98 | \$ 32,670.02 | \$ - | 83.13% |
| 01-40-440-500155 | Retirement/CalPERS | \$ 87,253.00 | \$ 5,495.43 | \$ 24,927.81 | \$ 62,325.19 | \$ - | 71.43% |
| 01-40-440-500165 | Uniforms & Employee Benefits | \$ 4,000.00 | \$ 128.82 | \$ 857.94 | \$ 3,142.06 | \$ - | 78.55% |
| 01-40-440-500170 | Education Expenses | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| 01-40-440-500175 | Seminar & Travel Expenses | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-40-440-500180 | Accrued Sick Leave Expenses | \$ - | \$ 2,908.85 | \$ 28,891.73 | \$ (28,891.73) | \$ - | 0.00% |
| 01-40-440-500185 | Accrued Vacation Expenses | \$ - | \$ 6,350.37 | \$ 8,213.98 | \$ (8,213.98) | \$ - | 0.00% |
| 01-40-440-500195 | CIP Related Labor | \$ (40,000.00) | \$ - | \$ - | \$ (40,000.00) | \$ - | 100.00% |
| 01-40-440-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 450 | Inspections Personnel | | | | | | |
| 01-40-450-500105 | Labor | \$ - | \$ 2,060.86 | \$ 5,969.77 | \$ (5,969.77) | \$ - | 0.00% |
| 01-40-450-500115 | Social Security | \$ - | \$ 127.78 | \$ 373.82 | \$ (373.82) | \$ - | 0.00% |
| 01-40-450-500120 | Medicare | \$ - | \$ 29.91 | \$ 87.45 | \$ (87.45) | \$ - | 0.00% |
| 01-40-450-500125 | Health Insurance | \$ - | \$ 688.46 | \$ 1,747.64 | \$ (1,747.64) | \$ - | 0.00% |
| 01-40-450-500140 | Life Insurance | \$ - | \$ 6.35 | \$ 20.19 | \$ (20.19) | \$ - | 0.00% |
| 01-40-450-500145 | Workers' Compensation | \$ - | \$ 116.95 | \$ 339.17 | \$ (339.17) | \$ - | 0.00% |
| 01-40-450-500155 | Retirement/CalPERS | \$ - | \$ 418.72 | \$ 1,395.36 | \$ (1,395.36) | \$ - | 0.00% |
| 01-40-450-500165 | Uniforms & Employee Benefits | \$ 300.00 | \$ - | \$ - | \$ 300.00 | \$ - | 100.00% |
| 460 | Customer Svc & Meter Reading Personnel | | | | | | |
| 01-40-460-500105 | Labor | \$ 142,252.00 | \$ 9,290.97 | \$ 54,005.62 | \$ 88,246.38 | \$ - | 62.04% |
| 01-40-460-500110 | Overtime | \$ 3,500.00 | \$ 84.23 | \$ 1,447.26 | \$ 2,052.74 | \$ - | 58.65% |
| 01-40-460-500111 | Double time | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ |
|------------------|---|------------------------|----------------------|----------------------|------------------------|-------------|---------------|
| 01-40-460-500115 | Social Security | \$ 8,820.00 | \$ 667.25 | \$ 3,916.03 | \$ 4,903.97 | \$ - | 55.60% |
| 01-40-460-500120 | Medicare | \$ 2,063.00 | \$ 156.05 | \$ 915.86 | \$ 1,147.14 | \$ - | 55.61% |
| 01-40-460-500125 | Health Insurance | \$ 61,296.00 | \$ 4,805.91 | \$ 27,817.93 | \$ 33,478.07 | \$ - | 54.62% |
| 01-40-460-500140 | Life Insurance | \$ 913.00 | \$ 45.93 | \$ 292.61 | \$ 620.39 | \$ - | 67.95% |
| 01-40-460-500145 | Workers' Compensation | \$ 11,722.00 | \$ 630.99 | \$ 3,683.82 | \$ 8,038.18 | \$ - | 68.57% |
| 01-40-460-500155 | Retirement/CalPERS | \$ 25,612.00 | \$ 2,196.62 | \$ 11,740.95 | \$ 13,871.05 | \$ - | 54.16% |
| 01-40-460-500165 | Uniforms & Employee Benefits | \$ 750.00 | \$ - | \$ - | \$ 750.00 | \$ - | 100.00% |
| 01-40-460-500170 | Education Expenses | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-40-460-500175 | Seminar & Travel Expenses | \$ 300.00 | \$ - | \$ - | \$ 300.00 | \$ - | 100.00% |
| 01-40-460-500180 | Accrued Sick Leave Expenses | \$ - | \$ 1,662.12 | \$ 14,036.81 | \$ (14,036.81) | \$ - | 0.00% |
| 01-40-460-500185 | Accrued Vacation Expenses | \$ - | \$ 230.58 | \$ 550.58 | \$ (550.58) | \$ - | 0.00% |
| 01-40-460-500195 | CIP Related Labor | \$ (10,000.00) | \$ - | \$ - | \$ (10,000.00) | \$ - | 100.00% |
| 01-40-460-550024 | Employment Testing | \$ 300.00 | \$ - | \$ - | \$ 300.00 | \$ - | 100.00% |
| 470 | Maintenance & General Plant Personnel | | | | | | |
| 01-40-470-500105 | Labor | \$ 32,000.00 | \$ 709.54 | \$ 3,261.73 | \$ 28,738.27 | \$ - | 89.81% |
| 01-40-470-500115 | Social Security | \$ 1,700.00 | \$ 43.99 | \$ 218.45 | \$ 1,481.55 | \$ - | 87.15% |
| 01-40-470-500120 | Medicare | \$ 400.00 | \$ 10.28 | \$ 51.08 | \$ 348.92 | \$ - | 87.23% |
| 01-40-470-500125 | Health Insurance | \$ 11,000.00 | \$ 366.32 | \$ 1,713.76 | \$ 9,286.24 | \$ - | 84.42% |
| 01-40-470-500140 | Life Insurance | \$ 200.00 | \$ 7.03 | \$ 18.26 | \$ 181.74 | \$ - | 90.87% |
| 01-40-470-500145 | Workers' Compensation | \$ 2,500.00 | \$ 41.66 | \$ 206.51 | \$ 2,293.49 | \$ - | 91.74% |
| 01-40-470-500155 | Retirement/CalPERS | \$ 9,950.00 | \$ 189.42 | \$ 1,103.00 | \$ 8,847.00 | \$ - | 88.91% |
| | Operations Personnel | \$ 1,614,395.00 | \$ 106,321.32 | \$ 510,801.23 | \$ 1,103,593.77 | \$ - | 68.36% |
| 410 | Source of Supply Materials & Supplies | | | | | | |
| 01-40-410-501101 | Electricity - Wells | \$ 1,550,000.00 | \$ 100,721.08 | \$ 385,155.24 | \$ 1,164,844.76 | \$ - | 75.15% |
| 01-40-410-501201 | Gas - Wells | \$ 225.00 | \$ 42.90 | \$ 90.74 | \$ 134.26 | \$ - | 59.67% |
| 01-40-410-510011 | Treatment & Chemicals | \$ 75,000.00 | \$ 2,404.66 | \$ 5,244.55 | \$ 69,755.45 | \$ (283.26) | 93.38% |
| 01-40-410-510021 | Lab Testing | \$ 90,000.00 | \$ 2,260.00 | \$ 13,890.00 | \$ 76,110.00 | \$ - | 84.57% |
| 01-40-410-510031 | Small Tools, Parts & Maint | \$ 4,280.00 | \$ 10.79 | \$ 904.67 | \$ 3,375.33 | \$ - | 78.86% |
| 01-40-410-520021 | Maint & Rpr-Telemetry Equip | \$ 15,000.00 | \$ - | \$ 1,724.83 | \$ 13,275.17 | \$ - | 88.50% |
| 01-40-410-520031 | Maint & Rpr-General Equipment | \$ 100.00 | \$ - | \$ - | \$ 100.00 | \$ - | 100.00% |
| 01-40-410-520061 | Maint & Rpr-Pumping Equipment | \$ 100,000.00 | \$ 19,791.99 | \$ 47,320.52 | \$ 52,679.48 | \$ 612.64 | 52.07% |
| 01-40-410-550066 | Subscriptions | \$ 400.00 | \$ - | \$ 3.00 | \$ 397.00 | \$ - | 99.25% |
| 440 | Trans & Distribution Materials & Supplies | | | | | | |
| 01-40-440-510031 | Small Tools, Parts & Maint | \$ 10,590.00 | \$ (1,107.43) | \$ 4,274.54 | \$ 6,315.46 | \$ - | 59.64% |
| 01-40-440-520071 | Maint & Rpr-Pipelines&Hydrants | \$ 55,000.00 | \$ 2,134.03 | \$ 18,572.43 | \$ 36,427.57 | \$ - | 66.23% |
| 01-40-440-520081 | Maint & Rpr-Pressure Regulatrs | \$ 7,500.00 | \$ - | \$ 2,580.73 | \$ 4,919.27 | \$ - | 65.59% |
| 01-40-440-540001 | Backflow Devices | \$ 2,500.00 | \$ - | \$ - | \$ 2,500.00 | \$ - | 100.00% |
| 01-40-440-540024 | Invenry Adjustments | \$ 3,000.00 | \$ (766.58) | \$ (766.58) | \$ 3,766.58 | \$ - | 125.55% |
| 01-40-440-540026 | Invenry Purchase Discounts | \$ (5,000.00) | \$ - | \$ - | \$ (5,000.00) | \$ - | 100.00% |
| 01-40-440-540036 | Line Locates | \$ 3,500.00 | \$ 145.50 | \$ 611.66 | \$ 2,888.34 | \$ - | 82.52% |
| 01-40-440-540042 | Meters Maintenance & Services | \$ 149,891.00 | \$ 29,418.43 | \$ 55,385.23 | \$ 94,505.77 | \$ - | 63.05% |
| 01-40-440-540078 | Reservoirs Maintenance | \$ 26,000.00 | \$ 12.73 | \$ 333.26 | \$ 25,666.74 | \$ - | 98.72% |
| 470 | Maint & General Plant Materials & Supplies | | | | | | |
| 01-40-470-501111 | Electricity - 560 Magnolia | \$ 23,600.00 | \$ 1,147.58 | \$ 5,950.65 | \$ 17,649.35 | \$ - | 74.79% |
| 01-40-470-501121 | Electricity - 12303 Oak Glen | \$ 2,200.00 | \$ 163.56 | \$ 878.83 | \$ 1,321.17 | \$ - | 60.05% |
| 01-40-470-501131 | Electricity - 13695 Oak Glen | \$ 800.00 | \$ 61.33 | \$ 295.82 | \$ 504.18 | \$ - | 63.02% |
| 01-40-470-501141 | Electricity - 13697 Oak Glen | \$ 2,200.00 | \$ 107.74 | \$ 639.18 | \$ 1,560.82 | \$ - | 70.95% |
| 01-40-470-501151 | Elec - 9781 Avenida Miravilla | \$ 1,800.00 | \$ 73.46 | \$ 373.70 | \$ 1,426.30 | \$ - | 79.24% |
| 01-40-470-501161 | Electricity - 815 E. 12th | \$ 6,000.00 | \$ 246.67 | \$ 1,354.75 | \$ 4,645.25 | \$ - | 77.42% |
| 01-40-470-501321 | Propane - 12303 Oak Glen | \$ 120.00 | \$ - | \$ - | \$ 120.00 | \$ - | 100.00% |
| 01-40-470-501331 | Propane - 13695 Oak Glen | \$ 600.00 | \$ - | \$ - | \$ 600.00 | \$ - | 100.00% |
| 01-40-470-501341 | Propane - 13697 Oak Glen | \$ 600.00 | \$ - | \$ - | \$ 600.00 | \$ - | 100.00% |
| 01-40-470-501351 | Propane-9781 Avenida Miravilla | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-40-470-501411 | Sanitation - 560 Magnolia | \$ 1,800.00 | \$ 94.37 | \$ 621.12 | \$ 1,178.88 | \$ - | 65.49% |
| 01-40-470-501461 | Sanitation - 815 E. 12th | \$ 3,600.00 | \$ 257.15 | \$ 1,285.75 | \$ 2,314.25 | \$ - | 64.28% |
| 01-40-470-501471 | Sanitation - 11083 Cherry Ave | \$ 3,200.00 | \$ 244.50 | \$ 1,222.50 | \$ 1,977.50 | \$ - | 61.80% |
| 01-40-470-501511 | Phones - 560 Magnolia | \$ 20,000.00 | \$ 2,845.28 | \$ 12,656.54 | \$ 7,343.46 | \$ - | 36.72% |
| 01-40-470-501561 | Phones - 815 E. 12th | \$ 1,800.00 | \$ 410.62 | \$ 1,006.05 | \$ 793.95 | \$ - | 44.11% |
| 01-40-470-501600 | Property Maintenance & Repair | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-40-470-501611 | Maint & Repair- 560 Magnolia | \$ 16,000.00 | \$ 11,266.37 | \$ 16,815.27 | \$ (815.27) | \$ - | -5.10% |
| 01-40-470-501621 | Maint & Repair- 12303 Oak Glen | \$ 1,200.00 | \$ - | \$ - | \$ 1,200.00 | \$ - | 100.00% |
| 01-40-470-501631 | Maint & Repair- 13695 Oak Glen | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| 01-40-470-501641 | Maint & Repair- 13697 Oak Glen | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| 01-40-470-501651 | Maint & Rpr-9781 Ave Miravilla | \$ 1,500.00 | \$ - | \$ - | \$ 1,500.00 | \$ - | 100.00% |
| 01-40-470-501661 | Maint & Repair- 815 E. 12th | \$ 5,000.00 | \$ 208.56 | \$ 1,040.76 | \$ 3,959.24 | \$ - | 79.18% |
| 01-40-470-501691 | Maint & Rpr- Buildgs (General) | \$ 5,000.00 | \$ 44.50 | \$ 464.36 | \$ 4,535.64 | \$ - | 90.71% |
| 01-40-470-510001 | Auto/Fuel | \$ 75,000.00 | \$ 3,810.87 | \$ 17,859.46 | \$ 57,140.54 | \$ - | 76.19% |
| 01-40-470-510002 | CIP Related Fuel | \$ (15,000.00) | \$ - | \$ - | \$ (15,000.00) | \$ - | 100.00% |
| 01-40-470-520011 | Maint & Rpr-Safety Equipment | \$ 14,000.00 | \$ - | \$ 918.04 | \$ 13,081.96 | \$ - | 93.44% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ |
|----------------------|---|-------------------------|------------------------|------------------------|------------------------|---------------------|---------------|
| 01-40-470-520031 | Maint & Rpr-General Equipment | \$ 43,528.00 | \$ 6,349.79 | \$ 16,409.04 | \$ 27,118.96 | \$ 2,093.04 | 57.49% |
| 01-40-470-520041 | Maint & Rpr-Fleet | \$ 85,000.00 | \$ 12,457.84 | \$ 32,004.82 | \$ 52,995.18 | \$ - | 62.35% |
| 01-40-470-520091 | Maint & Rpr-Communicatn Equip | \$ 2,500.00 | \$ - | \$ - | \$ 2,500.00 | \$ - | 100.00% |
| 510 | General Materials & Supplies | | | | | | |
| 01-40-510-510031 | Small Tools, Parts & Maint | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| | Operations Materials & Supplies | \$ 2,397,534.00 | \$ 194,858.29 | \$ 647,121.46 | \$ 1,750,412.54 | \$ 2,422.42 | 72.91% |
| 410 | Source of Supply Services | | | | | | |
| 01-40-410-500501 | State Project Water Purchases | \$ 1,750,000.00 | \$ 331,899.00 | \$ 590,888.00 | \$ 1,159,112.00 | \$ - | 66.23% |
| 01-40-410-540084 | State Mandates & Tariffs | \$ 50,000.00 | \$ 2,075.06 | \$ 22,947.99 | \$ 27,052.01 | \$ - | 54.10% |
| 470 | Maintenance & General Plant Services | | | | | | |
| 01-40-470-540030 | Landscape Maintenance | \$ 15,000.00 | \$ - | \$ 7,205.59 | \$ 7,794.41 | \$ - | 51.96% |
| 01-40-470-540072 | Rechrg Facs, Cynns&Ponds Maint | \$ 20,000.00 | \$ 409.37 | \$ 9,407.32 | \$ 10,592.68 | \$ - | 52.96% |
| | OperationsServices | \$ 1,835,000.00 | \$ 334,383.43 | \$ 630,448.90 | \$ 1,204,551.10 | \$ - | 65.64% |
| Expense Total | OPERATIONS | \$ 5,846,929.00 | \$ 635,563.04 | \$ 1,788,371.59 | \$ 4,058,557.41 | \$ 2,422.42 | 69.00% |
| 50 | GENERAL | | | | | | |
| 01-50-510-540066 | Property Damages & Theft | \$ 2,000.00 | \$ 0.14 | \$ 2,939.61 | \$ (939.61) | \$ - | -46.98% |
| 01-50-510-550040 | General Supplies | \$ 9,911.00 | \$ 588.51 | \$ 2,729.99 | \$ 7,181.01 | \$ - | 72.45% |
| 01-50-510-550060 | Public Education | \$ 15,000.00 | \$ 634.12 | \$ 1,714.12 | \$ 13,285.88 | \$ - | 88.57% |
| 01-50-510-550072 | Misc Operating Expenses | \$ 4,500.00 | \$ - | \$ - | \$ 4,500.00 | \$ - | 100.00% |
| | General Materials & Supplies | \$ 31,411.00 | \$ 1,222.77 | \$ 7,383.72 | \$ 24,027.28 | \$ - | 76.49% |
| 01-50-510-550096 | Beaumont Basin Watermaster | \$ 35,000.00 | \$ 1,331.31 | \$ 26,812.55 | \$ 8,187.45 | \$ - | 23.39% |
| | General Services | \$ 35,000.00 | \$ 1,331.31 | \$ 26,812.55 | \$ 8,187.45 | \$ - | 23.39% |
| Expense Total | GENERAL | \$ 66,411.00 | \$ 2,554.08 | \$ 34,196.27 | \$ 32,214.73 | \$ - | 49.00% |
| Expense Total | ALL EXPENSES | \$ 10,282,050.32 | \$ 1,052,898.66 | \$ 3,767,855.40 | \$ 6,514,194.92 | \$ 11,462.42 | 63.00% |

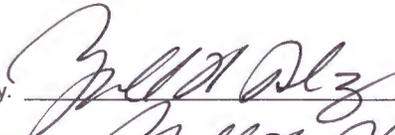


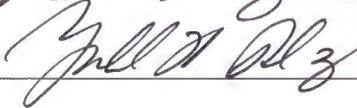
**Beaumont-Cherry Valley Water District
Cash Balance & Investment Report
As of May 31st, 2016**

| Account Name | Account Ending # | Cash Balance Per Account | | |
|-------------------|------------------|--------------------------|-------------------------|-------------------------|
| | | Balance | Prior Month Balance | |
| Wells Fargo | General | 4152 | \$12,300,023.40 | \$11,890,800.43 |
| Total Cash | | | \$ 12,300,023.40 | \$ 11,890,800.43 |

| Account Name | Market Value | Prior Month Balance | Investment Summary | | | | Rate | 2016 Interest to Date |
|--|-------------------------|-------------------------|-------------------------|----------------|----------|------------|-------|-----------------------|
| | | | Actual % of Total | Policy % Limit | Maturity | Par Amount | | |
| Ca. State Treasurer's Office: Local Agency Investment Fund | \$16,874,888.23 | \$16,874,888.23 | 100% | No Limit | Liquid | N/A | 0.467 | \$ 35,042.78 |
| Total Investments | \$ 16,874,888.23 | \$ 16,874,888.23 | | | | | | \$ 35,042.78 |
| Total Cash & Investments | | \$ 29,174,911.63 | \$ 28,765,688.66 | | | | | |

The investments above are in accordance with the District's investment policy.





BCVWD will be able to meet its cash flow obligations for the next 6 months.

Accounts Payable

Checks by Date - Detail by Check Date

User: wclayton
 Printed: 6/28/2016 11:53 AM

Beaumont-Cherry Valley Water District

560 Magnolia Avenue
 Beaumont CA 92223
 (951) 845-9581
 www.bcvwd.org



| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|-------------------------|--|--------------------------|--------------|
| ACH | 10030 | Southern California Edison | 06/01/2016 | |
| | 2039374889 May | 04/25-05/24/16 - 12303 Oak Glen Rd | | 163.56 |
| | 2039374889 May | 04/25-05/24/16 - 9781 Avenida Miravilla | | 73.46 |
| | 2039374889 May | 04/25-05/24/16 - 13697 Oak Glen Rd | | 107.74 |
| | 2039374889 May | 04/25-05/24/16 - 13695 Oak Glen Rd | | 61.33 |
| | 2039374889 May | 04/25-05/24/16 - 815 E 12th Ave | | 246.67 |
| | 2039374889 May | 04/25-05/24/16 - 560 Magnolia Ave | | 1,147.58 |
| | 2039374889 May | 04/25-05/24/16 - Wells | | 100,721.08 |
| Total for this ACH Check for Vendor 10030: | | | | 102,521.42 |
| 5107 | 10482 | Kad Paving Company | 06/01/2016 | |
| | 1631 | Parking Lot Repairs and Crackfill - 560 Magnolia | | 1,425.00 |
| | 1631 | (2) Coats of Parking Lot Sealant - 560 Magnolia | | 6,869.73 |
| | 1631 | Parking Lot Striping - 560 Magnolia | | 845.50 |
| Total for Check Number 5107: | | | | 9,140.23 |
| Total for 6/1/2016: | | | | 111,661.65 |
| ACH | 10085 | CalPERS Retirement System | 06/02/2016 | |
| | | PR Batch 00001.06.2016 CalPERS 1% ER Paid | PR Batch 00001.06.2016 C | 181.26 |
| | | PR Batch 00001.06.2016 CalPERS 7% EE Deduction | PR Batch 00001.06.2016 C | 2,114.73 |
| | | PR Batch 00001.06.2016 CalPERS 8% EE Paid | PR Batch 00001.06.2016 C | 2,736.80 |
| | | PR Batch 00001.06.2016 CalPERS 8% ER Paid | PR Batch 00001.06.2016 C | 894.03 |
| | | PR Batch 00001.06.2016 CalPERS ER Paid 13.243% | PR Batch 00001.06.2016 C | 8,410.59 |
| | | PR Batch 00001.06.2016 CalPERS ER PEPRA 6.967% | PR Batch 00001.06.2016 C | 841.99 |
| Total for this ACH Check for Vendor 10085: | | | | 15,179.40 |
| ACH | 10087 | EDD | 06/02/2016 | |
| | | PR Batch 00001.06.2016 CA SDI | PR Batch 00001.06.2016 C | 702.14 |
| | | PR Batch 00001.06.2016 State Income Tax | PR Batch 00001.06.2016 S | 2,324.25 |
| Total for this ACH Check for Vendor 10087: | | | | 3,026.39 |
| ACH | 10094 | U.S. Treasury | 06/02/2016 | |
| | | PR Batch 00001.06.2016 FICA Employee Portion | PR Batch 00001.06.2016 F | 4,902.50 |
| | | PR Batch 00001.06.2016 FICA Employer Portion | PR Batch 00001.06.2016 F | 4,902.50 |
| | | PR Batch 00001.06.2016 Medicare Employee Portion | PR Batch 00001.06.2016 M | 1,146.56 |
| | | PR Batch 00001.06.2016 Medicare Employer Portion | PR Batch 00001.06.2016 M | 1,146.56 |
| | | PR Batch 00001.06.2016 Federal Income Tax | PR Batch 00001.06.2016 F | 7,425.21 |
| Total for this ACH Check for Vendor 10094: | | | | 19,523.33 |
| ACH | 10141 | Ca State Disbursement Unit | 06/02/2016 | |
| | | PR Batch 00001.06.2016 Garnishment | PR Batch 00001.06.2016 C | 191.53 |
| | | PR Batch 00001.06.2016 Garnishment | PR Batch 00001.06.2016 C | 360.57 |
| Total for this ACH Check for Vendor 10141: | | | | 552.10 |
| ACH | 10203 | Voya Financial | 06/02/2016 | |
| | | PR Batch 00001.06.2016 Deferred Comp | PR Batch 00001.06.2016 L | 510.00 |
| Total for this ACH Check for Vendor 10203: | | | | 510.00 |
| ACH | 10264 | CalPERS Supplemental Income Plans | 06/02/2016 | |
| | | PR Batch 00001.06.2016 CalPERS 457 | PR Batch 00001.06.2016 C | 1,984.61 |
| Total for this ACH Check for Vendor 10264: | | | | 1,984.61 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|-------------------------|---|-------------------------|--------------|
| ACH | 10288 | CalPERS Health Fiscal Services Division | 06/02/2016 | |
| | 2033 | Active Employees Health Insurance Jun 2016 | | 38,568.46 |
| | 2033 | Retired Employees Health Insurance Jun 2016 | | 805.80 |
| | 2033 | M Morales Health Insurance Jun 2016 | | 1,573.13 |
| | 2033 | Admin Fee for Health Insurance Jun 2016 | | 134.39 |
| | 2033 | R Riggs (Term) Health Insurance Jun 2016 | | 654.87 |
| | 2033 | J McCue Health Insurance Adj Apr 2016 | | 327.44 |
| | 2033 | J McCue Health Insurance Adj Apr 2016 | | -327.44 |
| Total for this ACH Check for Vendor 10288: | | | | 41,736.65 |
| 5108 | UB*01944 | Hometown Property Management | 06/02/2016 | |
| | | Refund Check | | 5.00 |
| | | Refund Check | | 5.00 |
| | | Refund Check | | 50.00 |
| Total for Check Number 5108: | | | | 60.00 |
| 5110 | UB*01941 | 703 Allegheny Inc | 06/02/2016 | |
| | | Refund Check | | 1.45 |
| | | Refund Check | | 0.33 |
| | | Refund Check | | 0.16 |
| | | Refund Check | | 0.11 |
| Total for Check Number 5110: | | | | 2.05 |
| 5111 | UB*01899 | Elbert John Acosta | 06/02/2016 | |
| | | Refund Check | | 68.36 |
| | | Refund Check | | 19.68 |
| | | Refund Check | | 9.43 |
| | | Refund Check | | 6.76 |
| Total for Check Number 5111: | | | | 104.23 |
| 5112 | UB*01920 | Gary & Rachel Alexander | 06/02/2016 | |
| | | Refund Check | | 6.84 |
| | | Refund Check | | 2.06 |
| | | Refund Check | | 0.99 |
| | | Refund Check | | 0.71 |
| Total for Check Number 5112: | | | | 10.60 |
| 5113 | UB*01916 | Juan Angel | 06/02/2016 | |
| | | Refund Check | | 157.93 |
| | | Refund Check | | 50.51 |
| | | Refund Check | | 24.20 |
| | | Refund Check | | 17.36 |
| Total for Check Number 5113: | | | | 250.00 |
| 5114 | UB*01943 | William or Annette Ashe | 06/02/2016 | |
| | | Refund Check | | 19.52 |
| | | Refund Check | | 33.32 |
| | | Refund Check | | 15.97 |
| | | Refund Check | | 11.45 |
| Total for Check Number 5114: | | | | 80.26 |
| 5115 | UB*01897 | Andrew Juarez Ashley Hernandez | 06/02/2016 | |
| | | Refund Check | | 150.00 |
| Total for Check Number 5115: | | | | 150.00 |
| 5116 | UB*01915 | Michael Berridge | 06/02/2016 | |
| | | Refund Check | | 25.16 |
| Total for Check Number 5116: | | | | 25.16 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---------------------------------------|-------------------------|--------------|
| 5117 | UB*01942 | Barbara Boggio | 06/02/2016 | |
| | | Refund Check | | 4.16 |
| | | Refund Check | | 20.44 |
| | | Refund Check | | 12.10 |
| | | Refund Check | | 5.81 |
| Total for Check Number 5117: | | | | 42.51 |
| 5118 | UB*01935 | Russell Carter | 06/02/2016 | |
| | | Refund Check | | 31.52 |
| | | Refund Check | | 12.48 |
| | | Refund Check | | 5.98 |
| | | Refund Check | | 4.29 |
| Total for Check Number 5118: | | | | 54.27 |
| 5119 | UB*01907 | Tara Crane | 06/02/2016 | |
| | | Refund Check | | 26.95 |
| | | Refund Check | | 33.54 |
| | | Refund Check | | 16.07 |
| | | Refund Check | | 11.53 |
| Total for Check Number 5119: | | | | 88.09 |
| 5120 | UB*01909 | Rodrigo Dominguez | 06/02/2016 | |
| | | Refund Check | | 134.34 |
| Total for Check Number 5120: | | | | 134.34 |
| 5121 | UB*01947 | Eagle Vista Equities LLC | 06/02/2016 | |
| | | Refund Check | | 30.19 |
| | | Refund Check | | 55.75 |
| | | Refund Check | | 26.71 |
| | | Refund Check | | 19.16 |
| Total for Check Number 5121: | | | | 131.81 |
| 5122 | UB*01905 | Edward Eaves Jr. | 06/02/2016 | |
| | | Refund Check | | 188.38 |
| Total for Check Number 5122: | | | | 188.38 |
| 5123 | UB*01937 | Forever Green Property Management Inc | 06/02/2016 | |
| | | Refund Check | | 239.85 |
| Total for Check Number 5123: | | | | 239.85 |
| 5124 | UB*01913 | Lonnie Fritz | 06/02/2016 | |
| | | Refund Check | | 9.62 |
| Total for Check Number 5124: | | | | 9.62 |
| 5125 | UB*01926 | Jennifer Green | 06/02/2016 | |
| | | Refund Check | | 84.95 |
| Total for Check Number 5125: | | | | 84.95 |
| 5126 | UB*01938 | GTM Residential Properties, LP | 06/02/2016 | |
| | | Refund Check | | 2.89 |
| | | Refund Check | | 1.98 |
| | | Refund Check | | 0.95 |
| | | Refund Check | | 0.68 |
| Total for Check Number 5126: | | | | 6.50 |
| 5127 | UB*01936 | Dennis Harkins | 06/02/2016 | |
| | | Refund Check | | 22.48 |
| Total for Check Number 5127: | | | | 22.48 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|-----------------------------------|
| 5128 | UB*01900 | Lilly Haynes Refund Check | 06/02/2016 | 42.89 |
| Total for Check Number 5128: | | | | 42.89 |
| 5129 | UB*01933 | James Homstad Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 23.73 12.13 8.70 25.30 |
| Total for Check Number 5129: | | | | 69.86 |
| 5130 | UB*01901 | Denise Isordia Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 111.75 62.53 29.97 21.49 |
| Total for Check Number 5130: | | | | 225.74 |
| 5131 | UB*01945 | JCA Enterprise Inc Refund Check | 06/02/2016 | 0.01 |
| Total for Check Number 5131: | | | | 0.01 |
| 5132 | UB*01946 | JCA Enterprise Inc Refund Check | 06/02/2016 | 79.62 |
| Total for Check Number 5132: | | | | 79.62 |
| 5133 | UB*01925 | Sharon Jordan Refund Check | 06/02/2016 | 52.75 |
| Total for Check Number 5133: | | | | 52.75 |
| 5134 | UB*01904 | Jennifer Kiyasu Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 90.96 54.57 26.15 18.76 |
| Total for Check Number 5134: | | | | 190.44 |
| 5135 | UB*01919 | Emmanuel Lopez Refund Check | 06/02/2016 | 42.51 |
| Total for Check Number 5135: | | | | 42.51 |
| 5136 | UB*01930 | Juana Mendoza Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 19.15 21.46 10.28 7.37 |
| Total for Check Number 5136: | | | | 58.26 |
| 5137 | UB*01934 | Jenny No Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 17.94 6.76 3.24 2.32 |
| Total for Check Number 5137: | | | | 30.26 |
| 5138 | UB*01948 | Dorothy Oliver Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 5.18 3.74 1.79 1.29 |
| Total for Check Number 5138: | | | | 12.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|-----------------------------------|
| 5139 | UB*01910 | Roberto Orallo Refund Check | 06/02/2016 | 77.51 |
| Total for Check Number 5139: | | | | 77.51 |
| 5140 | UB*01931 | Heather Parlett Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 24.90 37.50 17.97 12.89 |
| Total for Check Number 5140: | | | | 93.26 |
| 5141 | UB*01914 | Kimberly Peter Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 31.97 5.92 2.84 2.04 |
| Total for Check Number 5141: | | | | 42.77 |
| 5142 | UB*01903 | Sandra Rhodes Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 146.59 51.35 24.61 17.65 |
| Total for Check Number 5142: | | | | 240.20 |
| 5143 | UB*01932 | Charles Richards Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 5.01 40.59 19.45 13.95 |
| Total for Check Number 5143: | | | | 79.00 |
| 5144 | UB*01940 | Rsi Development Lp Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 42.46 29.25 14.02 10.05 |
| Total for Check Number 5144: | | | | 95.78 |
| 5145 | UB*01906 | Gilbert Ruiz De Esparza Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 67.19 100.29 48.05 34.47 |
| Total for Check Number 5145: | | | | 250.00 |
| 5146 | UB*01939 | Safeguard Properties Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 8.03 1.97 0.95 0.68 |
| Total for Check Number 5146: | | | | 11.63 |
| 5147 | UB*01928 | Vivien Samuel Refund Check | 06/02/2016 | 5.40 |
| Total for Check Number 5147: | | | | 5.40 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|------------------------------------|
| 5148 | UB*01908 | Tammie Sayles Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 392.36 181.00 85.59 61.42 |
| Total for Check Number 5148: | | | | 720.37 |
| 5149 | UB*01923 | Eric Smale Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 52.36 5.58 2.67 1.92 |
| Total for Check Number 5149: | | | | 62.53 |
| 5150 | UB*01912 | Glenn Smith Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 141.32 17.09 5.87 8.19 |
| Total for Check Number 5150: | | | | 172.47 |
| 5151 | UB*01898 | Sara Steele Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 12.46 83.31 25.99 8.93 |
| Total for Check Number 5151: | | | | 130.69 |
| 5152 | UB*01911 | Cheryll Stone Refund Check | 06/02/2016 | 56.51 |
| Total for Check Number 5152: | | | | 56.51 |
| 5153 | UB*01929 | Edward Sutherland Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 9.00 15.50 7.43 5.33 |
| Total for Check Number 5153: | | | | 37.26 |
| 5154 | UB*01927 | TACH LLC Refund Check Refund Check Refund Check | 06/02/2016 | 5.00 5.00 50.00 |
| Total for Check Number 5154: | | | | 60.00 |
| 5155 | UB*01922 | Jansen Tampubolon Refund Check | 06/02/2016 | 141.90 |
| Total for Check Number 5155: | | | | 141.90 |
| 5156 | UB*01921 | Konitha Tek Refund Check | 06/02/2016 | 111.57 |
| Total for Check Number 5156: | | | | 111.57 |
| 5157 | UB*01902 | Alicia & Faustino Tungul Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 45.21 38.55 18.48 13.25 |
| Total for Check Number 5157: | | | | 115.49 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|---|-------------------------|----------------------------------|
| 5158 | UB*01924 | Arthur Vasquez Refund Check | 06/02/2016 | 13.11 |
| Total for Check Number 5158: | | | | 13.11 |
| 5159 | UB*01918 | Harry Walker II Refund Check Refund Check Refund Check Refund Check | 06/02/2016 | 31.42 26.89 12.89 9.24 |
| Total for Check Number 5159: | | | | 80.44 |
| 5160 | 10003 26487 | All Purpose Rental Concrete Saw Rental - 4th St Repairs | 06/02/2016 | 72.60 |
| Total for Check Number 5160: | | | | 72.60 |
| 5161 | 10144 LYUM1063510 LYUM1063511 LYUM1067716 LYUM1067717 | Alsco Inc Cleaning of Mats & Shop Towels 12th/Palm May 2016 Cleaning of 3 Office Mats 560 Magnolia May 2016 Cleaning of Mats & Shop Towels 12th/Palm May 2016 Cleaning of 3 Office Mats 560 Magnolia May 2016 | 06/02/2016 | 29.28 15.22 29.28 15.22 |
| Total for Check Number 5161: | | | | 89.00 |
| 5162 | 10086 455125 455125 | American Family Life Assurance Company of Columbus AFLAC Employee Insurance May 2016 M Morales AFLAC Ins May 2016 | 06/02/2016 | 983.04 120.46 |
| Total for Check Number 5162: | | | | 1,103.50 |
| 5163 | 10283 050558 678533 | BCVWD Custodian of Petty Cash Postage for Engineering Well Rehab Packet Police Report Copies | 06/02/2016 | 6.45 3.25 |
| Total for Check Number 5163: | | | | 9.70 |
| 5164 | 10060 20151660 20151660 20151660 20151662 | Beaumont Lawn Mower (1) Edge Trimmer Head (1) Edge Trimmer Head Cover (1) Edge Trimmer Head Spring (1) Edge Trimmer Head | 06/02/2016 | 31.86 56.12 5.40 31.86 |
| Total for Check Number 5164: | | | | 125.24 |
| 5165 | 10098 AR0026930 | County of Riverside Dept of Environmental Health Annual Env Health Level II Permit - Well 21 | 06/02/2016 | 1,032.00 |
| Total for Check Number 5165: | | | | 1,032.00 |
| 5166 | 10124 COLINV058939 COLINV058939 | Cutting Edge Supply Co (5) Teeth for JD Back Hoe (5) Teeth Pins for JD Back Hoe | 06/02/2016 | 82.73 31.81 |
| Total for Check Number 5166: | | | | 114.54 |
| 5167 | 10354 526780 | Eric Dahlstrom Safety Boots - E Dahlstrom | 06/02/2016 | 128.82 |
| Total for Check Number 5167: | | | | 128.82 |
| 5168 | 10273 284202 284202 | Inland Water Works Supply Co. (33) 1" Brass Couplings - Inventory (3) 2" Comp CTS Couplings - Inventory | 06/02/2016 | 399.92 269.89 |
| Total for Check Number 5168: | | | | 669.81 |
| 5169 | 10545 413340 | Itron, Inc Software Maint Radio Read Meters 06/2016-02/2017 | 06/02/2016 | 1,080.00 |
| Total for Check Number 5169: | | | | 1,080.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|---|-------------------------|---|
| 5170 | 10390 S1278056.001 | J.W. D'Angelo Co., Inc (6) 2" Coupling CTS Comp - Inventory | 06/02/2016 | 491.56 |
| Total for Check Number 5170: | | | | 491.56 |
| 5171 | 10121 2268865 | Jack Henry and Associates Inc Annual Remit Plus Maint for Utility Billing 07/2016-06/2017 | 06/02/2016 | 3,017.39 |
| Total for Check Number 5171: | | | | 3,017.39 |
| 5172 | 10408 5224077 5224077 | Kenny Strickland Inc (30) Gallons Line Oil /Motor Oil for Wells AW 68 Hydraulics Oil Environment Fee | 06/02/2016 | 220.00 1.50 |
| Total for Check Number 5172: | | | | 221.50 |
| 5173 | 10184 6822 6822 | Melfred Industrial Services Inc Disposal of Used Oil Disposal of Oil/Water Mix | 06/02/2016 | 250.00 570.00 |
| Total for Check Number 5173: | | | | 820.00 |
| 5174 | 10278 KM05754034 Jun | Metlife - Group Benefits MetLife Dental Ins Jun 2016 | 06/02/2016 | 525.79 |
| Total for Check Number 5174: | | | | 525.79 |
| 5175 | 10196 S1071460.001 S1072141.001 S1072141.001 S1072141.001 | National Meter & Automation, Inc (10) Registers - Replace Broken Reg - Inventory (20) 5/8" Radio Read w/Wire Meters - Inventory (50) 1" Radio Read w/Wire Meters - Inventory (6) 2" Radio Read w/Wire Meters - Inventory | 06/02/2016 | 1,048.60 2,872.80 11,988.00 4,646.16 |
| Total for Check Number 5175: | | | | 20,555.56 |
| 5176 | 10301 101729 101730 | PVS Minibulk, Inc Chlorine - Well #23 Chlorine - Well #29 | 06/02/2016 | 1,409.02 995.64 |
| Total for Check Number 5176: | | | | 2,404.66 |
| 5177 | 10276 00610763 Jun 00610763 Jun 00610763 Jun 00610763 Jun 00610763 Jun | Standard Insurance Company Current Month Rate Adjustments Monthly Life & AD&D Jun 2016 Monthly Life & AD&D Insurance Jun 2016 M Morales Monthly Life & AD&D Jun 2016 R Riggs (Term) Monthly Life & AD&D Jun 2016 Prior Month Rate Adjustments Monthly Life & AD&D Jun 2016 | 06/02/2016 | -7.79 664.76 18.46 18.11 44.79 |
| Total for Check Number 5177: | | | | 738.33 |
| 5178 | 10031 3302560066 3303169281 3303169281 3303169281 3303169281 3303169281 3303169281 3303169281 3303169281 | Staples Business Advantage (2) HP 507A Black Toner Cartridges - Office Stock (10) Mouse Pads - Office Stock (1) Dozen Black Pens - Office Stock (2) HP 131A Black Toner Cartridges - Office Stock (1) Pack 20 Snap Hook Key Tags - Office Stock (1) Pack Post-It Notes - Office Stock (1) Dozen Black Pens - Office Stock (2) Dozen Steno Note Pads - Office Stock (1) Dozen Legal Pads - Office Stock | 06/02/2016 | 323.98 42.01 19.97 126.55 8.20 12.41 8.63 38.86 14.78 |
| Total for Check Number 5178: | | | | 595.39 |
| 5179 | 10447 OP# 26683 | State Water Resources Control Board - DWOCP Grade D2 OP#26683 - K Dahlstrom | 06/02/2016 | 80.00 |
| Total for Check Number 5179: | | | | 80.00 |
| 5180 | 10284 520160046 | Underground Service Alert of Southern California 97 New Ticket Charges - May 2016 | 06/02/2016 | 145.50 |
| Total for Check Number 5180: | | | | 145.50 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|--|-------------------------|---|
| 5181 | 10036 Z0152081E | USA Mobility Wireless Inc Stand-by Pager for SCADA System May 2016 | 06/02/2016 | 70.32 |
| Total for Check Number 5181: | | | | 70.32 |
| 5182 | 10304 0124551-IN | Vavrinek, Trine, Day & Co., LLP Auditing Services for 2015 Audit - Apr 2016 | 06/02/2016 | 6,300.00 |
| Total for Check Number 5182: | | | | 6,300.00 |
| 5183 | 10421 71135898 71135898 | Vulcan Materials Company (11.95) Cold Mix Asphalt - Yard Stock (11.94) Cold Mix Asphalt - Yard Stock | 06/02/2016 | 1,159.87 1,159.02 |
| Total for Check Number 5183: | | | | 2,318.89 |
| Total for 6/2/2016: | | | | 130,309.91 |
| 5184 | 10287 10025 10034 10037 10128 10147 10151 10173 10233 10262 10303 10424 10426 10442 10457 10515 10524 | Bank of the West Lee's Auto Body Labor to Replace Left Front Door Shell - Unit 2 Replace Left Front Door Shell - Unit 2 US Postal Service Postage to Return ACWA Safety Video (400) Postage Stamps Waste Management Of Inland Empire Yard Dumpsters 815 E 12th May 2016 Monthly Sanitation 560 Magnolia May 2016 American Office Solution (500) Daily Trip Report Pads - Yard Stock (500) Business Card - D Jagers Online Information Services, Inc 153 Credit Reports for Apr 2016 Verizon Business Monthly Phone Service 04/25-05/24/2016 California Society of Municipal Finance Officers Power of Fiscal Policies/Long Term Planning 06/08/16 - W Clayton Pro-Pipe & Supply Pipe/Coupling/Adapter/Slip Repairs/Replace Water Line - Well 29 Elbows/Bushing/Tees Repairs/Replace Chlorine Line - Well 24 Dick's All Auto Repair Inc Labor Analysis Check Engine Light - Unit 10 Labor Analysis Brake Check/Fluid Exchange - Unit 10 Brake Fluid/Degraser - Unit 10 Grainger Inc (1) Thermostat for Evaporator Cooler - Well 29 (1) Thermostat for Evaporator Cooler - Yard Stock Top-Line Industrial Supply, LLC Fittings/Hoses - JD Backhoe Newegg Business, Inc (2) 21.5" Monitors Replacement - S Molina CareerTrack Annual Training Subscription - Y Rodriguez Jon's Flags & Poles Inc (1) Replace American Flag - 560 Magnolia (1) Replace Californian Flag - 560 Magnolia Accela, Inc Accela Training 08/22-08/24/2016 - Y Rodriguez Accela Training 08/22-08/24/2016 - W Clayton Accela Training 08/23-08/24/2016 - B Hollstein Accela Training 08/23-08/24/2016 - S Molina Accela Training 08/23-08/24/2016 - L Gonzales A O Smith Corporate Headquarters Replace Water Heater Components - 560 Magnolia | 06/09/2016 | 409.40 610.20 6.80 188.00 257.15 94.37 745.20 97.20 443.10 1,152.27 150.00 300.36 25.83 153.00 229.50 43.23 89.05 89.04 150.96 306.85 199.00 80.50 115.52 559.20 559.20 559.20 559.20 559.20 815.68 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| | 10526 | Verizon | | |
| | 10546 | Monthly Phone Service 05/01-05/31/2016 | | 981.33 |
| | | Frontier Communications | | |
| | | 03/25-04/24/16 Apr FIOS 560 Magnolia | | 169.99 |
| | | 04/25-05/24/16 May FIOS 560 Magnolia | | 169.99 |
| | | 04/10-05/09/16 Apr FIOS 12th/Palm | | 243.86 |
| | | 03/25-04/24/16 Apr FAX 12th/Palm | | 46.88 |
| | | 04/25-05/24/16 May FAX 12th/Palm | | 49.56 |
| | | 03/25-04/24/16 Apr FAX 560 Magnolia | | 127.36 |
| | | 04/25-05/24/16 May FAX 560 Magnolia | | 127.45 |
| Total for Check Number 5184: | | | | 11,464.63 |
| 5185 | 10271 | Beaumont Ace Home Center | 06/09/2016 | |
| | 422524 | (1) 16" Pliers - Tools for Unit 3 | | 30.77 |
| | 422524 | (1) 1.25" Putty Knife - Tools for Unit 3 | | 7.55 |
| | 422562 | (1) 4" PVC Slip Cap for Sounding Tube - Well 3 | | 8.63 |
| | 422814 | (3) 59" x 1/2" Pulley Belts for Production Coolers - Well 21 | | 30.75 |
| | 422902 | (1) 1/8" x 36" Rod (Gasket Ring) | | 4.31 |
| | 422902 | (1) 1-5/8" Tubing Cutter - Tools for Unit 17 | | 32.39 |
| | 422944 | (1) 3/4" FIP Ball Valve Gauge Assembly - Cherry Resv 2 | | 12.73 |
| | 422975 | Tube/Silicone/Clamp/Adapter/Pipe Replace Chlorine Line - Well 24 | | 129.55 |
| | 422997 | PVC Pipe 1.5" x 10' Replace Chlorine Line - Well 29 | | 38.86 |
| | 423000 | 500' Green Thin Wire Swamp Cooler Repair - Well 29 | | 55.35 |
| | 423000 | 3" Number Stencils & Spray Paint Confined Space Marking - NCR I | | 16.97 |
| | 423012 | (2) 1-1/2" 90D Elbows Replace Chlorine Line - Well 24 | | 7.54 |
| | 423126 | (1) 8' x 10' Canvas Tarp for Cover on Used Oil Bin - 12th/Palm | | 64.79 |
| | 423126 | (1) 12' x 14' Canvas Tarp for Cover on Used Oil Bin - 12th/Palm | | 134.99 |
| | 423126 | (1) Tube Crazy Glue fpr Pump Shift Reflectors - Unit 19 | | 3.23 |
| | 423174 | (2) Long Handled Shovels - Tools for Unit 17 | | 55.06 |
| | 423191 | Screws/Wire Replace Chlorinator - Well 24 | | 16.24 |
| | 423443 | (12) 90LB Bags Redi-Mix Cement - 1538 E 6th St Retro Repairs | | 51.71 |
| | 423496 | (4) 1/2" Couplings - 1538 E 6th St Retro Repairs | | 0.82 |
| | 423558 | (1) Fuse Puller - Tool for Field Staff | | 10.79 |
| | 423558 | (3) 30A Cartridge Fuses - Edgar Booster Station | | 38.85 |
| Total for Check Number 5185: | | | | 751.88 |
| 5186 | 10010 | Beaumont Tire | 06/09/2016 | |
| | 6106 | Labor Mount & Balance Tires/Disp Fees - Unit 10 | | 79.00 |
| | 6106 | (4) New Tires/Valve Stems - Unit 10 | | 488.38 |
| Total for Check Number 5186: | | | | 567.38 |
| 5187 | 10179 | Brian's Live Bee Removal | 06/09/2016 | |
| | 516-160 | 05/24 Live Bee Removal Valve Box - Eucalyptus & Rancho | | 100.00 |
| Total for Check Number 5187: | | | | 100.00 |
| 5188 | 10048 | Brithinee Electric | 06/09/2016 | |
| | W1003801 | Bearings/Bushings/Materials for HP Motor Repairs - Well 29 | | 3,937.51 |
| | W1003801 | Hardware and Environmental Fees HP Motor - Well 29 | | 63.55 |
| | W1003801 | Labor for Repairs HP Motor - Well 29 | | 4,225.48 |
| Total for Check Number 5188: | | | | 8,226.54 |
| 5189 | 10019 | C R & R Incorporated | 06/09/2016 | |
| | 0082047 | Monthly Charges 3 YD Commercial Jun 2016 | | 244.50 |
| Total for Check Number 5189: | | | | 244.50 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 5190 | 10014 | Cherry Valley Automotive | 06/09/2016 | |
| | 11788 | Labor Rear Brake Job Rotors/Hardware Installation - Unit 10 | | 130.00 |
| | 11788 | (1) Set Rear Brake Pads - Unit 10 | | 64.80 |
| | 12056 | Oil Change Odometer Read 131,198 - Unit 19 | | 21.05 |
| | 12056 | Labor Rear Brake Job/Rotors/Hardware Installation - Unit 19 | | 130.00 |
| | 12056 | (2) Replace Rotors/Hardware - Unit 19 | | 174.79 |
| | 12056 | (1) Set Rear Brake Pads - Unit 19 | | 64.80 |
| | 12056 | Labor Oil Change - Unit 19 | | 20.00 |
| | 12056 | Labor Alignment - Unit 19 | | 80.00 |
| Total for Check Number 5190: | | | | 685.44 |
| 5191 | 10228 0954-449110 | Consolidated Electrical Inc (1) 120V Coil Power Relay Replace Chlorinator - Well 24 | 06/09/2016 | 47.90 |
| Total for Check Number 5191: | | | | 47.90 |
| 5192 | 10547 51789 | Culver Company (250) Each Pencils/Magnets/Rulers - School Conservation Supplies | 06/09/2016 | 634.12 |
| Total for Check Number 5192: | | | | 634.12 |
| 5193 | 10052 | Home Depot Credit Services | 06/09/2016 | |
| | 0010736 | 4" Couplings/4" x 10' Pipe - Repairs 4th St | | 176.64 |
| | 1050729 | Chains/Chain Hooks/Ratchet - Unit 2 | | 61.89 |
| | 1050729 | (5) Boardroom Keys - Main Office | | 10.64 |
| | 2010364 | (2) Gallons Roundup for Cleanup - Main Office | | 73.38 |
| | 2583309 | (1) 18" Pipe Wrench - Tools for Unit 4 | | 21.58 |
| | 2583309 | (1) 2" Copper Cutters - Tools for Unit 4 | | 24.80 |
| | 2583309 | (1) Tube of Silicone - Repairs at 4th St | | 4.30 |
| | 3972988 | Deposits for Repairs to Shop Equipment | | 94.75 |
| | 4011423 | (2) 2' x 6' x 10' Side Boards - Unit 12 | | 24.99 |
| | 4011423 | (5) 8Pks Paper Towels - Yard Stock | | 107.84 |
| | 4011423 | (1) 30Pk Toilet Paper - Yard Stock | | 20.49 |
| | 4011423 | (6) Aerosol Cans Air Freshener - Yard Stock | | 8.23 |
| | 4011423 | (1) 1/4" Hitch Pin - Yard Stock | | 0.70 |
| | 6021108 | (2) Propane Cylinders Chlorine Line Replacement - Well 24 | | 21.49 |
| | 6021108 | (4) Pairs of Gloves - Field Staff | | 30.14 |
| | 6021108 | Anchor/Clamp/Adapter/Struts Chlorine Line Replacement - Well 24 | | 57.63 |
| | 6021108 | Blue Copper Pipe Chlorine Line Replacement - Well 24 | | 40.41 |
| Total for Check Number 5193: | | | | 779.90 |
| 5194 | 10398 | Infosend, Inc | 06/09/2016 | |
| | 106292 | May 2016 Postage Charges for Utility Billing | | 3,670.60 |
| | 106292 | May 2016 Billing Charges for Utility Billing | | 767.72 |
| | 106292 | May 2016 Supply Charges for Utility Billing | | 656.73 |
| Total for Check Number 5194: | | | | 5,095.05 |
| 5195 | 10143 | Nobel Systems Inc | 06/09/2016 | |
| | 13613 | GIS Data - #53 - Tract 31520-1 Richmond Homes | | 560.00 |
| | 13614 | GIS Data - #53 - Tract Senera Springs Richmond Homes | | 1,400.00 |
| | 13620 | Eng SMA Costs - #26 - Tract 30891-1 Ryland Homes | | 1,400.00 |
| | 13621 | Eng SMA Costs - #26 - Tract 30891-1 Ryland Homes | | 560.00 |
| | 13622 | Eng SMA Costs - #11 - Tract 30891 Ryland Homes | | 1,120.00 |
| | 13623 | Eng SMA Costs - #82 - Tract 31462-3 JD Pierce Homes | | 840.00 |
| | 13625 | GIS Data - #40 - Tract 31462-5 Lennar Homes | | 840.00 |
| | 13626 | GIS Data - #41 - Tract 31462-6 Lennar Homes | | 1,120.00 |
| | 13629 | GIS Data - #13 - Tract 31426 Pacific Scenes | | 1,260.00 |
| | 13630 | GIS Data - #126 - Tract 33096 Rec Center #2 KHov Homes | | 280.00 |
| | 13864 | Eng SMA Costs - #166 - Tract 31469-31470 Cougar Wy Pardee | | 700.00 |
| | 13864 | Eng SMA Costs - #167 - Tract 31469-31470 Highland Springs Pardee | | 280.00 |
| | 13864 | Eng SMA Costs - #182 - Tract 31469-31470 Brookside Ave Pardee | | 140.00 |
| | 13864 | Eng SMA Costs - #168 - Tract 31469-31470 Starlight Ave Pardee | | 140.00 |
| | 13864 | Eng SMA Costs - #168 - Tract 31469-31470 Starlight Rev Pardee | | 420.00 |
| | 13864 | Eng SMA Costs - #227 - Tract 31469-31470 Cougar Wy Pardee | | 560.00 |
| | 13864 | GIS Data - #171 - Tract 31469-1 Pardee Homes | | 1,120.00 |
| | 13864 | Eng SMA Costs - #172 - Tract 31469-2 Pardee Homes | | 560.00 |
| | 13864 | GIS Data - #234 - Tract 31469-3 Pardee Homes | | 840.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| | 13864 | GIS Data - #248 - Tract 31469-4 Pardee Homes | | 700.00 |
| | 13864 | GIS Data - #169 - Tract 31470-1 Pardee Homes | | 560.00 |
| | 13864 | GIS Data - #170 - Tract 31470-2 Pardee Homes | | 700.00 |
| | 13864 | Eng SMA Costs - #105 - Tract 34290 Pardee Homes | | 140.00 |
| | 13864 | GIS Data - #19 - Tract 34291 Pardee Homes | | 700.00 |
| | 13864 | GIS Data - #20 - Tract 34862 Pardee Homes | | 2,240.00 |
| | 13864 | Eng SMA Costs - #159 - Tract 31468-5 Pardee Homes | | 700.00 |
| | 13864 | GIS Data - #96 - Tract 31468-6 Pardee Homes | | 1,120.00 |
| | 13864 | GIS Data - #49 - Tract 31468-7 Pardee Homes | | 980.00 |
| | 13864 | GIS Data - #213 - Tract 31469-31470 Cougar Wy Pardee | | 560.00 |
| | 13864 | GIS Data - #174 - Tract 31470 Tioga Trl Pardee Homes | | 140.00 |
| Total for Check Number 5195: | | | | 22,680.00 |
| 5196 | 10527 | OfficeTeam, A Robert Half Company | 06/09/2016 | |
| | 45738911 | Engineering Temp Services 05/02-05/05/2016 | | 1,130.00 |
| | 45790510 | Engineering Temp Services 05/09-05/12/2016 | | 1,066.44 |
| | 45841513 | Engineering Temp Services 05/16-05/19/2016 | | 1,115.88 |
| | 45866157 | Engineering Temp Services 05/23-05/26/2016 | | 1,031.13 |
| Total for Check Number 5196: | | | | 4,343.45 |
| 5197 | 10045 | Pacific Alarm Service Inc | 06/09/2016 | |
| | R120820 | Alarm Equip Rent/Service/Monitor - Jun 2016 | | 239.00 |
| | R120821 | Alarm Equip/Rent/Service/Monitor - Jun 2016 | | 44.50 |
| Total for Check Number 5197: | | | | 283.50 |
| 5198 | 10253 | Redlands Auto Electric | 06/09/2016 | |
| | 97857 | Labor to Replace Starter - Unit 11 | | 210.00 |
| | 97857 | Replace Starter - Unit 11 | | 266.03 |
| Total for Check Number 5198: | | | | 476.03 |
| 5199 | 10171 | Riverside Assessor - County Recorder | 06/09/2016 | |
| | 16-123593 | Apr 2016 Lien Fees | | 69.00 |
| Total for Check Number 5199: | | | | 69.00 |
| 5200 | 10290 | San Gorgonio Pass Water Agency | 06/09/2016 | |
| | 16-00109 | 1,047 AF @ \$317 for May 2016 | | 331,899.00 |
| Total for Check Number 5200: | | | | 331,899.00 |
| 5201 | 10031 | Staples Business Advantage | 06/09/2016 | |
| | 3304080290 | (4) Replacement Battery Cartridges | | 194.36 |
| Total for Check Number 5201: | | | | 194.36 |
| 5202 | 10255 | Unlimited Services Building Maintenance | 06/09/2016 | |
| | 0303989-IN | Jun 2016 Janitorial Services 815 E 12th | | 150.00 |
| | 0303990-IN | Jun 2016 Janitorial Services 560 Magnolia | | 845.00 |
| Total for Check Number 5202: | | | | 995.00 |
| 5203 | 10034 | US Postal Service | 06/09/2016 | |
| | 062016 | PO Box 2037 Annual Fee 07/01-06/30/2017 | | 480.00 |
| Total for Check Number 5203: | | | | 480.00 |
| 5204 | 10116 | Verizon Wireless Services LLC | 06/09/2016 | |
| | 9766186458 | Cell Phone Charges for May 2016 | | 116.89 |
| Total for Check Number 5204: | | | | 116.89 |
| 5205 | UB*01955 | 703 Allegheny Inc | 06/09/2016 | |
| | | Refund Check | | 5.27 |
| Total for Check Number 5205: | | | | 5.27 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------------------------|
| 5206 | UB*01953 | Cynthia Adlaon Refund Check | 06/09/2016 | 34.55 |
| Total for Check Number 5206: | | | | 34.55 |
| 5207 | UB*01956 | Ahp Portfolio I LLC Refund Check | 06/09/2016 | 70.81 |
| Total for Check Number 5207: | | | | 70.81 |
| 5208 | UB*01951 | Bo Chao Bao Refund Check Refund Check Refund Check Refund Check | 06/09/2016 | 58.74 18.78 9.00 6.46 |
| Total for Check Number 5208: | | | | 92.98 |
| 5209 | UB*01952 | Beverlee Berry Refund Check Refund Check Refund Check Refund Check | 06/09/2016 | 24.91 6.64 3.18 2.28 |
| Total for Check Number 5209: | | | | 37.01 |
| 5210 | UB*01954 | Chris & Jim Cunningham Refund Check Refund Check Refund Check Refund Check | 06/09/2016 | 22.80 9.85 4.72 3.39 |
| Total for Check Number 5210: | | | | 40.76 |
| 5211 | UB*01965 | Richard Emenaker Refund Check | 06/09/2016 | 50.00 |
| Total for Check Number 5211: | | | | 50.00 |
| 5213 | UB*01963 | Tapinder Katoch Refund Check Refund Check Refund Check Refund Check | 06/09/2016 | 8.00 5.49 2.63 1.89 |
| Total for Check Number 5213: | | | | 18.01 |
| 5214 | UB*01949 | Stephanie Miramontes Refund Check | 06/09/2016 | 166.98 |
| Total for Check Number 5214: | | | | 166.98 |
| 5215 | UB*01958 | Phillip Mirci Refund Check | 06/09/2016 | 144.50 |
| Total for Check Number 5215: | | | | 144.50 |
| 5216 | UB*01961 | Randy Mortimer Refund Check | 06/09/2016 | 0.10 |
| Total for Check Number 5216: | | | | 0.10 |
| 5217 | UB*01960 | Susan Myers Refund Check | 06/09/2016 | 1.75 |
| Total for Check Number 5217: | | | | 1.75 |
| 5218 | UB*01957 | Edgardo Obra Refund Check | 06/09/2016 | 1.89 |
| Total for Check Number 5218: | | | | 1.89 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|-------------------------|--|--------------------------|--------------|
| 5219 | UB*01950 | Ryan Ortiz | 06/09/2016 | |
| | | Refund Check | | 28.36 |
| | | Refund Check | | 34.77 |
| | | Refund Check | | 16.66 |
| | | Refund Check | | 11.95 |
| Total for Check Number 5219: | | | | 91.74 |
| 5220 | UB*01959 | Mike Roberts | 06/09/2016 | |
| | | Refund Check | | 6.28 |
| | | Refund Check | | 16.99 |
| | | Refund Check | | 8.15 |
| | | Refund Check | | 5.84 |
| Total for Check Number 5220: | | | | 37.26 |
| 5221 | UB*01964 | Vertical Real Estate | 06/09/2016 | |
| | | Refund Check | | 20.54 |
| Total for Check Number 5221: | | | | 20.54 |
| Total for 6/9/2016: | | | | 390,948.72 |
| ACH | 10085 | CalPERs Retirement System | 06/16/2016 | |
| | | PR Batch 00002.06.2016 CalPERS 8% ER Paid | PR Batch 00002.06.2016 C | 894.03 |
| | | PR Batch 00002.06.2016 CalPERS ER Paid Classic | PR Batch 00002.06.2016 C | 8,298.30 |
| | | PR Batch 00002.06.2016 CalPERS ER PEPRA | PR Batch 00002.06.2016 C | 841.99 |
| | | PR Batch 00002.06.2016 CalPERS 1% ER Paid | PR Batch 00002.06.2016 C | 181.26 |
| | | PR Batch 00002.06.2016 CalPERS 7% EE Deduction | PR Batch 00002.06.2016 C | 2,114.73 |
| | | PR Batch 00002.06.2016 CalPERS 8% EE Paid | PR Batch 00002.06.2016 C | 2,668.98 |
| Total for this ACH Check for Vendor 10085: | | | | 14,999.29 |
| ACH | 10087 | EDD | 06/16/2016 | |
| | | PR Batch 00002.06.2016 CA SDI | PR Batch 00002.06.2016 C | 703.73 |
| | | PR Batch 00002.06.2016 State Income Tax | PR Batch 00002.06.2016 S | 2,313.29 |
| Total for this ACH Check for Vendor 10087: | | | | 3,017.02 |
| ACH | 10094 | U.S. Treasury | 06/16/2016 | |
| | | PR Batch 00002.06.2016 Federal Income Tax | PR Batch 00002.06.2016 F | 7,301.20 |
| | | PR Batch 00002.06.2016 FICA Employee Portion | PR Batch 00002.06.2016 F | 4,938.27 |
| | | PR Batch 00002.06.2016 FICA Employer Portion | PR Batch 00002.06.2016 F | 4,938.27 |
| | | PR Batch 00002.06.2016 Medicare Employee Portion | PR Batch 00002.06.2016 M | 1,154.92 |
| | | PR Batch 00002.06.2016 Medicare Employer Portion | PR Batch 00002.06.2016 M | 1,154.92 |
| Total for this ACH Check for Vendor 10094: | | | | 19,487.58 |
| ACH | 10141 | Ca State Disbursement Unit | 06/16/2016 | |
| | | PR Batch 00002.06.2016 Garnishment | PR Batch 00002.06.2016 C | 191.53 |
| | | PR Batch 00002.06.2016 Garnishment | PR Batch 00002.06.2016 C | 360.57 |
| Total for this ACH Check for Vendor 10141: | | | | 552.10 |
| ACH | 10203 | Voya Financial | 06/16/2016 | |
| | | PR Batch 00002.06.2016 Deferred Comp | PR Batch 00002.06.2016 L | 510.00 |
| Total for this ACH Check for Vendor 10203: | | | | 510.00 |
| ACH | 10264 | CalPERs Supplemental Income Plans | 06/16/2016 | |
| | | PR Batch 00002.06.2016 CalPERS 457 | PR Batch 00002.06.2016 C | 1,984.61 |
| Total for this ACH Check for Vendor 10264: | | | | 1,984.61 |
| 5222 | UB*01974 | John Adams | 06/16/2016 | |
| | | Refund Check | | 71.12 |
| Total for Check Number 5222: | | | | 71.12 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|-----------------------------------|
| 5223 | AR-Knie R311883 | Alba Knierim Refund - Customer Withdrew Will Serve Request | 06/16/2016 | 500.00 |
| Total for Check Number 5223: | | | | 500.00 |
| 5224 | UB*01962 | Alborz Inc Refund Check - Overpayment - Check 1858 | 06/16/2016 | 57.77 |
| Total for Check Number 5224: | | | | 57.77 |
| 5225 | UB*01966 | David Austin Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 35.91 23.93 11.47 8.23 |
| Total for Check Number 5225: | | | | 79.54 |
| 5226 | UB*01967 | Daniel Baker Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 3.37 2.70 1.29 0.93 |
| Total for Check Number 5226: | | | | 8.29 |
| 5227 | UB*01969 | Danney & Susan Brinks Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 131.68 56.13 26.89 19.29 |
| Total for Check Number 5227: | | | | 233.99 |
| 5228 | UB*01968 | Joshua Fenn Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 54.56 40.69 19.50 13.99 |
| Total for Check Number 5228: | | | | 128.74 |
| 5229 | UB*01970 | Troy Fisher Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 26.44 46.36 22.21 15.93 |
| Total for Check Number 5229: | | | | 110.94 |
| 5230 | UB*01979 | Darla Garcia Refund Check Refund Check Refund Check Refund Check | 06/16/2016 | 50.99 52.88 25.33 18.18 |
| Total for Check Number 5230: | | | | 147.38 |
| 5231 | UB*01977 | Bobby Holland Refund Check | 06/16/2016 | 46.56 |
| Total for Check Number 5231: | | | | 46.56 |
| 5232 | UB*01981 | Margie Marshall Refund Check | 06/16/2016 | 86.99 |
| Total for Check Number 5232: | | | | 86.99 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|--------------|
| 5233 | UB*01980 | Charles & Donna Mc Cool | 06/16/2016 | |
| | | Refund Check | | 140.09 |
| | | Refund Check | | 60.29 |
| | | Refund Check | | 28.89 |
| | | Refund Check | | 20.73 |
| Total for Check Number 5233: | | | | 250.00 |
| 5234 | UB*01978 | Viridiana Mora | 06/16/2016 | |
| | | Refund Check | | 22.46 |
| | | Refund Check | | 31.09 |
| | | Refund Check | | 14.90 |
| | | Refund Check | | 10.69 |
| Total for Check Number 5234: | | | | 79.14 |
| 5235 | UB*01975 | Robert Tyner & Nicole Valle | 06/16/2016 | |
| | | Refund Check | | 41.30 |
| | | Refund Check | | 42.04 |
| | | Refund Check | | 20.14 |
| | | Refund Check | | 14.45 |
| Total for Check Number 5235: | | | | 117.93 |
| 5236 | UB*01917 | Tom and Jody Oltman | 06/16/2016 | |
| | | Refund Check - Overpayment - Check 2079 | | 148.52 |
| Total for Check Number 5236: | | | | 148.52 |
| 5237 | UB*01971 | Sylvia Rios | 06/16/2016 | |
| | | Refund Check | | 63.18 |
| | | Refund Check | | 44.32 |
| | | Refund Check | | 21.24 |
| | | Refund Check | | 15.23 |
| Total for Check Number 5237: | | | | 143.97 |
| 5238 | UB*01976 | Elizabeth Rowland | 06/16/2016 | |
| | | Refund Check | | 8.96 |
| | | Refund Check | | 12.74 |
| | | Refund Check | | 6.10 |
| | | Refund Check | | 4.38 |
| Total for Check Number 5238: | | | | 32.18 |
| 5239 | UB*01972 | Cynthia & Ryan Ruggieri | 06/16/2016 | |
| | | Refund Check | | 73.53 |
| | | Refund Check | | 67.70 |
| | | Refund Check | | 32.44 |
| | | Refund Check | | 23.27 |
| Total for Check Number 5239: | | | | 196.94 |
| 5240 | UB*01973 | Steven Taylor | 06/16/2016 | |
| | | Refund Check | | 28.84 |
| | | Refund Check | | 53.54 |
| | | Refund Check | | 25.65 |
| | | Refund Check | | 18.40 |
| Total for Check Number 5240: | | | | 126.43 |
| 5241 | 10001 | Action True Value Hardware | 06/16/2016 | |
| | 45081 | (2) Hose Clamps/Couplings Chlorine Line Replacement - Well 24 | | 6.44 |
| | 45081 | (3) Fittings Chlorine Line Replacement - Well 24 | | 9.68 |
| | 45081 | (1) Coupling/Slip Chlorine Line Replacement - Well 24 | | 4.37 |
| | 45081 | (1) Paint Can/Yellow Spray Paint - Graffiti Removal - NCR I | | 9.37 |
| | 45081 | (1) Pliers - Tools for Unit 11 | | 8.09 |
| | 45081 | (1) Pair Safety Glasses - Unit 11 | | 7.55 |
| Total for Check Number 5241: | | | | 45.50 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|---|-------------------------|---|
| 5242 | 10138 HW201 Jun 2016 | ARCO Business Solutions ARCO Fuel Charges 05/12-06/12/2016 | 06/16/2016 | 4,056.60 |
| Total for Check Number 5242: | | | | 4,056.60 |
| 5243 | 10272 BE60599-0034 BE60606-0034 BE61175-0034 BE61190-0034 BE62314-0034 BF60009-0034 BF60010-0034 BF60023-0034 BF60026-0034 | Babcock Laboratories Inc (12) Coliforms B1-B6, B10, H1, I1, I2, M1, N1 (1) Coliform Well 4A Raw (2) Coliforms Well 6A Raw & Well 12 Raw (12) Coliforms B7-B12, H2, I1, I3, M2, M3, N2 (12) Coliforms B1-B6, B10, H1, I1, I2, M1, N3 (2) Nitrate Samples Well 16 & Well 21 (2) Nitrate Samples Cherry & Vineland Reservoirs (12) Coliforms B7-B12, H1, H2, I1, I3, M3, N4 (4) Coliforms Well 6, Well 16, Well 19, Well 21 | 06/16/2016 | 480.00 40.00 80.00 480.00 480.00 30.00 30.00 480.00 160.00 |
| Total for Check Number 5243: | | | | 2,260.00 |
| 5244 | 10174 0179795 | GFOA GFOA Membership 08/01/16-07/31/17 Y Rodriguez | 06/16/2016 | 160.00 |
| Total for Check Number 5244: | | | | 160.00 |
| 5245 | 10465 473600 473600 | Image Source Xerox 3610 Contract Charges 06/01-06/30/2016 Xerox 3610 Usage Charges 05/01-05/31/2016 | 06/16/2016 | 54.13 368.33 |
| Total for Check Number 5245: | | | | 422.46 |
| 5246 | 10429 53115 | Legend Pump & Well Service Inc Labor to Pull/Install 800HP Motor off Well 29 | 06/16/2016 | 3,920.00 |
| Total for Check Number 5246: | | | | 3,920.00 |
| 5247 | 10281 37548 37548 37548 37548 37548 37548 37548 37548 37548 | Luther's Truck and Equipment Labor Repair Fuel Injectors/Test Pump/Disposal - Unit 5 (5) Fuel Injectors - Unit 5 (1) Turbo Install Kit - Unit 5 (1) High Pressure Fuel Pump Gasket - Unit 5 (3) 5-Gallon bottles Coolant - Unit 5 (1) High PSI Pump - Unit 5 Cleaners/Washers Gaskets/Oil/Filters - Unit 5 (1) Exhaust Manifold/Gasket - Unit 5 Labor to Replace Exhaust Manifold/Gasket - Unit 5 | 06/16/2016 | 1,610.50 2,756.16 103.19 181.87 90.69 1,249.23 327.75 194.34 731.50 |
| Total for Check Number 5247: | | | | 7,245.23 |
| 5248 | 10300 35072 | Mike's Gopher and Bee Control Monthly Service at NCR 1 Rodent Control May 2016 | 06/16/2016 | 400.00 |
| Total for Check Number 5248: | | | | 400.00 |
| 5249 | 10350 960359 962481 963368 963509 | NAPA Auto Parts (4) Lamp Bulbs for Air Compressor Utility Trailer (1) Power Steering Cap - Unit 20 (2) Fuse Amps - Unit 20 (1) Quart of Oil - Unit 15 | 06/16/2016 | 8.60 17.44 11.86 2.37 |
| Total for Check Number 5249: | | | | 40.27 |
| 5250 | 10223 206864 | Richards, Watson & Gershon Legal Service Case 12788-0001 | 06/16/2016 | 2,003.92 |
| Total for Check Number 5250: | | | | 2,003.92 |
| 5251 | 10042 07132135000Apr 07132135000Mar 07132135000May | Southern California Gas Company Monthly Gas Charges 03/31-04/28/2016 Monthly Gas Charges 03/01-03/30/2016 Monthly Gas Charges 04/29-05/27/2016 | 06/16/2016 | 14.30 14.30 14.30 |
| Total for Check Number 5251: | | | | 42.90 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|--|-------------------------|--|
| 5252 | 10431 18163 | Southern California West Coast Electric Repairs to Panel Breaker - Well 25 | 06/16/2016 | 5,568.00 |
| Total for Check Number 5252: | | | | 5,568.00 |
| 5253 | 10031 3304797113 | Staples Business Advantage (2) 50Pk Legal Folder Dividers - Engineering Filing | 06/16/2016 | 82.27 |
| Total for Check Number 5253: | | | | 82.27 |
| 5254 | 10238 54485 54486 | Weldors Supply And Steel Co. (2) Welding Safety Glasses Acetylene and Oxygen - Welding Trailer | 06/16/2016 | 23.65 100.18 |
| Total for Check Number 5254: | | | | 123.83 |
| 5255 | 10293 22918 | Western Dental Services Inc Dental Premiums Jun 2016 | 06/16/2016 | 172.28 |
| Total for Check Number 5255: | | | | 172.28 |
| Total for 6/16/2016: | | | | 69,660.29 |
| 5256 | 10000 18380 18380 211654 211655 211656 212510 212511 212852 | A C Propane Co Annual Tank Rental Apr 2016 - Mar 2017 - 12303 Oak Glen Annual Tank Rental Apr 2016 - Mar 2017 - 9781 Avenida Miravilla Propane Jan-Feb 2016 - 9781 Avenida Miravilla Propane Jan-Feb 2016 - 13697 Oak Glen Propane Jan-Feb 2016 13695 Oak Glen Propane Mar-May 2016 - 13697 Oak Glen Propane Mar-May 2016 13695 Oak Glen Propane Mar-Jun 2016 - 9781 Avenida Miravilla | 06/23/2016 | 52.92 52.92 533.00 312.04 380.81 355.68 373.60 487.85 |
| Total for Check Number 5256: | | | | 2,548.82 |
| 5257 | 10112 690963 690963 | Cla-Val (1) Silinoid - Booster 21B (1) Silinoid - Booster at Highland Springs Stock | 06/23/2016 | 255.75 143.42 |
| Total for Check Number 5257: | | | | 399.17 |
| 5258 | 10273 284511 284512 284513 284513 284513 284513 284513 284513 284513 284513 284718 284719 284719 284719 284719 284719 | Inland Water Works Supply Co. Replace Adapter for Tapper (106) 1" Brass Couplings - Inventory (100) 1" Ball Valves - Inventory (150) 1" x 6" Brass Nipples - Inventory (50) 1" Lock-On Lockwings - Inventory (50) 1" Lock-Off Lockwings - Inventory (100) 1" Check Valves - Inventory (72) Blue Marking Paint - Yard Stock (26) White Marking Paint - Yard Stock (49) Black Marking Paint - Yard Stock (11) 1" Brass Couplings - Inventory (106) 1" x 6" Brass Nipples - Inventory (23) Black Marking Paint - Yard Stock (46) White Marking Paint - Yard Stock (100) 1" Brass Couplings - Inventory (2) 6 x 6 6-Hole Fire Hydrant Spools - Inventory | 06/23/2016 | 177.81 1,284.58 3,598.56 535.55 3,598.56 3,418.10 7,340.01 381.02 137.59 259.31 133.30 1,290.19 121.72 243.43 1,211.86 139.71 |
| Total for Check Number 5258: | | | | 23,871.30 |
| 5259 | 10390 S1279024.001 | J.W. D'Angelo Co., Inc (1) 6 x 6 x 6-Hole BO Spool - Inventory | 06/23/2016 | 81.97 |
| Total for Check Number 5259: | | | | 81.97 |
| 5260 | 10224 0101129 Jun | Legal Shield Monthly Prepaid Legal for Employees Jun 2016 | 06/23/2016 | 174.35 |
| Total for Check Number 5260: | | | | 174.35 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|---|-------------------------|------------------|
| 5261 | 10026 478046 RI | McCrometer Inc (3) Electric Heads for Meters - NCR I | 06/23/2016 | 1,539.00 |
| Total for Check Number 5261: | | | | 1,539.00 |
| 5262 | 10278 KM05754034 Jul KM05754034 Jul | Metlife - Group Benefits MetLife Dental Ins Jul 2016 MetLife Dental Ins M Morales Apr-Jun 2016 | 06/23/2016 | 591.51 197.16 |
| Total for Check Number 5262: | | | | 788.67 |
| 5263 | 10102 15205 15205 | Pat's Pots (3) Rental Portable Toilets 05/31-06/27/2016 (3) Service Portable Toilets 05/31-06/27/2016 | 06/23/2016 | 60.00 250.00 |
| Total for Check Number 5263: | | | | 310.00 |
| 5264 | 10036 Z0152081F | USA Mobility Wireless Inc Stand-by Pager for SCADA System Jun 2016 | 06/23/2016 | 70.32 |
| Total for Check Number 5264: | | | | 70.32 |
| 5265 | UB*01982 | Isabel & Wenceslao Valdez Refund Check | 06/23/2016 | 212.74 |
| Total for Check Number 5265: | | | | 212.74 |
| Total for 6/23/2016: | | | | 29,996.34 |
| Report Total (171 checks): | | | | 732,576.91 |



**Beaumont-Cherry Valley Water District
Regular Board Meeting
July 13th, 2016**

DATE: July 7th, 2016
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: Approval of Pending Invoices

Recommendation

Staff recommends that the Board of Directors approve the pending invoice totaling \$5,194.38.

Background

Staff has reviewed the pending invoice and found the services rendered were acceptable to the District.

Fiscal Impact

There is a \$5,194.38 impact to the District which will be paid from the 2016 budget.

Attachments:

- Richards Watson Gershon Invoice #207221

IRW RICHARDS | WATSON | GERSHON
ISC ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078
Fed. I.D. No. 95-3292015

C O N F I D E N T I A L
THIS MATERIAL IS SUBJECT TO THE
ATTORNEY-CLIENT AND/OR THE ATTORNEY
WORK PRODUCT PRIVILEGES. DO NOT
DISCLOSE THE CONTENTS HEREOF. DO NOT
FILE WITH PUBLICLY ACCESSIBLE RECORDS.

ERIC FRASER
Beaumont- Cherry Valley Water District
560 Magnolia Avenue
Beaumont, Ca 92223-2258

June 20, 2016
Invoice # 207221

Re: 12788-0001 [REDACTED] [REDACTED]

| | |
|--|--------------------------|
| Current Legal Fees | \$5,120.00 |
| Current Client Costs Advanced | \$74.38 |
| TOTAL CURRENT FEES AND COSTS | <u>\$5,194.38</u> |
| Balance Due From Previous Statement | \$2,003.92 |
| TOTAL BALANCE DUE FOR THIS MATTER | <u>\$7,198.30</u> |

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE



**BEAUMONT-CHERRY VALLEY WATER DISTRICT AGENDA
MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, June 8th, 2016
Regular Session 7:00 p.m.**

Call to Order, President Cottrell

President Cottrell began the meeting at 7:01 p.m.

Pledge of Allegiance, Director Slawson

Director Slawson led the pledge.

Invocation, Director Hoffman

Director Hoffman led the invocation.

Roll Call

Present at the meeting were President Cottrell, Directors Covington, Slawson, Hoffman and Douglass. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Engineering: Dan Jagers, Director of Operations: Anthony Lara, Director of Finance and Administrative Services: Yolanda Rodriguez, and Sr. Finance and Administrative Analyst: William Clayton.

Public who registered their attendance were John Jeter, Mike Kostelecky, Lenny Stephenson, Mike Turner, Bill Dickson, and Steve Copeland.

Public Comment

There was no public comment.

ACTION ITEMS

1. Adjustments to the Agenda

There were no changes to the Agenda.

2. Consent Calendar: All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. April 2016 Budget Variance Report Review** (pages 4-8)
- b. April 30th, 2016 Cash/Investment Balance Report** (page 9)
- c. May 2016 Check Register Review** (pages 10-24)
- d. May 2016 Invoices Pending Approval** (pages 25-26)
- e. Minutes of the Regular Meeting April 13th, 2016** (pages 27-30)
- f. Minutes of the Regular Meeting May 11th, 2016** (pages 31-34)

Director Covington motioned to approve all items on the Consent Calendar. The motion was seconded by Director Hoffman and passed 5-0.

3. Consideration and Approval of Bartle Wells Associates Proposal for Water Facility Fee Study Update. (pages 35-62)**

General Manager Fraser explained the need for the update of the Water Facility Fee Study, as the last study was done approximately nine years ago.

Director of Engineer Jagers answered Board questions regarding the number of bids that were sent out, and explained that since only one bid was submitted to the District, staff then reviewed other local agencies who recently solicited for proposals and contracted for water facility fee studies and concluded that the proposed fee submitted by Bartle Wells Associates appeared reasonable for the scope of services.

Public Comment on Item:

Mr. Mike Taylor, with Pardee Homes, asked for the District to work with the City of Beaumont's planning staff when determining the total number of units at build out.

After discussion, Director Covington motioned to approve the contract as presented in the amount of \$39,120 with an additional "As Needed" contingency of \$5,000, for the Water Facility Fee Study Update. The motion was seconded by Director Slawson and passed 5-0.

4. Consideration of Resolution 2016-05 a Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District authorizing the implementation of updated Emergency Drought Regulations adopted by the State Water Resources Control Board on May 18, 2016. (pages 63-81)**

Director of Operations Lara gave an overview of the newly updated drought regulations adopted by the State Water Resource Control Board, effective from June 2016 to January 2017, which requires locally developed conservation standards based on each water supplier's specific circumstances as it relates to water supply and demands. He explained Resolution 2016-05 lifts the restriction of limited watering days.

After discussion, President Cottrell motioned to approve Resolution 2016-05. The motion was seconded by Director Slawson and passed 5-0.

5. Consideration of Variance or New Water Meter and "Continuation of Service Letter ("Will Serve Letter") for 1345 Palm Avenue for Proposed Multi-Purpose Building for Existing Seventh-Day Adventist Church Facility. ** (pages 82-88)

Director of Engineering Jagers explained the schematics of the existing water meter at the premises and the plan for the use of the new water meter, based on the letter submitted by Seventh-Day Adventist Church. He shared the District recommends for one of two options: Provide a variance to the District Rules and Regulations Section 3-2.1, and approve the use of the existing water meter for the proposed multi-purpose building; or approve an additional water meter service for the proposed multi-purpose building.

After discussion, President Cottrell motioned to approve the variance with the stipulation of water service being terminated at the existing Community Hall

when the new Multi-Purpose Hall is built. The motion was seconded by Director Douglass and passed 5-0.

6. **Riverside Local Agency Formation Commission (LAFCO) Special District Selection Committee: Vote to Elect A Regular Special District Member of the LAFCO (Eastern Riverside County) and an Alternate Special District Member.**** (pages 89-93)

After discussion, Director Covington motioned to nominate Nancy Wright (Mission Springs Water District), and Robert Stockton (Western Municipal Water District) as the alternate. The motion was seconded by Director Slawson and passed 4-0, with President Cottrell abstaining.

Survey on preference for Ballot and Conducting of Future Special District Selection Committee Elections: President Cottrell suggested the option of electing the "Candidate receiving a majority of votes shall be elected. If more than two candidates have been nominated, the Executive Officer shall conduct the election using instant runoff voting, also known as ranked choice voting." Director Covington concurred, and there was a consensus on the recommendation and passed 5-0.

7. **Appointment of Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) Director Representative and an Alternate Representative.**** (pages 94-136)

Director Slawson motioned to elect President Cottrell as the representative for the JPIA Board of Directors and Director Slawson as the alternate. The motion was seconded by Director Hoffman and passed 5-0.

8. **Continued Participation and Approval of the MOU for the San Geronio Pass Regional Water Alliance.****(pages 137-145)

After discussion, Director Hoffman motioned to approve continued participation and approval of the MOU. The motion was seconded by Director Slawson and passed 5-0.

9. **Consideration of Resolution 2016-06 Establishing the Process for the Acquisition of Imported Water Supply from the San Geronio Pass Water Agency for New Water System Connections.**** (pages 146-151)

Public Comment on Item:

Michael Tidus, attorney for Pardee Homes, shared his concerns with Resolution 2016-06 and was here to oppose of approving Resolution 2016-06.

Judy Bingham commented on her support for Resolution 2016-06 and further shared her concerns of future homebuyers burdening existing homebuyers.

Mike Turner, with Argent Management – Fairway Canyon, shared that they currently have 424 homes in contract in plan area 14, 16, 19, and 21. He explained that the infrastructure was completed years ago and they have Will Serve Letters. Mr. Turner asked that their Will Serve Letters not be part of Resolution 2016-06.

Mike Taylor, with Pardee Homes, shared his concerns of the verbiage of Resolution 2016-06, and asked what that meant for Pardee Homes. He agreed with Mr. Turner that a fee study should be updated, but they shouldn't have to

go directly to the wholesaler to pay for water. He stated that Pardee Homes has already invested millions of dollars in water infrastructure.

Jeff Davis, General Manager of the San Geronio Pass Water Agency (SGPWA), shared that he didn't oppose Resolution 2016-06, but was more concerned with the use of the word "Requiring" in the title "Requiring the SGPWA To Acquire Sufficient Additional Water Rights Necessary to Serve Any Project in Perpetuity Prior To The District Approving A Will Serve Letter For The Project Or The District Making Water Available To The Project Based On A District Will Serve Letter Already Issued". He stated that BCVWD could not "require" SGPWA to take any particular steps.

Legal Counsel Markman responded that the resolution is a prerequisite for obtaining water before approving a Will Serve Letter. He stated that BCVWD is not requiring SGPWA to do anything. He stated that the purpose of the resolution is: to focus on the water supply the District has been relying on to serve growth when issuing Will Serve Letters, which has not been available from the SGPWA; and to stop allowing the creation of more demand on the District's water system when the District is not getting the water supply from the SGPWA.

President Cottrell shared his frustration regarding no feedback from the SGPWA on how the demands for water will be met. He stated the water is a resource that we should be working together to obtain. He stated that the District collects monies for the purchase of water, but the District doesn't know specifics on how and when the District is going to get the water from SGPWA. He also shared that the SGPWA, the District, and other water agencies should come together to get water resources.

Director Douglass had a question for Mr. Davis regarding how much water entitlements had he purchased since being with the SGPWA, which Mr. Davis responded "none".

Jeff Davis explained the different options the SGPWA has looked at to acquire water. He stated that one of the options was the need for upfront cash of about \$30 million for water purchases. Another option was for a deal in which SGPWA didn't need such a large amount of cash up front, but would have large monthly payments. He stated that the SGPWA is looking at feasible deals to purchase water. He stated they need additional annual revenue for leverage and this is where the Capacity Fee comes into play.

Director Cottrell suggested that if the SGPWA knows there is a need for water, and they need leverage for the purchase of the water, why not leverage all their retailers together to come up with a better deal. He stated he would like to reach an agreement with the SGPWA to move forward and secure the water needs.

General Manager Fraser shared his concerns with Mr. Davis' statement of there being a shortage of water in the near future, as the General Manager stated that the shortage already exists. He pointed out that the District has purchased everything that was available from the SGPWA. He's also concerned with Mr. Davis' statement regarding increased water demand being a surprise, when in fact, in 2004, the Beaumont Basin Stipulated Judgement created the replenishment requirement. The interim solution ended in February 2014, which eliminated the controlled overdraft of the basin.

General Manager Fraser shared that the District's Urban Water Management Plan includes the development of every piece of property within the District's

sphere of influence and the expected entitlements, or expected densities, according to information provided to the District from the Land Use Planning agencies. A key component of the Urban Water Management Plan is the ability to obtain water from the SGPWA to meet those demands. He shared that table 4-23 of the plan identifies a deficit of approximately 4,366 acre feet of water by the year 2015 and progresses close to 10,000 acre feet as the District gets closer to build out. He pointed out that there is no basis for the assumption that the District is shutting down development or Will Serve Letters. The District is just pointing out that the District can't meet the water demands if we don't have access to water supply from the SGPWA, who, according to Mr. Davis, is currently working on water entitlements.

General Manager Fraser stated that even if it was assumed that the District receives an average of 8,000 acre feet of water per year, the District still needs to acquire water now to meet the current needs of the district and continue to add water to storage so we can meet the minimum three year storage reserve the DWR has identified in the recent drought management regulations.

General Manager Fraser shared that in regards to the issue of a place to put the water, he stated that last month the SGPWA delivered 1,213 acre feet of water, which is an average of 20 cubic feet per second for the 31 day period. He pointed out that at the 60% allocation we currently have from the State; approximately 11,438 acre feet will come to the region, 9,870 acre feet to the District and 1,560 acre feet to Banning. He shared that of our recharge facilities, three of the fourteen ponds are being utilized to receive the 20 cubic feet per second flow, and even if the flow was doubled, our facilities are more than adequate to handle the flow without the need to build additional facilities. He stated that the capacity is there to be able to bring water to the region, the need is there to bring water to the region as outlined in our Urban Water Management Plan, the expectation that water would be necessary to be acquired from the SGPWA is there, but the frustration is from the lack of movement by SGPWA to actually secure the water supply.

General Manager Fraser also shared his concern regarding the Capacity Fee and the new entitlement. He asked the question: how do we know if the fee is commensurate with the actual cost to get that entitlement? If it's being estimated and it's incorrect, the difference would have to be recovered through the tax base, which our customers pay 54% of all SGPWA taxes, or through the rates, which our customer buy almost 80% of the SGPWA water. The burden would be shifted to our existing customers, which is inappropriate.

Public Comment on Item:

Mike Turner shared his frustration of people not working together and encouraged the District and the SGPWA to not give up and work together.

Legal Counsel Markman recommended a path with a timeline for the water rights.

General Manager Fraser asked Mr. Davis when did he anticipate to deliver additional entitlement to the region. Mr. Davis responded that his best estimate is approximately 6 to 9 months, having certain things in place such as the Capacity Fee, adequate reserves, revenues sources coming in, and a place to put the water. He stated he understood the frustration and would have liked for this to have happen much sooner.

General Manager Fraser stated the District has money in reserves, but needs a deal that's in the best interest of the rate payers. He asked what the District can do to make that happen. Mr. Davis responded by saying to sign a cooperative agreement with SGPWA. General Manager Fraser recommended legal counsels from both agencies meet to discuss the details.

Public Comment on Item:

Mr. Steve Copeland, from the San Bernardino Valley Municipal Water District, shared his experience with the purchase of water and the challenges, and stated it does take time. He also stated that his agency will not sell any water rights on a long term basis.

President Cottrell motioned to table Resolution 2016-06. The motion was seconded by Director Hoffman and passed 5-0.

Reports For Discussion

- a. Ad Hoc Committees

No reports were made.

- b. General Manager

No reports were made.

- c. Directors Reports

Director Slawson reported he attended the Pass Water Alliance meeting. They are moving forward with a company to search out bond money to create an integrated regional water management plan. He will have more information as it becomes available.

- d. Legal Counsel Report

No reports were made.

10. Announcements

- District Offices will be closed July 4th, 2016 in observance of Independence Day.
- Finance and Audit Committee meeting, July 7th, 2016 at 3:00 p.m.
- Regular Board meeting, July 13th, 2016 at 7:00 p.m.
- Beaumont Basin Watermaster meeting, August 3rd, 2016 at 10:00 a.m.

President Cottrell made the announcements above.

11. Action List for Future Meetings

- Solar System Update
- Proposition 1 Bond Opportunities

President Cottrell made the announcements above.

12. Adjournment

President Cottrell adjourned the meeting at 9:05 p.m.

Attest:

Director Jeffrey Cottrell, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District

Director Daniel Slawson, Secretary to
the Board of Directors of the
Beaumont-Cherry Valley Water District

** Information included in the agenda packet



**Beaumont-Cherry Valley Water District
Board of Directors
July 13, 2016**

DATE: July 6, 2016
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: Review and Approve November 2016 Election Information.

Recommendation

Staff recommends that the Board of Directors approve the Notice to the Registrar of Voters regarding the November 8, 2016 General District Election as prepared by the District staff and individual candidates pay for the filling of their Candidate Statements.

Background

Divisions 1 and 2 are up for the regular 4 year term voting. Staff has reviewed the election information provided by the County of Riverside and the San Bernardino County Elections Office and has prepared the Notice to the Registrar of Voters and the Notice to Conduct Election. Based on the information received, the estimated candidate statement cost for the County of Riverside is \$500. Staff is awaiting candidate's statement cost information from the County of San Bernardino.

Fiscal Impact

There is a \$20,000 - \$30,000 fiscal impact to the District.

Attachments:

- June 6th, 2016 County of Riverside Registrar of Voters Letter
- Notice To The Registrar of Voters
- Notice To Conduct Election
- Notice of Boundaries: Division 1 & 2
- Uniform District Election Law Election (calendar)
- Dates of Interest To Candidates

REBECCA SPENCER
Registrar of Voters



ART TINOCO
Assistant Registrar of Voters

REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE

June 6, 2016

Eric Fraser
Beaumont-Cherry Valley Water District
P.O. Box 2037
Beaumont, CA 92223

Dear Mr. Fraser:

In preparation for your upcoming November 8, 2016 General District Election, we are providing the following information:

- **ELECTION CALENDAR:** For your review. We will be having a seminar on **June 29, 2016** to answer your questions and to coordinate the procedures involved in the conduct of the election.
- **NOTICE OF GENERAL DISTRICT ELECTION FORM:** Complete and return this form to us as soon as it is approved at your board meeting. You **must** adopt regulations regarding payment of the cost of the candidate's statement. This form **must** be returned to us by **July 6, 2016**. Remember also that a map of your district showing the current boundaries **must** be included.
- **ESTIMATED COST OF THE CANDIDATE STATEMENT:** The estimated cost of the candidate statement for your jurisdiction is **Division 1 \$500 & Division 2 \$500**. Please note that this is only an estimate. Candidates may receive a bill or refund for the difference depending on how many candidates actually file a candidate statement.

Please note the date of the nomination seminar and mark your calendar. At the seminar, we will issue the nomination material and review the procedures for issuing the documents. We will also discuss new legislation which concerns general district elections. If you have any questions, please feel free to call Leticia Flores at (951) 486-7212.

Sincerely,

REBECCA SPENCER
Registrar of Voters

By 
Leticia Flores
Elections Coordinator

Enclosures

"TENTATIVE"

COPY

**NOTICE TO THE REGISTRAR OF VOTERS
(ELECTIONS CODE §§ 10509, 10522; W.C. § 71451)
GENERAL DISTRICT ELECTION, NOVEMBER 8, 2016**

6/29/16
Mailed to Riverside
City - Registrar & Voters

DISTRICT: Beaumont-Cherry Valley Water District PHONE: (951) 845-9581

ADDRESS: 560 Magnolia Ave, Beaumont, CA FAX: (951) 845-0159

MAILING ADDRESS: P.O. Box 2037 92223 E-MAIL: Yolanda.Rodriguez@bcvwd.org

LIST NAMES OF DISTRICT DIRECTORS WHOSE TERMS EXPIRE ON DECEMBER 2, 2016.

| NAME OF DIRECTOR | DIVISION NUMBER (IF APPLICABLE) |
|------------------|------------------------------------|
| JEFFREY COTTRELL | 1 |
| NATHAN DOUGLASS | 2 |
| | |

The following section applies only if a Director(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year (Short term).

| NAME | DIVISION (If applicable) | DATE APPOINTED | DIRECTOR REPLACED |
|------|-----------------------------|----------------|-------------------|
| | | | |
| | | | |
| | | | |

STATEMENT OF ECONOMIC INTERESTS: The Government Code now requires all candidates to file a Form 700 with the Registrar of Voters by the nomination period deadline. If the candidate has previously filed an initial, assuming office, or annual statement for the same office sought within 60 days before the nomination deadline then the candidate does not have to file the Form 700 again.

CANDIDATE'S STATEMENT: Who is to pay the cost of the printing and handling of statement?
Please check appropriate box. CANDIDATE DISTRICT

NOTICE OF ELECTION published by Registrar of Voters in RECORD GAZETTE
(Insert name of Local Newspaper)

CANDIDATES may obtain nomination documents from the Registrar of Voters, 2724 Gateway Drive, Riverside, CA 92507, or from the District Secretary located at:

BEAUMONT-CHERRY VALLEY WATER DISTRICT: 560 MAGNOLIA AVE, BEAUMONT CA
(Insert Location Name, Address, and Business Hours) 92223

DISTRICT MAP: Attach 34" x 42" map showing district boundaries and divisions, if applicable.

Enclosed Map Contains Boundary/Division Changes YES NO

I certify that the enclosed map of the district boundaries and divisions is true and correct as of this date, and is submitted in compliance with Section 10522 of the California Elections Code for use in the General District Election to be held on November 8, 2016, or that there have been no changes to the boundaries as of the last General District Election.

Dated: 6/29/16

Contact Person: Yolanda Rodriguez

Sign: [Signature]
(District Secretary)

(DISTRICT SEAL)

**NOTICE TO THE REGISTRAR OF VOTERS
(ELECTIONS CODE §§ 10509, 10522; W.C. § 71451)
GENERAL DISTRICT ELECTION, NOVEMBER 8, 2016**

DISTRICT: _____ PHONE: _____

ADDRESS: _____ FAX: _____

MAILING ADDRESS: _____ E-MAIL: _____

LIST NAMES OF DISTRICT DIRECTORS WHOSE TERMS EXPIRE ON DECEMBER 2, 2016.

| NAME OF DIRECTOR | DIVISION NUMBER (IF APPLICABLE) |
|------------------|------------------------------------|
| | |
| | |
| | |

The following section applies only if a Director(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year (Short term).

| NAME | DIVISION (if applicable) | DATE APPOINTED | DIRECTOR REPLACED |
|------|-----------------------------|-------------------|-------------------|
| | | | |
| | | | |
| | | | |

STATEMENT OF ECONOMIC INTERESTS: The Government Code now requires all candidates to file a Form 700 with the Registrar of Voters by the nomination period deadline. If the candidate has previously filed an initial, assuming office, or annual statement for the same office sought within 60 days before the nomination deadline then the candidate does not have to file the Form 700 again.

CANDIDATE'S STATEMENT: Who is to pay the cost of the printing and handling of statement?
Please check appropriate box. CANDIDATE DISTRICT

NOTICE OF ELECTION published by Registrar of Voters in _____
(Insert name of Local Newspaper)

CANDIDATES may obtain nomination documents from the Registrar of Voters, 2724 Gateway Drive, Riverside, CA 92507, or from the District Secretary located at:

(Insert Location Name, Address, and Business Hours)

DISTRICT MAP: Attach 34" x 42" map showing district boundaries and divisions, if applicable.

Enclosed Map Contains Boundary/Division Changes YES NO

I certify that the enclosed map of the district boundaries and divisions is true and correct as of this date, and is submitted in compliance with Section 10522 of the California Elections Code for use in the General District Election to be held on November 8, 2016, or that there have been no changes to the boundaries as of the last General District Election.

Dated: _____ Contact Person: _____

Sign: _____
(District Secretary)

(DISTRICT SEAL)

emailed 7/6/16

7.



NOTICE TO CONDUCT ELECTION 2016 Presidential General Election

District Information

Review the information below. If needed, cross out and update with corrected information.

District Name
Beaumont-Cherry Valley Water District

Mail Address
P.O. Box 2037 - 560 Magnolia Ave

City
Beaumont

Zip
92223

Contact Name
Eric Fraser, General Manager

Contact Number
(951)845-9581

Email Address Yolanda.
yolanda.rodriguez@bcvwd.org

Elected Officials / Offices Up for Election

Listed below are the elected officials on file for the district. Lines highlighted in yellow indicate offices our records show are up for election. Review all information for accuracy. If needed, cross out and update with corrected information.

| Office Holder Name | District/Area (if applicable) | Elected or Appointed | Appointment Date (if applicable) | Next Election Date | Term |
|--------------------|-------------------------------|----------------------|----------------------------------|--------------------|------|
| Cottrell, Jeffrey | Division 1 | Appointed | 11/5/2014 | 11/8/2016 | Full |
| Douglass, Nathan | Division 2 | Appointed | 10/14/2015 | 11/8/2016 | Full |
| Covington, John L. | Division 4 | Elected | | 11/6/2018 | Full |
| Hoffman, David | Division 5 | Elected | | 11/6/2018 | Full |
| Slawson, Daniel | Division 3 | Elected | | 11/6/2018 | Full |

Election Administration

How do voters in your district select representatives? At Large By Division Both

What are the candidate residency requirements? At Large By Division Both

Does the District plan to have a measure on the ballot? Yes No Maybe

The San Bernardino County Elections Office will publish a Notice of Election. Please provide the name of one newspaper where you prefer the Notice of Election to be published: RECORD GAZETTE

Select who will pay for the printing of candidate statements in the *Voter Information Guide* below.

Candidate – The candidate will pay a deposit at the time of filing to the Elections Office and will be billed, or refunded, the balance post-election.

District – The Elections Office will bill the District for the actual cost of the preparation of the candidate statements.

Will the district issue candidate filing documents? Yes No

Certification

I certify that the information above is, as of this date, true and correct. If changes occur on or before 07/01/2016 I will notify the Elections Office immediately.

X [Signature] 7/5/2016 n/a
Signature of District Secretary Date District Seal



NOTICE OF BOUNDARIES
2016 Presidential General Election
To Be Held November 8, 2016

COPY

District Map

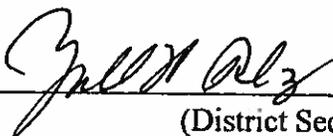
The enclosed district map shows the boundaries of the Beaumont-Cherry Valley Water District Division 2 that are on file with the San Bernardino County Elections Office. This map was developed from legal descriptions provided by individual jurisdictions, annexation documents from the Local Agency Formation Commission, and from parcel data (2010) with tax rate area assignments.

Please review the enclosed map and verify that the map is accurate. If this map is not current, please provide the Elections Office with an updated map and a current legal description, if available. When providing an updated map, an electronic shape file is preferred.

Please complete the *Certification* portion of this notice and return the completed *Notice of Boundaries* along with the *District Map* provided by the Elections Office, or an updated map that shows the current district boundaries no later than Wednesday, July 6, 2016.

Certification

I certify that the enclosed map showing the district boundaries are true and correct as of this date, and are submitted for use in the Presidential General Election to be held on November 8, 2016.

Sign: 
(District Secretary)

Date: 6/29/2016

District Secretary Seal to be affixed here:



**NOTICE OF BOUNDARIES
2016 Presidential General Election
To Be Held November 8, 2016**

COPY

District Map

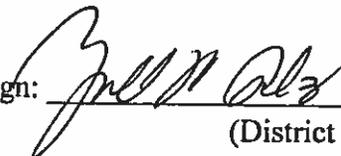
The enclosed district map shows the boundaries of the Beaumont-Cherry Valley Water District Division 1 that are on file with the San Bernardino County Elections Office. This map was developed from legal descriptions provided by individual jurisdictions, annexation documents from the Local Agency Formation Commission, and from parcel data (2010) with tax rate area assignments.

Please review the enclosed map and verify that the map is accurate. If this map is not current, please provide the Elections Office with an updated map and a current legal description, if available. When providing an updated map, an electronic shape file is preferred.

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District Secretary Seal to be affixed here:

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

The materials contained in this calendar represent the research and opinions of the staff at the Riverside County Registrar of Voters. The contents of this calendar and any legal interpretations contained herein are not to be relied upon as being correct either factually or as legal opinion. Reliance on the content without prior submission to and approval of your appropriate public counsel is at the reader's risk.

Please call (951) 486-7200 if you have any questions or comments or visit our website at www.voteinfo.net. Thank you.

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|--------------------------------------|---|---|
| July 1 (130) | District | <i>BOUNDARY CHANGES (E.C. § 12262)</i> Suggested last day boundary changes may be made for this election. |
| July 4 | Registrar of Voters | <i>INDEPENDENCE DAY (CO. ORD. 358.8)</i> The Registrar of Voters office will be closed. |
| July 6 (125) | District | <i>DELIVER NOTICE OF ELECTION AND MAP OF DISTRICT (E.C. §§ 10502, 10504, 10509, 10522)</i> No later than this date the District Secretary shall deliver a notice containing the elective offices to be filled and whether the district or candidate is to pay for the Candidates Statement. Said notice shall bear the secretary's signature and the district seal. The District Secretary shall also deliver a map showing the current boundaries of the district and divisions, if any. |
| July 11 – August 10 (120 – 90) | Registrar of Voters / District Secretary | <i>PUBLISH NOTICE OF ELECTION (E.C. §§ 12112, 12113)</i> Between these dates the Registrar of Voters shall publish once in a newspaper of general circulation published in the district or, if no such newspaper exists, a newspaper having general circulation in the district, a Notice of Election, which shall contain the following: <ul style="list-style-type: none">  Date of election.  Name of each office for which candidates may file.  Qualifications required by the principal act for each office.  The location where Declaration of Candidacy may be obtained.  Office in which completed declarations are required to be filed.  Date and time after which no Declaration of Candidacy may be accepted for filing.  Statement that appointment to office will be made pursuant to E.C. 10515 if there are insufficient nominees and no petition has been filed requesting the election be held. Said notice shall also be delivered to the District Secretary and posted in the district office. <i>GENERAL PRESS RELEASE (E.C. § 12112)</i> Press release should include offices to be filled and telephone number information regarding filing for elective office. |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|--------------------------------------|---|---|
| July 15 (116) | Registrar of Voters | <p><i>PRECINCTING SECTION TO COMPLETE BOUNDARY CHANGES</i></p> <p>No later than this date, precinct section must complete boundary changes.</p> |
| July 18 – August 12 (113 – 88) | Candidates / Registrar of Voters / District Secretary | <p><i>OBTAIN AND FILE DECLARATION OF CANDIDACY (E.C. §§ 10510, 13107)</i></p> <p>Between these dates a candidate may obtain and file a Declaration of Candidacy with the Registrar of Voters in person, or by mail. If by mail, Declaration of Candidacy may be returned by certified mail in time to reach the Registrar of Voters by no later than the filing deadline. The ballot designation worksheet must be filed at the same time as the Declaration of Candidacy.</p> <p>Either the Registrar of Voters or the District Secretary will issue the Declaration of Candidacy.</p> <p>No candidate shall withdraw his or her Declaration of Candidacy after 5 p.m. on the 88th day prior to the election.</p> |
| July 18 – August 12 (113 - 88) | Candidates / Registrar of Voters / District Secretary | <p><i>CANDIDATE STATEMENT (E.C. §§ 10540, 13307, 13309, 13311, 18351)</i></p> <p>Candidates who want to file a candidate's statement must file it with the Registrar of Voters at the same time that the Declaration of Candidacy is filed. Candidate statements are confidential until deadline for filing has passed.</p> <p><input checked="" type="checkbox"/> <i>PUBLIC EXAM PERIOD (E.C. § 13313)</i> The 10 day exam period for Candidate Statements will be held August 13 thru August 22 If extension applies, see extension period.</p> |
| July 18 – August 12 (113 – 88) | Candidates / Registrar of Voters | <p><i>STATEMENT OF ECONOMIC INTEREST (G.C. §§ 87200 et seq., 87300 et seq.)</i></p> <p>A Statement of Economic Interests must be filed for all candidates with the Registrar of Voters by the close of the nomination period.</p> |
| July 18 – August 12 (113 – 88) | Candidates / Registrar of Voters / District Secretary | <p><i>CODE OF FAIR CAMPAIGN PRACTICES (E.C. § 20400 et seq.)</i></p> <p>At the time a candidate is issued nomination papers each candidate will be issued a Code of Fair Campaign Practices. Filing it is voluntary and it may be filed with the Registrar of Voters any time prior to the election. It is available for public inspection until 30 days after the election.</p> |
| August 12 (88) | District | <p><i>BALLOT MEASURE (E.C. §§ 9312, 10403, 13247)</i></p> <p>Last day for resolution calling a measure to be submitted to the Registrar of Voters. A copy shall be made available to any voter. The statement of all measures submitted to the voters shall be abbreviated on the ballot. The statement shall contain not more than 75 words for each measure to be voted on.</p> |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|-------------------|---|--|
| August 12 (88) | Registrar of Voters | <p><i>PUBLISH NOTICE OF ELECTION (E.C. § 12111; G.C. §§ 6060, 6061)</i></p> <p>Publish a notice of election as soon as possible pursuant to section 12111 of the California Elections Code. A synopsis of the measure(s) shall be included in the publication. Government Code 6061 requires the notice to be published once. The last day to submit arguments to the Registrar of Voters should also be included in the notice. A copy of the notice shall be delivered to the district and posted in the district office.</p> |
| August 12 (88) | Candidates / Registrar of Voters | <p><i>FILE DECLARATION OF CANDIDACY / WITHDRAW (E.C. § 10510)</i></p> <p>Last day for candidates to file their Declarations of Candidacy and Candidate Statements with the Registrar of Voters. (Candidate Statement is optional). This is also the last day to withdraw candidacy. Candidate must withdraw before 5 p.m., unless there is an extension of the nomination period.</p> |
| August 13 (87) | Candidates / Registrar of Voters | <p><i>WITHDRAW CANDIDATE STATEMENT (E.C. § 13307)</i></p> <p>Last day to withdraw candidate statement, unless there is an extension of the nomination period. Withdrawal of candidate statement must be in writing.</p> |
| August 17 (83) | Candidates / Registrar of Voters / District | <p><i>EXTENSION OF NOMINATION PERIOD (E.C. §§ 10510, 10516)</i></p> <p>If the incumbent does not file by 5 p.m. on the last day of the nomination period, any eligible person, other than the incumbent, shall have until 5 p.m. of the 83rd day prior to the election to file a Declaration of Candidacy. The nomination extension is not applicable where there is no incumbent to be elected. If this section is applicable, a candidate may withdraw his or her Declaration of Candidacy up until 5:00 p.m. on the 83rd day before the election.</p> <p>☑ <i>PUBLIC EXAM PERIOD FOR EXTENSION (E.C. § 13313)</i> The 10 day exam period for Candidate Statements will be held August 18 thru August 27.</p> |
| August 17 (83) | Registrar of Voters / District Secretary | <p><i>NOTICE WHETHER ELECTION WILL BE HELD (E.C. § 10515)</i></p> <p>If there are insufficient nominees for the offices to be filled, and a petition requesting the election be held has not been presented to the officer conducting the election, then the election shall not be held.</p> <p>The Registrar of Voters shall request the Board of Supervisors to appoint the qualified candidate(s) to such office. If there are no candidates, the Board shall appoint a qualified person to each office. Persons appointed shall qualify, take office, and serve as if elected.</p> |
| August 17 (83) | District | <p><i>LAST DAY TO WITHDRAW MEASURE (E.C. § 9605)</i></p> <p>Whenever a legislative body has ordered that a measure be submitted to the voters of any jurisdiction at an election, the order of election shall not be amended or withdrawn after this date.</p> |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|-------------------|--|---|
| August 18 (82) | Candidates / Registrar of Voters | <p><i>WITHDRAW CANDIDATE STATEMENT (EXTENSION) (E.C. §§ 10516, 13307)</i></p> <p>In the event there is an extension of the nomination period, candidates may have until this date to withdraw candidate statements.</p> |
| August 18 (82) | Secretary of State | <p><i>RANDOMIZED ALPHABET (E.C. § 13112)</i></p> <p>On this date the Secretary of State shall conduct a drawing of the alphabet for determining the order of candidate's names on the ballot.</p> |
| August 18 (82) | Registrar of Voters | <p><i>SEND LIST OF CANDIDATES TO DISTRICT SECRETARY</i></p> <p>Approximate date to send list of qualified candidates to District Secretary and other county if it is involved. If election is not held, inform district of procedures that will be followed.</p> |
| August 22 (78) | Registrar of Voters | <p><i>REQUEST BOARD OF SUPERVISORS TO APPOINT (if election will not be held) (E.C. § 10515)</i></p> <p>Registrar of Voters shall request the Board of Supervisors at a regular or special meeting held prior to the Monday before the first Friday in December in which the election would have been held, to appoint to such office or offices the qualified candidate(s); or if no candidate(s), the Board shall appoint any qualified person to such office.</p> |
| August 22 (78) | County Counsel | <p><i>LAST DAY TO SUBMIT IMPARTIAL ANALYSIS (E.C. §§ 9313, 9314)</i></p> <p>Last day for County Counsel to submit impartial analysis to Registrar of Voters. The analysis shall include a statement indicating whether the measure was placed on the ballot by petition signed by the requisite number of voters or by the governing body of the district. The analysis shall be printed in the pamphlet preceding the arguments for or against the measure. The analysis is limited to 500 words</p> <p><input checked="" type="checkbox"/> <i>PUBLIC EXAM PERIOD (E.C. § 9380)</i> There will be a 10-day exam period for the Impartial Analysis. The period will be held August 23 thru Sept. 1.</p> |
| August 22 (78) | Proponents / Opponents | <p><i>LAST DAY TO FILE ARGUMENTS (E.C. §§ 9315, 9316, 9600)</i></p> <p>Last day set by Registrar of Voters to submit arguments in favor or against the measure. Arguments may not exceed 300 words. No more than five signatures shall appear with any arguments. Authors of Argument form shall accompany all arguments.</p> <p><input checked="" type="checkbox"/> <i>PUBLIC EXAM PERIOD (E.C. § 9380)</i> There will be a 10-day exam period for arguments. The period will be held August 23 thru August Sept. 1.</p> |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|-------------------------------------|--|--|
| Sept. 1 (68) | Proponents / Opponents | <p><i>REBUTTALS (E.C. §§ 9317, 9600)</i></p> <p>Last day for the same authors of the primary argument to file rebuttals with the Registrar of Voters no later than 5:00 p.m. Rebuttals are limited to 250 words. Statement of Authors of Arguments form must be attached to the rebuttal.</p> <p>☑ <i>PUBLIC EXAM PERIOD (E.C. § 9380)</i> There will be a 10-day exam period for Rebuttals. The period will be held September 2 thru September 11.</p> |
| Sept. 5 | Registrar of Voters | <p><i>LABOR DAY (CO. ORD. 358.8)</i></p> <p>The Registrar of Voters office will be closed.</p> |
| Sept. 12 (57) | Candidates / Registrar of Voters | <p><i>FIRST DAY NOMINATION PAPERS FOR WRITE-IN CANDIDACY WILL BE AVAILABLE (E.C. § 8600 et seq.)</i></p> <p>Any qualifying person wishing to file as a write-in candidate may pick up nomination papers beginning on this date. Papers must be filed with the Registrar of Voters no later than 14 days prior to election day. Write-in candidates must also file Statement of Economic Interest (if applicable) and campaign disclosure statements.</p> |
| Sept. 13 (56) | Registrar of Voters | <p><i>ORDER PRINTING OF ELECTION MATERIAL (E.C. §§ 9312, 9380, 13313)</i></p> <p>Suggested date to prepare copy for printer and order ballots.</p> |
| Sept. 25 – Sept. 29 (44 - 40) | Candidates / Committees / Registrar of Voters | <p><i>FILING PERIOD FOR FIRST PRE-ELECTION CAMPAIGN DISCLOSURE STATEMENT (G.C. §§ 84200.5, 84200.8)</i></p> <p>Filing period for 1st pre-election campaign statement covers transactions through September 24. Statements must be sent by personal delivery or first class mail.</p> |
| Sept. 26 (43) | Registrar of Voters | <p><i>SATELLITE LOCATION PRESS RELEASE (E.C. § 3018)</i></p> <p>Notice of satellite locations shall be made by the elections official by the issuance of a general news release, issued not later than 14 days prior to voting at the satellite location, except that in a county with a declared emergency or disaster, notice shall be made not later than 48 hours prior to voting at the satellite location. The news release shall set forth the following information:</p> <ul style="list-style-type: none"> ☑ The satellite location or locations. ☑ The dates and hours the satellite location or locations will be open. ☑ A telephone number that voters may use to obtain information regarding vote-by-mail ballots and the satellite locations. |
| Sept. 29 – Oct. 29 (40 - 10) | Registrar of Voters | <p><i>MAIL SAMPLE BALLOTS AND OTHER ELECTION MATERIAL TO VOTERS (E.C. §§ 9312, 9380, 10540, 13303, 13307)</i></p> <p>Between these dates the Registrar of Voters shall mail a sample ballot to each voter, who is registered at least 29 days prior to the election.</p> |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|-----------------------------|---|--|
| Oct. 10 | Registrar of Voters | <i>COLUMBUS DAY (CO. ORD. 358.8)</i> The Registrar of Voters office will be closed. |
| Oct. 10 (29) | Registrar of Voters | <i>MAILED BALLOT PRECINCTS (E.C. §§ 3005, 3010, 3017, 3018, 3020, 4000 et seq.)</i> Approximate date to mail notices to voters in mailed ballot precincts, send official ballot and election material. Mail ballot precincts have less than 250 voters. |
| Oct. 10 (29) | Registrar of Voters | <i>PRECINCTS, POLLING PLACES & ELECTION OFFICERS (E.C. §§ 12280 et seq., 12300 et seq.)</i> Last day for Registrar of Voters to establish polling places and appoint election officers for this election. Immediately following appointment, the Registrar shall mail appointment notices to election officers. |
| Oct 10 – Oct. 29 (29 – 10) | Registrar of Voters | <i>PUBLISH POLLING PLACES & CENTRAL COUNTING PLACE (E.C. §§ 12105, 12109)</i> Suggested date to publish polling places. The notice will include the hours that the polls will be open and a Notice of Central Counting Place. |
| Oct. 10 – Nov. 1 (29 – 7) | Registrar of Voters | <i>VOTE-BY-MAIL BALLOT APPLICATIONS (E.C. §§ 3001, 3006, 3021, 3200)</i> Applications for vote-by-mail ballots may be made in person or by mail during this time frame. |
| Oct. 21 | Registrar of Voters | <i>VOTE-BY-MAIL PROCESSING PUBLIC NOTICE (E.C. § 15104)</i> The elections official shall notify vote-by-mail voter observers and the public at least 48 hours in advance of the dates, times, and places where vote-by-mail ballots will be processed and counted. |
| Oct. 23 – Oct. 27 (16 – 12) | Candidates / Committees / Registrar of Voters | <i>FILING PERIOD FOR SECOND PRE-ELECTION CAMPAIGN DISCLOSURE STATEMENT (G.C. §§ 84200.5, 84200.8)</i> Filing period for 2 nd pre-election campaign statement covers transactions through October 22. Statements must be sent by personal delivery or guaranteed overnight service. |
| Oct. 24 (15) | Registrar of Voters | <i>CLOSE OF REGISTRATION (E.C. §§ 2106, 2107)</i> Last day to register or transfer registration for this election. |
| Oct. 24 (15) | Registrar of Voters | <i>COLLECTION CENTERS PUBLIC NOTICE (E.C. § 15260)</i> In establishing a collection center, the elections official may designate a group of precincts which the center shall serve and this designation shall be available for public inspection no later than 15 days before the election. |

UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|----------------------------------|---|---|
| Oct. 25 (14) | Candidates / Registrar of Voters | <i>FILE DECLARATION OF WRITE-IN CANDIDACY (E.C. §§ 8600 et seq., 15340 et seq.)</i> Last day for write-in candidates to submit their write-in nomination documents to the Registrar of Voters. |
| Oct. 25 – Nov. 1 (14 – 7) | Registrar of Voters | <i>POST ELECTION OFFICERS & POLLING PLACES (E.C. § 12105.5)</i> Not less than one week before the election, the elections official shall post a list of all current polling places and a list of election officers appointed by the 15 th day before the election. The elections official shall post this list in his or her office and on his or her Web site. The list shall remain posted for 30 days after completion of the canvass. |
| Oct. 25 | Registrar of Voters | <i>PROCESS BALLOTS (E.C. § 15101 et. seq.)</i> When ballots are to be counted by computer, the Registrar of Voters may begin processing ballots 10 business days prior to the election. No count may be made until after the polls close on election day. |
| Nov. 1 (7) | Registrar of Voters | <i>LOGIC AND ACCURACY TESTING (E.C. § 15000)</i> No later than seven days prior to any election, the elections official shall conduct a test or series of tests to ensure that every device used to tabulate ballots accurately records each vote. |
| Nov. 4 (4) | Registrar of Voters | <i>MANUAL TALLY PUBLIC NOTICE (E.C. § 15360)</i> The manual tally shall be a public process, with the official conducting the election providing at least a five day public notice of the time and place of the manual tally and of the time and place of the selection of the precincts to be tallied prior to conducting the tally and selection. |
| Nov. 8 |  | <i>ELECTION DAY</i> Voted ballots must be received by the elections official no later than the close of the polls on election day or be postmarked on or before election day and received no later than three days after election day to be counted. (E.C. § 3020, 4103) |
| Nov. 10 (+2) | Registrar of Voters | <i>CANVASS ELECTION RETURNS (E.C. § 15301 et seq.)</i> Registrar of Voters shall commence the official canvass on this day. |
| Nov. 11 – Dec. 8 (+3 – 30) | Registrar of Voters | <i>ONE PERCENT MANUAL TALLY (E.C. § 15360)</i> During the Official Canvass the Elections Official shall conduct a public manual tally in 1 percent of the precincts chosen at random by the elections official. |
| Nov. 11 | Registrar of Voters | <i>VETERAN'S DAY (CO. ORD. 358.8)</i> The Registrar of Voters office will be closed. |

**UNIFORM DISTRICT ELECTION LAW ELECTION
NOVEMBER 8, 2016
(E.C. §§ 9300 et seq., 10500 et seq.)**

| DATE | PERSON RESPONSIBLE | DESCRIPTION |
|----------------------|--|--|
| Nov. 24 – Nov. 25 | Registrar of Voters | <i>THANKSGIVING DAY / DAY AFTER THANKSGIVING (CO. ORD. 358.8)</i> The Registrar of Voters Office will be closed. |
| Dec. 6 (+28) | Registrar of Voters | <i>POST ELECTION OFFICERS & POLLING PLACES (E.C. § 12105.5)</i> Not later than 28 days after the election, the elections official shall post an updated list of polling places and election officers that actually served on election day. The elections official shall post this list in his or her office and on his or her Web site. The list shall remain posted for 30 days after completion of the canvass. |
| Dec. 8 (+30) | Registrar of Voters | <i>SEND STATEMENT OF RESULTS (E.C. §§ 10550, 10551, 10553, 15372, 15374)</i> As soon as the canvass is completed, no later than this date, the Registrar of Voters shall mail a statement of results of the election to the district. The Registrar of Voters will also deliver to each person elected a certificate of election. |
| Dec. 8 (+30) | Registrar of Voters | <i>COST OF ELECTION (E.C. §§ 10002, 10520)</i> Approximate date to send invoice to jurisdiction for cost of election. Any refund on Candidate Statements will also be processed by this date. |
| Dec. 2 | District | <i>OFFICERS TAKE OFFICE (E.C. § 10554)</i> Elective officers, elected or appointed, take office at noon on the first Friday in December next following the general district election. Prior to taking office, each elective officer shall take the official oath and execute any bond required by the principal act. |
| Jan. 1 – Jan. 31 | Candidates / Committees / Registrar of Voters | <i>FILING PERIOD FOR SEMI-ANNUAL CAMPAIGN DISCLOSURE STATEMENT (G.C. § 84200)</i> Statement covers transactions through December 31. Statements must be sent by personal delivery or first class mail. |

Note: Whenever a date prescribed by law falls on a weekend or holiday, such act may be performed on the next business day (E.C. 15; G.C. 6700, 6701)

DATES OF INTEREST TO CANDIDATES

| DATE | DESCRIPTION |
|-----------------------------|---|
| July 18 thru August 12 | <p>Nomination Period (E.C. §§ 10510 et seq., 10603)</p> <p>Between these dates candidates may obtain nomination material and file completed nomination documents with the Registrar of Voters.</p> |
| August 12 | <p>Last Day to Withdraw Candidacy (E.C. §§ 10510, 10603)</p> <p>Unless there is an extension of the nomination period.</p> |
| August 13 | <p>Last Day to Withdraw Candidate Statement (E.C. §§ 13307, 13311)</p> <p>Last day to withdraw candidate statement, unless there is an extension of the nomination period. Request to withdraw candidate statement must be made in writing and submitted by 5:00 p.m. Candidate statements shall remain confidential until this date.</p> |
| August 13 thru August 22 | <p>Election Material Available (Public Exam Period) (E.C. § 13313)</p> <p>During this period Candidate Statements are available for public inspection.</p> <p><u>Exception:</u> If there is an extension of the nomination period, the exam period will be from August 18 thru August 27.</p> |
| August 17 | <p>Last Day of Extended Nomination Period (E.C. §§ 10516, 10604)</p> <p>If an incumbent fails to file nomination documents by August 12, 2016, the nomination period will be extended for persons other than the incumbent. This will also extend the period for withdrawing candidacy. Not applicable if the office has no incumbent.</p> |
| August 17 | <p>Last Day to File Petition Requesting the Election be Held in Event of Insufficient Nominees in Schools and Special Districts (E.C. § 10515; Ed.C. § 5326)</p> |
| August 18 | <p>Last Day to Withdraw Candidate Statement in Event of Extension (E.C. §§ 10516, 10604, 13307)</p> |
| August 18 (11:00 a.m.) | <p>Drawing of Randomized Alphabet (E.C. § 13112)</p> <p>Secretary of State will conduct a drawing of the alphabet for determining the order of candidates' names on the ballot.</p> |
| September 5 | <p>Labor Day (CO. ORD. 358.8)</p> <p>The Registrar of Voters office will be closed</p> |
| September 12 | <p>First Day Forms will be Available for Write-In Candidacy (E.C. § 8600 et seq., E.C. § 8601)</p> <p>Any qualified person wishing to file as a write-in candidate may pick up papers beginning this date. Forms are only available at the Registrar of Voters office.</p> |

DATES OF INTEREST TO CANDIDATES

| DATE | DESCRIPTION |
|-----------------------------------|---|
| September 25 thru September 29 | <p>Filing Period for First Pre-Election Campaign Disclosure Statement (G.C. §§ 84200.5, 84200.8)</p> <p>Covers period ending September 24. Statements must be sent by first class mail or hand delivered.</p> |
| September 29 thru October 29 | <p>Period for Registrar of Voters to Mail Sample Ballots to Voters (E.C. §§ 13303, 13307)</p> |
| October 10 | <p>Columbus Day (CO. ORD. 358.8)</p> <p>The Registrar of Voters office will be closed</p> |
| October 10 | <p>First Day to Apply for Vote-by-Mail Ballot (E.C. § 3001)</p> <p>Voters may apply by mail or vote at the Registrar of Voters office.</p> |
| October 23 thru October 27 | <p>Filing Period for Second Pre-Election Campaign Disclosure Statement (G.C. §§ 84200.5, 84200.8)</p> <p>Covers period ending October 22. Statement must be sent by guaranteed overnight delivery or hand delivered.</p> |
| October 24 | <p>Last Day to Register to Vote or Change Address for this Election (E.C. §§ 2106, 2107)</p> |
| October 25 | <p>Process Ballots (E.C. § 15101 et. seq.)</p> <p>When ballots are to be counted by computer, the Registrar of Voters may begin processing ballots 10 business days prior to the election. No count may be made until after the polls close on election day.</p> |
| October 25 | <p>Last day to File Statement of Write-In Candidacy (E.C. § 8600 et seq., E.C. § 8601)</p> |
| November 1 | <p>Last Day of Regular Vote-by-Mail Ballot Application Period (E.C. § 3001 et seq.)</p> |
| Before November 8 | <p>Appointments in Lieu of Election in School Districts (Ed. C. § 5328)</p> <p>The governing body of the district will appoint a qualified person to each office, which has no nominee, in the event the scheduled election is not held due to insufficient nominees.</p> |
| November 8 | <p>ELECTION DAY</p> <p></p> <p>The polls will be open from 7:00 a.m. and will close at 8:00 p.m. Voted ballots must be received by the elections official no later than the close of the polls on election day or be postmarked on or before election day and received no later than three days after election day to be counted. (E.C. § 3020, 4103)</p> |

DATES OF INTEREST TO CANDIDATES

| DATE | DESCRIPTION |
|------------------------------|--|
| November 11 | <p>VETERAN'S DAY (CO. ORD. 358.8) The Registrar of Voters office will be closed.</p> |
| November 24 thru November 25 | <p>Thanksgiving Day / Day After Thanksgiving (CO. ORD. 358.8) The Registrar of Voters Office will be closed</p> |
| Before November 28 | <p>Appointment in Lieu of Election in Special Districts (E.C. § 10515) Board of Supervisors will appoint a qualified person to each office, in the event the scheduled election is not held due to insufficient nominees.</p> |
| December 2 | <p>TERMS BEGINS (E.C. §§ 10505, 10554; Ed.C. § 5017; G.C. § 61042; P.U.C. § 11863)</p> <ul style="list-style-type: none"> • School District Governing Board • Special District Directors |
| December 8 | <p>Canvass of Election / Certificate of Election (E.C. § 15372) Registrar of Voters shall complete canvass no later than this day. The Registrar of Voters will issue a certificate of election to the elected officers after the results are certified.</p> |
| January 1 thru January 31 | <p>Filing Period for Semi-Annual Campaign Disclosure Statement (G.C. § 84200) Cover period ending December 31. Statement must be sent by first class mail or hand-delivered.</p> |

Note: Whenever a date prescribed by law falls on a weekend or holiday, such act may be performed on the next business day. (E.C. § 15; G.C. § 6701)



Annual Financial Report

For the Fiscal Year Ended December 31, 2015



Beaumont-Cherry Valley
Water District

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Beaumont-Cherry Valley Water District

560 Magnolia Avenue Beaumont CA 92223
951.845-9581 www.bcvwd.org



Board of Directors as of December 31, 2015

| Director | Title | Division | Current Term |
|------------------|----------------|----------|-------------------|
| Jeffrey Cottrell | President | 1 | 11/2014 – 12/2016 |
| Nathan Douglass | Treasurer | 2 | 12/2012 – 12/2016 |
| Daniel Slawson | Secretary | 3 | 12/2014 – 12/2018 |
| John Covington | Director | 4 | 12/2014 – 12/2018 |
| David Hoffman | Vice-President | 5 | 12/2014 – 12/2018 |

Eric Fraser, P.E.
General Manager

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Beaumont-Cherry Valley Water District
Annual Financial Report
For the Year Ended December 31, 2015

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Introductory

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www.bcwwd.org

Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

July x, 2016

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Nathan Douglass
Division 2

Jeffrey Cottrell
Division 1

Honorable Board of Directors
Beaumont-Cherry Valley Water District

Introduction

It is our pleasure to submit the Annual Financial Report for the Beaumont-Cherry Valley Water District for the year ended December 31, 2015, following guidelines set forth by the Government Accounting Standards Board (GASB). District staff prepared this financial report. District management is ultimately responsible for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures in this financial report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been audited by Vavrinek, Trine, Day and Company, LLP, a firm of licensed certified public accountants. The purpose of their independent audit was to provide reasonable assurance that the financial statements of the District, for the year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The audit included obtaining an understanding of the District and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the year ended December 31, 2015, are fairly presented, in all material respects, in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report, beginning on page 8.

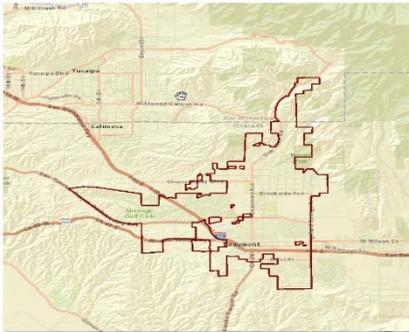
GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditor, beginning on page 11.

District Profile

The goal of the District is to provide for a healthy, safe and enriched quality of life throughout the District boundaries through watershed stewardship and thorough management of water resources in a practical, cost-effective, and environmentally sensitive manner for current and future generations.

The origin of the Beaumont-Cherry Valley Water District dates back to the latter part of the 1800's when the Southern California Investment Company was the owner of the land that currently is the City of Beaumont and the community of Cherry Valley. The Company intended to build a system of water lines for the purpose of developing subdivisions throughout the Beaumont and Cherry Valley areas. The District also owns 575 acres of watershed land in Edgar Canyon in San Bernardino County. Edgar Canyon is named after Dr. William F. Edgar, a military doctor who was in charge of a number of hospitals during the Civil War. Dr. Edgar appreciated the beauty of the land and purchased it in 1859, he planted fruits and vineyards and later established the first winery.

Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company that was started to support development in the District's service area, to the system today that serves over 48,000 people in both the City of Beaumont and the community of Cherry Valley.



The District's present service area covers approximately 28 square miles, virtually all of which is in Riverside County, and includes the City of Beaumont, the community of Cherry Valley, and some small areas of Calimesa. As previously stated, the District owns 575 acres of watershed land in Edgar Canyon in San Bernardino County, located just north of the Riverside-San Bernardino County line where the District operates a number of wells and several reservoirs.

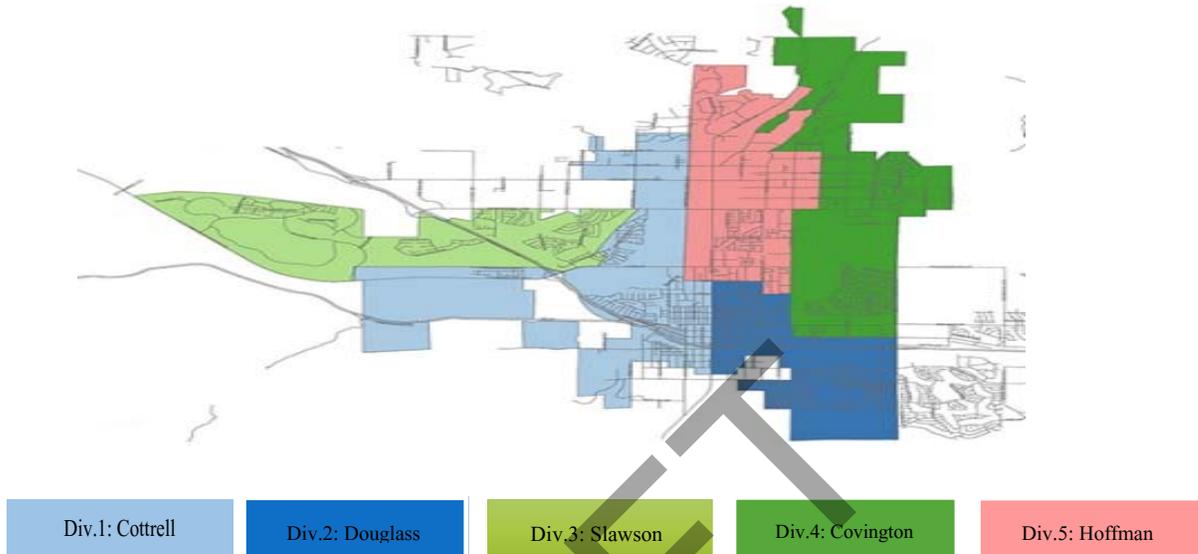
The District has both a potable and non-potable water distribution system. At the end of 2015, the District had a total of 16,990 connections, an increase of 455 connections over 2014. Approximately 321 of these total connections are landscape irrigation connections to the non-potable (recycled) water system and approximately 48 of these total connections are for agricultural irrigation which is connected to the potable water system. The number of connections increased from 5,600 in the year 2000 before the housing market boom that encompassed Western Riverside County and particularly Beaumont.

The District has a total of 24 wells and 15 reservoirs ranging in size from 0.5 million gallons (MG) to 5 MG. Total storage is approximately 22 MG.

Today, the Beaumont-Cherry Valley Water District continues to develop programs and policies that ensure a supply of water for the area's growing population and include recharge of local area storm water and imported water from the State Water Project.

Of significance to its programs and goals, the Board authorized the purchase of 78.8 acres of land, and eventually constructed the Noble Creek Recharge Facility for the recharge of imported water from the State Water Project. In the future, storm runoff and possibly highly treated recycled water will be recharged at the facility. These water sources are in the untreated state which means the water will be naturally treated as it recharges the groundwater much like rain and runoff, which are naturally treated as they seep into the ground to become groundwater.

The District is governed by a five-member Board of Directors representing five divisions.



The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District currently employs thirty-five employees. The District's Board of Directors meets on the second Wednesday of each month and the Finance & Audit Committee meets on the first Thursday of each month. Meetings are publically noticed and citizens are encouraged to attend.

Local Economy

The Inland Empire, east of Los Angeles, is projected to be one of the fastest growing large metropolitan area economies in the country over the next five years, according to a forecast from the United States Conference of Mayors.

Economic growth estimates in the Riverside/San Bernardino economy will be the highest in California, for an average of 4.2% through 2020.

Riverside County continues to be one of the fastest growing counties in California, trailing the County of San Joaquin. The Riverside population growth rate rose 1.3%, from 2,317,924 to 2,347,828, according to estimates from the California Department of Finance. The City of Beaumont ranked fourth in the state's top 10 fastest-growing cities with populations over 30,000, with the City of Eastvale ranking second, and the City of Lake Elsinore ranked fifth.

The City of Beaumont experienced very rapid growth from the year 2000 to 2010 and about two-thirds of this growth occurred between 2000 and 2005. The high rate of growth continued until mid-2008 when development slowed markedly following the economic downturn in the US and California.

The historic growth of the local economy is set forth by the recent population and household data for the District's service area as follows:

| City of Beaumont | 1990 | 2000 | 2010 | 2015 |
|-------------------------|-------------|-------------|-------------|-------------|
| Population | 9,685 | 11,407 | 36,837 | 42,481 |
| Households | 3,718 | 3,887 | 11,801 | 13,309 |
| People/Household | 2.60 | 2.93 | 3.12 | 3.19 |

The population in Cherry Valley has remained relatively constant since 1980.

In 2015, the District continued to experience increased interest from land developers in completing tract developments that were put on hold during the economic slowdown and beginning new developments that were previously delayed.

The future growth anticipated for the local economy is reflected in the planned construction by area land developers of approximately 14,282 housing units of which approximately 11,304 of these planned housing units are approved.

The District staff anticipates that in 2016 the growth within the District's service area related to residential, commercial and industrial development will again increase incrementally.

Relevant Financial Policies

Budgetary Controls

The District maintains budgetary controls, the objectives of which are to ensure compliance with legal provisions, embodied in the annually appropriated budget approved by the Board of Directors.

The year 2015 was another progressive year for the District in many regards, and continued with operating revenues being in line with operating expenses and a balanced budget.

Major Initiatives

Major goals for the District continue to be the conservation and efficient use of urban water supplies, providing the means to meet increasing demands for water, and providing an accurate accounting of all business operations including District infrastructure. The following paragraphs summarize the status of the District's completed and on-going initiatives identified in the 2015 Annual Financial Report as well as briefly describing new projects initiated to meet those goals.

Developing the facilities to provide water for future growth continues to be a priority and therefore District staff continued the expansion of the District's Noble Creek Recharge Facility. Specifically, in the year 2000, the District began investigating a 78.8 acre site as a location for a facility to recharge captured storm flow and other water sources. The District eventually purchased the site and developed Phase 1 of the Noble Creek Recharge Facility to enable the District to meet current and near-future demand through groundwater recharge. Phase 1 facilities were completed and went on line in late summer of 2006 for recharging storm flow and imported water from the State Water Project. Phase 2 of the Noble Creek Recharge Facility project was placed on line in 2015 and is designed to enable the District to meet ultimate development and overall community demand for additional water via groundwater recharge. Final completion of Phase 2 construction is expected in 2016.

The District completed the cross-connection testing of the non-potable (recycled) distribution system and converted approximately 90% of the current landscape irrigation customers to the non-potable supply, which meant large customers and newly developed communities are now being irrigated with non-potable supplies. The 2800 Zone reservoir, located at the north end of Noble Creek Recharge Phase II Facility was activated in May of 2015 and is being supplied by water pumped from District Well No. 26. Moving forward the District will continue with the development of the recycled/non-potable water system by constructing additional facilities necessary to complete the conversion of the remaining 10% of landscape irrigation users. In 2016 the District will complete the rehabilitation of four wells in Edgar Canyon (Canyon). This project is necessary to maintain maximum pumping capacity in the Canyon watershed and in addition take advantage of water captured from storm flows whenever it's available.

During 2015 the District requested Proposition 84 Grant funding for the Grand Avenue Storm Drain Project. This project, which is being developed in conjunction with Riverside County Flood Control and Water Conservation District, will capture storm water and recharge it at the Noble Creek Recharge Facility Phase II Ponds.

Upon completion of the Urban Water Management Plan in 2013, the District directed its efforts to the much needed Potable Water System Master Plan update. The Potable Water System Master Plan provides:

- An overview of present, planned and probable future development trends.
- A review of:
 - Development densities.
 - The City of Beaumont's General Plan.
 - The County of Riverside's General Plan.
 - Historical supply and demand of potable water, present trends, projected future trends and water requirements.
 - Plans and system capacities for imported water
- Projected demands that could be met with recycled water.
- The development of water resource and supply scenarios for dry, average and wet years.
- Projects, facilities and related costs needed to meet future demands.

The District's Potable Water System Master Plan was completed in early 2016.

The District recognized the need to upgrade its main accounting system in order to improve the efficiency of day-to-day operations and provide an accurate accounting of all business operations. The District implemented the new "Springbrook" accounting system during the period of April through June 2013. The initial implementation included system modules for utility billing, payroll, and general accounting tasks. System modules for capital assets, inventory, accounts receivable and work order processing were deployed in 2014 to enhance staff efficiencies. In 2015, Springbrook was purchased by Accela, and District staff directed its focus to enhanced reporting and internal controls. The District will be directing its efforts towards enhancing system reporting even further with "dashboard" development as well as the remaining system modules for Project Costing & Tracking, and Remote Time Entry in 2016.

The District continually strives to find ways to increase efficiency. During 2015 the District upgraded the District's phone system, increasing capacity and improving overall customer service. The District migrated to Virtual Server Infrastructure, thereby upgrading the District's

Information Technology server capability, storage efficiency and day-to-day operating systems to be more secure and available on a consistent basis. Additionally, the District initiated the upgrading of the District's manual meter reading system to an automated system. This project is ongoing.

Moving forward, the District will continue with: the automated water meter system upgrade; an upgrade to the District's Supervisory Control and Data Acquisition (SCADA) with automated controls to gain better visibility into and management of the District's water infrastructure, such as the tanks, wells, and transmission flows; implementation of a Disaster Recovery Plan; and deployment of both offline and offsite backup systems to increase data protection.

Water Restrictions

On January 17, 2014, Governor Brown issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions. On April 25, 2014, Governor Brown issued a proclamation of a continued state of emergency based on the continued drought. As a result of two or more consecutive dry years, the State Water Resources Control Board implemented emergency regulations on July 15, 2014, effective July 29, 2014, intended to limit outdoor irrigation and other wasteful water practices for a period of 270 days.

As required by the actions of the Governor, the District's Board of Directors declared on August 13, 2014 that conditions exist to implement water usage restrictions in accordance with the Urban Water Management Plan adopted by the Board of Directors. Board declarations are available as part of Resolution 2014-04 and are available on the District's website.

On May 5, 2015, the State Water Resources Control Board adopted updated emergency water use regulations intended to safeguard urban water supplies in the event of continued drought, minimize the potential for waste and unreasonable use of water, and to achieve a 25 percent statewide potable water usage reduction ordered by Governor Brown in his April 1, 2015 executive order. On July 8, 2015, the Board of Directors adopted Resolution 2015-05 implementing updated water use restrictions and penalties for non-compliance.

According to the California State Water Board, the results for April 2016, Californians have saved more than 1.43 million acre-feet of water since June 2015; a 24.1 percent reduction in water use compared to the same months in 2013. Water saved during the 11 month period was enough to supply 7.2 million Californians for one year, or 18 percent of the state's population.

The District was categorized as needing to reduce water usage by 36 percent, and although the District did not meet the 36 percent in water conservation objective, the citizens within the area of influence achieved a significant change in water conservation by a 23.1 percent reduction.

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16, requiring the Board to adjust its emergency water conservation regulations through the end of January 2017 in recognition of the differing water supply conditions across the state and separately, take action to make some of the requirements of the regulation permanent. The California State Water Board adopted the revised regulation on May 18. Outdoor water use

restrictions shall be based on the District's specific circumstances as it relates to water supply and demands.

Acknowledgements

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the District. We would also like to thank the members of the Board of Directors for their continued support in planning and the implementation of the Beaumont-Cherry Valley Water District's financial and operating policies.

Eric Fraser
General Manager

Yolanda Rodriguez
Director of Finance &
Administrative Services

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Financial

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Independent Auditors' Report

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Management's Discussion & Analysis

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Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

As management of the Beaumont-Cherry Valley Water District, we offer readers of the Beaumont-Cherry Valley Water District's financial statements this narrative overview and analysis of the financial activities of the Beaumont-Cherry Valley Water District for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter which can be found on pages 1-7.

Financial Highlights

Based on the financial information for the year ended December 31, 2015, the following financial highlights are noted for the Beaumont-Cherry Valley Water District:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at year end by \$138,810,597 (net position). Of this amount, \$14,338,676 represents unrestricted net position, which may be used to meet the District's ongoing obligations to customers and creditors and maintain designated reserves approved by the District's Board of Directors.
- The District's total net position increased \$8,639,909 from the prior fiscal year. The increase is a result of the combined effects of decreased operating expenses of \$459,614 and capital contributions from developer activities of \$7,389,402, which is comprised of \$1,092,505 in donated capital assets and \$6,296,897 in capacity charges.

Overview of Required Financial Statements

This discussion and analysis is intended to serve as an introduction to the Beaumont-Cherry Valley Water District's annual financial report. The annual financial report is comprised of the following:

- Transmittal Letter;
- Independent Auditors' Report;
- Management's Discussion and Analysis;
- Basic Financial Statements:
 - Statement of Net Position;
 - Statement of Revenues, Expenses and Changes in Net Position;
 - Statement of Cash Flows;
- Notes to the Basic Financial Statements;
- Required Supplementary Information; and
- Report on Internal Controls & Compliance.

The *Statement of Net Position* presents financial information on all of the Beaumont-Cherry Valley Water District's assets and deferred outflows of resources and 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 Beaumont-Cherry Valley Water District is improving or deteriorating. Beaumont-Cherry Valley Water District's net position as of December 31, 2015 was \$138,810,597, an increase of \$8,639,909 from the restated amount of \$130,170,688 reported in 2014. The *Statement of Net Position* can be found on page 16.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

The *Statement of Revenues, Expenses and Changes in Net Position* presents information illustrating how net position changed during the fiscal year. This *Statement* measures the success of the District's operations over the past reporting period and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. More succinctly, this *Statement* can be used to evaluate the District's financial condition over the last year. It can also be used as a basis for determining credit worthiness. The *Statement of Revenues, Expenses and Changes in Net Position* can be found on page 17.

The *Statement of Cash Flows* presents information relating to the District's cash receipts and cash disbursements during the year. When used with related disclosures and information in the other financial statements, the information in this *Statement* should help readers 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 of the District's financial position of its cash and non-cash investing for capital and related transactions during the year. This *Statement* answers questions such as sources of cash, uses of cash, and the change in the cash balance during the reporting period. The *Statement of Cash Flows* can be found on page 18.

Notes to the Basic Financial Statements. The notes provide additional information that is necessary to understand the data provided in the basic financial statements. The notes to the financial statements are included immediately following the *Basic Financial Statements* and can be found on pages 19-40 of this report.

In addition to the *Basic Financial Statements* and accompanying notes, this report also presents *Required Supplementary Information* which includes the schedule of the District's proportionate share of the net pension liability, schedule of pension contributions, and the schedule of funding progress on the other post-employment benefit (OPEB) plan. *Required Supplementary Information* can be found on pages 41-43 of this report.

Financial Analysis

The following condensed schedules contain a summary of financial information that was taken from the *Basic Financial Statements*, to assist readers in assessing the District's overall financial position and operating results.

Statement of Net Position

As noted earlier, net position over time, may serve as a useful indicator of whether a government's financial position is improving or deteriorating. Beaumont-Cherry Valley Water District's assets exceeded liabilities by \$138,810,597 for the fiscal year ending December 31, 2015.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

| | <u>2015</u> | <u>2014</u> |
|---|-----------------------|-----------------------|
| Assets | | |
| Current assets | \$ 29,151,714 | \$ 18,781,794 |
| Non-current assets | 120,516 | 230,157 |
| Capital assets | <u>115,246,313</u> | <u>116,054,562</u> |
| | | |
| Total assets | <u>\$ 144,518,543</u> | <u>\$ 135,066,513</u> |
| | | |
| Deferred outflows of resources | <u>\$ 824,839</u> | <u>\$ -</u> |
| | | |
| Total assets and deferred outflows of resources | <u>\$ 145,343,382</u> | <u>\$ 135,066,513</u> |
| Liabilities | | |
| Current liabilities | \$ 3,088,212 | \$ 2,773,346 |
| Non-current liabilities | <u>2,126,138</u> | <u>601,023</u> |
| | | |
| Total liabilities | <u>\$ 5,214,350</u> | <u>\$ 3,374,369</u> |
| | | |
| Deferred inflows of resources | <u>\$ 1,318,435</u> | <u>\$ -</u> |
| Net position | | |
| Net investment in capital assets | 115,246,313 | 116,054,562 |
| Restricted | 9,225,608 | 2,138,747 |
| Unrestricted | <u>14,338,676</u> | <u>13,498,835</u> |
| | | |
| Total net position | <u>\$ 138,810,597</u> | <u>\$ 131,692,144</u> |
| | | |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 145,343,382</u> | <u>\$ 135,066,513</u> |

The largest portion of the District's net position, \$115,246,313 (83.0%) reflects its investment in capital assets (e.g., land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment and vehicles) net of depreciation. The District uses its capital assets to provide water service to the residents of Beaumont, Cherry Valley and some portions of Calimesa. As such, these assets are not available for future spending.

The restricted net position of \$9,225,608 (6.6%) represents funds to be used for future infrastructure construction. The remaining unrestricted net position of \$14,338,676 (10.4%) is designated, according to Board policy, to meet the ongoing needs of the District. See Note 11 on page 34 for more details on the District's net position.

The District's net position increased \$8,639,909 from the prior fiscal year, details of which were discussed in the Financial Highlights section on page 10.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

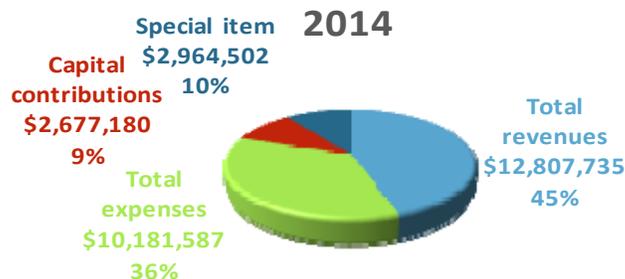
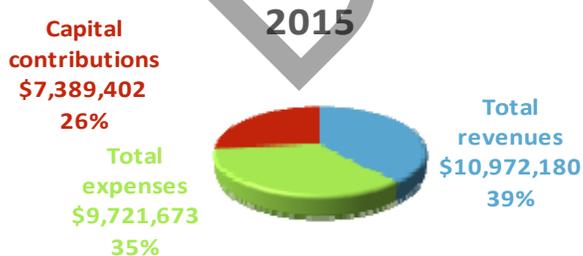
Statement of Revenues, Expenses and Changes in Net Position

The decrease in operating revenue was primarily attributable to a decrease in water consumption (9,293 acre feet sold in 2015 versus 11,922 acre feet sold in 2014) as a result of water conservation efforts made in response to state-mandated water conservation targets.

Operating expenses decreased in 2015 by \$459,614 primarily due to a decrease in water purchases of \$517,344. Capital contributions in 2015 of \$7,389,402 increased from \$2,677,180 in 2014 due to an increase in development activity and the resulting capacity charges and front footage fees paid by developers. Capital contributions from developers are expected to decrease slightly in 2016.

| | <u>2015</u> | <u>2014</u> |
|---|---------------------|---------------------|
| Operating revenues | \$ 10,832,295 | \$ 12,436,150 |
| Non-operating revenues | 139,885 | 371,585 |
| Total revenues | 10,972,180 | 12,807,735 |
| Operating expenses | 9,721,673 | 10,181,287 |
| Non-operating expenses | - | 300 |
| Total expenses | 9,721,673 | 10,181,587 |
| Income (loss) before contributions & special item | 1,250,507 | 2,626,148 |
| Capital contributions | 7,389,402 | 2,677,180 |
| Special item | - | 2,964,502 |
| Change in net position | \$ 8,639,909 | \$ 8,267,830 |

REVENUES BY SOURCE



Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

Capital Assets

Capital Assets (Net of Accumulated Depreciation)

| | Balance December 31, 2015 | Balance December 31, 2014 |
|--------------------------------------|---------------------------------|---------------------------------|
| Land | \$ 7,721,730 | \$ 7,721,730 |
| Construction in progress | 1,941,074 | 1,791,723 |
| Transmission and distribution system | 64,403,958 | 64,322,496 |
| Structures and improvements | 13,490,201 | 13,863,814 |
| Reservoirs and tanks | 17,387,284 | 17,827,225 |
| Pumping and telemetry equipment | 9,629,051 | 9,832,997 |
| Vehicles and equipment | 673,015 | 694,577 |
| Capital assets, net of depreciation | <u>\$ 115,246,313</u> | <u>\$ 116,054,562</u> |

Beaumont-Cherry Valley Water District's investment in capital assets as of December 31, 2015 was \$115,246,313, net of accumulated depreciation. This investment in capital assets includes land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment and vehicles. Construction in progress increased by \$149,351 due to work performed on the following projects: Water Master Plan Update, Recycled Water Connection, Noble Creek Recharge Facility Phase II, and GIS Software Project.

Direct capital asset additions of \$1,559,784 were primarily due to contributed infrastructure of \$1,092,505 and new meter installations amounting to \$303,241. New meter installations include the cost of employee labor, as well as meter parts. Meters are currently replaced every 10-15 years as part of the District's meter change out program.

Information on the District's capital assets activity for the year ending December 31, 2015 can be found in Note 5 on page 30 of this report.

Long-term Debt

At December 31, 2015, the District had no long-term debt.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis

For the Year Ended December 31, 2015

Economic Factors in the Conservation Environment

On January 17, 2014, Governor Brown issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions. On April 25, 2014, Governor Brown issued a proclamation of a continued state of emergency based on the continued drought. As a result of two or more consecutive dry years, the State Water Resources Control Board implemented emergency regulations on July 15, 2014, effective July 29, 2014, intended to limit outdoor irrigation and other wasteful water practices for a period of 270 days.

In order to comply with the Governor's directions, the District's Board of Directors declared on August 13, 2014 that conditions exist to implement water usage restrictions in accordance with the Urban Water Management Plan adopted by the Board of Directors. Board declarations are available as part of Resolution 2014-04 and are available on the District's website.

On May 5, 2015 the State Water Resources Control Board adopted updated emergency water use regulations intended to safeguard urban water supplies in the event of continued drought, minimize the potential for waste and unreasonable use of water, and to achieve a 25 percent statewide potable water usage reduction ordered by Governor Brown in his April 1, 2015 executive order. On July 8, 2015 the Board of Directors adopted Resolution 2015-05 implementing updated water use restrictions and penalties for non-compliance.

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16, requiring the Board to adjust its emergency water conservation regulation through the end of January 2017 in recognition of the differing water supply conditions across the state and separately, take action to make some of the requirements of the regulation permanent. The California State Water Board adopted the revised regulation on May 18. Outdoor water use restrictions shall be based on the District's specific circumstances as it relates to water supply and demands.

Continuing conservation efforts, although relaxed somewhat, will still result in reduced budgeted and actual water sales in 2016.

Requests for Information

This financial report is designed to provide an overview of the Beaumont-Cherry Valley Water District's finances. Questions regarding the content provided in this report or request for additional information should be addressed to the Director of Finance & Administrative Services, Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, CA, 92223



Basic Financial Statements

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Beaumont-Cherry Valley Water District

Statement of Net Position

December 31, 2015

ASSETS

Current Assets:

| | |
|---|---------------|
| Cash and investments (Note 2) | \$ 14,816,785 |
| Restricted cash and investments - funds held for others (Note 2) | 2,379,627 |
| Restricted cash and investments - capital commitments (Note 2) | 9,225,608 |
| Interest receivable | 22,141 |
| Accounts receivable, net of allowance for uncollectibles (Note 3) | 1,855,506 |
| Notes receivable (Note 4) | 100,835 |
| Inventories | 608,800 |
| Prepaid items | 142,412 |
| Total Current Assets | 29,151,714 |

Non-Current Assets:

| | |
|--|-------------|
| Notes receivable (Note 4) | 120,516 |
| Capital assets, net of accumulated depreciation (Note 5) | 115,246,313 |
| Total Non-Current Assets | 115,366,829 |

TOTAL ASSETS

144,518,543

DEFERRED OUTFLOWS OF RESOURCES

| | |
|---|---------|
| Deferred amount related to pensions (Note 12) | 824,839 |
|---|---------|

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

\$ 145,343,382

LIABILITIES

Current Liabilities:

| | |
|---|------------|
| Accounts payable and other accrued liabilities (Note 6) | \$ 503,971 |
| Customer account credit balances (Note 7) | 181,411 |
| Customer deposits payable | 342,876 |
| Unearned revenues (Note 8) | 1,855,340 |
| Current portion of long-term liabilities: | |
| Compensated absences (Note 9) | 204,614 |
| Total Current Liabilities | 3,088,212 |

Non-Current Liabilities:

| | |
|--|-----------|
| Compensated absences (Note 9) | 125,262 |
| Other post-employment benefits obligations (Note 10) | 578,749 |
| Net Pension Liability (Note 12) | 1,422,127 |
| Total Non-Current Liabilities | 2,126,138 |

TOTAL LIABILITIES

5,214,350

DEFERRED INFLOWS OF RESOURCES

| | |
|---|-----------|
| Deferred amount related to pensions (Note 12) | 1,318,435 |
|---|-----------|

TOTAL DEFERRED INFLOWS OF RESOURCES

1,318,435

NET POSITION

| | |
|--|-------------|
| Net investment in capital assets (Note 11) | 115,246,313 |
| Restricted (Note 11) | 9,225,608 |
| Unrestricted (Note 11) | 14,338,676 |

TOTAL NET POSITION

138,810,597

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

\$ 145,343,382

The accompanying notes are an integral part of these financial statements.

Beaumont-Cherry Valley Water District
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2015

OPERATING REVENUES

| | |
|--|--------------|
| Metered water sales | \$ 4,165,087 |
| Water service charges | 2,756,998 |
| Water importation pass-through charges | 1,889,751 |
| Water pumping power pass-through charges | 1,355,677 |
| Development and installation charges | 348,830 |
| Other revenue | 315,952 |
| Total Operating Revenues | 10,832,295 |

OPERATING EXPENSES

| | |
|--------------------------------|-----------|
| Salaries and employee benefits | 3,076,232 |
| Pension expense | 394,267 |
| Energy expenses | 1,371,858 |
| Water purchases | 879,066 |
| Administration | 381,598 |
| Operations | 236,757 |
| Maintenance and repairs | 591,554 |
| Depreciation | 2,517,384 |
| Insurance | 78,285 |
| Professional fees | 184,169 |
| Other expenses | 10,503 |
| Total Operating Expenses | 9,721,673 |

| | |
|------------------|-----------|
| Operating Income | 1,110,622 |
|------------------|-----------|

NON-OPERATING REVENUES (EXPENSES)

| | |
|-----------------------------------|---------|
| Interest earnings | 84,254 |
| Rental income | 20,103 |
| Other revenue | 35,528 |
| Total Non-Operating Revenues, Net | 139,885 |

| | |
|-----------------------------|-----------|
| Income Before Contributions | 1,250,507 |
|-----------------------------|-----------|

CAPITAL CONTRIBUTIONS

| | |
|-----------------------------|-----------|
| Donated capital assets | 1,092,505 |
| Capacity charges | 6,296,897 |
| Total Capital Contributions | 7,389,402 |

| | |
|------------------------|-----------|
| Change in Net Position | 8,639,909 |
|------------------------|-----------|

| | |
|---|-------------|
| Net Position, Beginning of Year (as restated) (Note 16) | 130,170,688 |
|---|-------------|

| | |
|---------------------------|----------------|
| Net Position, End of Year | \$ 138,810,597 |
|---------------------------|----------------|

The accompanying notes are an integral part of these financial statements.

Beaumont-Cherry Valley Water District

Statement of Cash Flows

For the Year Ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|---------------|
| Receipts from customers | \$ 11,234,639 |
| Payments to suppliers and service providers | (3,104,440) |
| Payments to employees for salaries and benefits | (3,728,566) |
| Receipt of customer deposits | 29,521 |
| | 4,431,154 |
| Net Cash Provided by Operating Activities | 4,431,154 |

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

| | |
|----------------------------------|--------|
| Rental income and other receipts | 55,631 |
| | 55,631 |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|---|-----------|
| Acquisition and construction of capital assets | (616,630) |
| Capital contributions | 6,296,897 |
| | 5,680,267 |
| Net Cash Provided by Capital and Related Financing Activities | 5,680,267 |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|-------------------|--------|
| Interest received | 94,672 |
| | 94,672 |

| | |
|---|------------|
| Net Increase in Cash and Cash Equivalents | 10,261,724 |
|---|------------|

| | |
|----------------------------|------------|
| Balance, Beginning of Year | 16,160,296 |
| | 16,160,296 |

| | |
|----------------------|---------------|
| Balance, End of Year | \$ 26,422,020 |
| | 26,422,020 |

Reconciliation to Statement of Net Position:

| | |
|---|---------------|
| Cash and investments | \$ 14,816,785 |
| Restricted cash and investments - funds held for others | 2,379,627 |
| Restricted cash and investments - capital commitments | 9,225,608 |
| | 26,422,020 |
| Total Cash and Investments | \$ 26,422,020 |

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

| | |
|--|--------------|
| Operating Income | \$ 1,110,622 |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities: | |
| Depreciation expense | 2,517,384 |
| (Increase) decrease in accounts receivable | (136,316) |
| (Increase) decrease in notes receivable | 271,497 |
| (Increase) decrease in inventories | (126,102) |
| (Increase) decrease in prepaid items | (18,052) |
| (Increase) decrease in deferred outflows | 496,135 |
| Increase (decrease) in accounts payable and other accrued liabilities | 97,570 |
| Increase (decrease) in customer credits payable | (35,733) |
| Increase (decrease) in customer deposits payable | 29,521 |
| Increase (decrease) in unearned revenues | 273,445 |
| Increase (decrease) in compensated absences | (43,290) |
| Increase (decrease) in other post-employment benefit obligations | 96,341 |
| Increase (decrease) in net pension liability | (946,862) |
| (Increase) decrease in deferred inflows | 844,994 |
| | 3,320,532 |
| Total Adjustments | 3,320,532 |
| Net Cash Provided by Operating Activities | \$ 4,431,154 |

SCHEDULE OF NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:

| | |
|--|-----------|
| Capital contributions - Donated capital assets | 1,092,505 |
|--|-----------|

The accompanying notes are an integral part of these financial statements.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity and Basis of Presentation

The Beaumont-Cherry Valley Water District (the District) is a special-purpose government district supplying and distributing water to over 48,000 people in both the City of Beaumont and the community of Cherry Valley. The District is governed by a five-member Board of Directors who serve overlapping four-year terms. 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. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly activities are reported in the District's proprietary fund.

B. Measurement Focus and 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 grants, entitlements and donations. 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 fund is 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.

C. Cash and Cash Equivalents

The District's cash and investments are considered to be cash on hand, demand deposits and investments with maturities less than 90 days. Therefore, for purposes of the statement of cash flows, the District considers the cash and investment balance to be cash and cash equivalents.

D. Restricted Cash and Investments

Restricted cash and investments are cash and investments that are segregated and can only be used for specific purposes. The District's restricted cash and investments consist of funds held for others, including refundable or prepaid customer deposits. The District also restricts cash and investments for capital commitments in the amount of developer capacity charges collected during the year to ensure that funds are set aside to provide for the expansion of the domestic and non-potable water system.

Please refer to *Note 2 Cash and Investments* for additional details.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

E. Inventories and prepaid items

Inventories are stated at cost using the average-cost method, and consist of materials used in construction and maintenance of the water system.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of the prepaid items are recorded as expenses when consumed rather than when purchased.

F. Capital Assets

Capital assets purchased or constructed are carried at historical cost. Constructed costs include labor, materials and construction period interest expense (net of interest income, where applicable). The capitalization threshold is \$5,000. Contributed assets are stated at estimated fair market value at the time received by the District. Land and construction in progress are not depreciated. Depreciation on the other assets is calculated on the straight-line method over the following estimated useful lives of the assets:

| | |
|-----------------------------------|----------------|
| Pumphouse Structures | 25 to 40 years |
| Well Casings & Development | 10 to 40 years |
| Pumping Equipment | 10 to 50 years |
| Chlorinators | 15 to 30 years |
| Reservoirs & Tanks | 15 to 50 years |
| Telemetry Equipment | 10 to 20 years |
| Transmission & Distribution Mains | 40 to 75 years |
| Meters & Meter Services | 10 to 15 years |
| Fire Hydrants | 30 to 50 years |
| Structures & Improvements | 10 to 75 years |
| Office Furniture & Equipment | 5 to 20 years |
| Automobile Equipment: | |
| Vehicles | 5 to 15 years |
| Heavy Equipment | 7 to 15 years |
| Light Equipment | 5 to 7 years |
| General Equipment | 5 to 15 years |

Please refer to *Note 5 Capital Assets* for additional details.

G. Unearned Revenues

Unearned revenues arise when resources are received by the District before revenues are earned, as when developers pay in advance for services to be provided by the District at a later date. When the District has provided the services, the amounts will be recognized as revenue.

Please refer to *Note 8 Unearned Revenues* for additional details.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

H. Compensated Absences

Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from the District. The liability for such leave is reported as an expense when incurred.

Sick Leave

Employees who are part of the District's Employee Association not using any sick leave for twelve consecutive months can convert their twelve accrued 8-hour sick days to cash at the rate of two accrued days for 8 hours paid at their regular hourly rate. Upon retirement or death, all employees or their beneficiaries are entitled to receive a pay-out of 50% of all accumulated sick leave. Accumulated sick leave dissolves when employees separate from the District in any other manner.

Please refer to *Note 9 Compensated Absences* for additional details.

I. 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.

J. Uncollectible Accounts

The District provides an allowance for doubtful accounts for all accounts deemed uncollectible. Any unpaid debt is deemed a lien against the real property to which service is rendered in accordance with applicable law.

Please refer to *Note 3 Accounts Receivable* for additional detail.

K. Credit/Market Risk

The District provides water services to local residential, commercial, industrial, construction and irrigation customers. As part of normal operating practices, credit is granted to residential, commercial, industrial, and irrigation customers on a secured basis and to construction customers on an unsecured basis.

L. 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.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

M. 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) Plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. New Accounting Pronouncements

Effective This Fiscal Year

GASB Statement No. 68 – In June 2012, GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The Statement is effective for periods beginning after June 15, 2014. The accompanying financial statements reflect the implementation of GASB Statement No. 68.

GASB Statement No. 71 – In November 2013, GASB issued Statement 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The provisions of this Statement have been applied simultaneously with the provisions of Statement No. 68. The accompanying financial statements reflect the implementation of GASB Statement No. 71.

Effective in Future Fiscal Years

GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for periods beginning after June 15, 2015. The District has not determined the effect on the financial statements.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

M. New Accounting Pronouncements (*Continued*)

GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The District has not determined the effect on the financial statements.

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The District has not determined the effect on the financial statements.

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The District has not determined the effect on the financial statements.

GASB Statement No. 76 – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. The District has not determined the effect on the financial statements.

GASB Statement No. 77 – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. The District has not determined the effect on the financial statements.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

M. New Accounting Pronouncements (*Continued*)

GASB Statement No. 78 – In December 2015, GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The District has not determined the effect on the financial statements.

GASB Statement No. 79 – In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. The District has not determined the effect on the financial statements.

GASB Statement No. 80 – In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The District has not determined the effect on the financial statements.

GASB Statement No. 81 – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. The District has not determined the effect on the financial statements.

GASB Statement No. 82 – In March 2016, GASB issued Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The District has not determined the effect on the financial statements.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 2 – CASH AND INVESTMENTS

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

| | |
|---|----------------------|
| Cash and investments | \$ 14,816,785 |
| Restricted cash and investments - funds held for others | 2,379,627 |
| Restricted cash and investments - capital commitments | <u>9,225,608</u> |
| Total Cash and Investments | <u>\$ 26,422,020</u> |

Cash and investments consist of the following:

| | |
|--|----------------------|
| Cash on hand (petty cash and change drawers) | \$ 1,400 |
| Demand deposits (cash in bank) | 9,580,775 |
| Investments | <u>16,839,845</u> |
| Total Cash and Investments | <u>\$ 26,422,020</u> |

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Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 2 – CASH AND INVESTMENTS *(Continued)*

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code and the District's policy, where more restrictive. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maturity Limit | Percent Limit Per Type | Percent Limit Per Issuer |
|---|-------------------|------------------------------|--------------------------------|
| U.S. Treasuries | 5 years | 100% | None |
| Federal Agencies: | | | |
| GNMA | 5 years | 100% | 50% |
| Farm Credit | 5 years | 100% | 30% |
| FHLB | 5 years | 100% | 30% |
| FHLMC | 5 years | 100% | 30% |
| FNMA | 5 years | 100% | 30% |
| FDIC – Guaranteed | 5 years | 100% | 30% |
| Tennessee Valley Authority | 5 years | 100% | 30% |
| Other Agencies: | | | |
| State of California, LAIF | Not applicable | Allowable Maximum | None |
| California State and Local Agencies Obligations | 5 years | Allowable Maximum 20% | 5% |
| Bankers' Acceptances | 180 days | 40% | 5% |
| Commercial Paper | 270 days | 25% | 5% |
| Negotiable Certificates of Deposits | 5 years | 30% | 5% |
| Corporate Medium Term Notes | 5 years | 30% | 5% |
| Time Certificates of Deposit | 5 years | 40% | 5% |
| Government Money Market Mutual Funds | 5 years | 20% | 5% |
| Repurchase Agreements | 1 year | 10% | 5% |
| Collateralized Mortgage Obligations, Mortgage-Backed Securities and Asset-Backed Securities | 5 years | 20% combined | 5% |

Disclosures Relating to 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.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

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:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Maturity</u> <u>12 Months</u> <u>or Less</u> |
|------------------------|----------------------|---|
| LAIF | <u>\$ 16,839,845</u> | <u>\$ 16,839,845</u> |

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an 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. The District only has investment in LAIF and LAIF is unrated.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the 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 the 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.

As of December 31, 2015, the District's deposits are insured in accordance with FDIC guidelines. District funds in excess of the deposits covered by FDIC insurance are collateralized at 110 percent by the depository bank as required by California Government Code. Of the District's deposits with financial institutions, \$9,330,775 was in excess of federal depository insurance limits and subject to custodial credit risk as described above.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 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 a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office.

NOTE 3 – ACCOUNTS RECEIVABLE

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) amount on the financial statements. Below is the detail of the receivables, including applicable allowances for uncollectible amounts:

| | Water Sales and Services | Other | Developer | Totals |
|---|-----------------------------|-------------------|-------------------|---------------------|
| Receivables | \$ 1,640,472 | \$ 108,227 | \$ 377,362 | \$ 2,126,061 |
| Less: Allowance for Uncollectible Accounts | - | (2,831) | (267,724) | (270,555) |
| Net Receivables | <u>\$ 1,640,472</u> | <u>\$ 105,396</u> | <u>\$ 109,638</u> | <u>\$ 1,855,506</u> |

Water Sales and Services are reported net of uncollectible amounts based on actual collections as of the preparation date of the statements. The General Manager or his or her designee is authorized to file a lien against real property serviced with the Assessor-Clerk-Recorder of the County of Riverside for any charges 60 days past due. The amount of charges of unpaid bills are included as a lien against the debtor's property until the unpaid charges are collected and the account is brought current. Other receivables, those billings outside of the normal water sales and services billings, include items such as damages to District property and rental of District property. Amounts not expected to be collected within the next year have been included in the allowance for uncollectible amounts. Developer receivables are those receivables due from developers for development activity that has exceeded deposits collected to-date. The amount included in the allowance for uncollectible accounts is an estimate based on other refundable accounts held for the developer that the District feels they can use to negotiate settlement on balances due to the District.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 4 – NOTES RECEIVABLE

Amounts due from Bonita Vista and Fairway Canyon are combined and are separated into current and non-current portions on the *Statement of Net Position* on page 14.

| | <u>Bonita Vista</u> | <u>Fairway Canyon</u> | <u>Totals</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Receivables | | | |
| Current | \$ 11,153 | \$ 89,682 | \$ 100,835 |
| Non-current | <u>120,516</u> | <u>-</u> | <u>120,516</u> |
| Total Receivables | <u>\$ 131,669</u> | <u>\$ 89,682</u> | <u>\$ 221,351</u> |

In 2003, the Bonita Vista Mutual Water Company started the annexation process to join the District. The annexation agreement called for the District to install a new water delivery system. The property owners/shareholders in the Bonita Vista Mutual Water Company were responsible for 1/100th of the costs of construction of the new system, at \$5,500 per meter. The notes are payable over 20 years at a variable interest rate calculated annually at 1.5% above the LAIF interest rate. The notes are due to mature as of February 15, 2028.

The District has entered into various agreements with the developers of the Fairway Canyon Community Association for payment of the new water component of the water main extension and capacity charges. The notes are payable over 10 years at an annual interest rate of 10%.

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Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 5 – CAPITAL ASSETS

The following table summarizes capital asset activity during the year:

| | Balance December 31, 2014 | Increases | Decreases | Transfers | Balance December 31, 2015 |
|--|---------------------------------|---------------------|------------------|-------------|---------------------------------|
| Capital assets not being depreciated: | | | | | |
| Land | \$ 7,721,730 | \$ - | \$ - | \$ - | \$ 7,721,730 |
| Construction in progress | 1,791,723 | 149,351 | - | - | 1,941,074 |
| Total capital assets not being depreciated | 9,513,453 | 149,351 | - | - | 9,662,804 |
| Capital assets being depreciated: | | | | | |
| Transmission and distribution system | 77,363,477 | 1,395,746 | - | - | 78,759,223 |
| Structures and improvements | 16,486,055 | - | - | - | 16,486,055 |
| Reservoirs and tanks | 22,274,959 | - | - | - | 22,274,959 |
| Pumping and telemetry equipment | 12,642,605 | 11,907 | - | - | 12,654,512 |
| Vehicles and equipment | 2,068,174 | 152,131 | (132,220) | - | 2,088,085 |
| Total capital assets being depreciated | 130,835,270 | 1,559,784 | (132,220) | - | 132,262,834 |
| Less accumulated depreciation for: | | | | | |
| Transmission and distribution system | (13,040,981) | (1,314,284) | - | - | (14,355,265) |
| Structures and improvements | (2,622,241) | (373,613) | - | - | (2,995,854) |
| Reservoirs and tanks | (4,447,734) | (439,941) | - | - | (4,887,675) |
| Pumping and telemetry equipment | (2,809,608) | (215,853) | - | - | (3,025,461) |
| Vehicles and equipment | (1,373,597) | (173,693) | 132,220 | - | (1,415,070) |
| Total accumulated depreciation | (24,294,161) | (2,517,384) | 132,220 | - | (26,679,325) |
| Total capital assets being depreciated, net | 106,541,109 | (957,600) | - | - | 105,583,509 |
| Capital assets, net of depreciation | \$ 116,054,562 | \$ (808,249) | \$ - | \$ - | \$ 115,246,313 |

NOTE 6 – ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

Accounts payable and other accrued liabilities were as follows:

| | |
|--------------------------------|-------------------|
| Accounts Payable | \$ 392,754 |
| Salaries and Employee Benefits | 73,295 |
| Other | 37,922 |
| | <u>503,971</u> |
| | <u>\$ 503,971</u> |

NOTE 7 – CUSTOMER ACCOUNT CREDIT BALANCES

Credit balances on customer utility accounts in 2015 are to be used against future billings or refunded upon request. As of December 31, 2015, the balance was \$181,411.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 8 – UNEARNED REVENUES

Developers make payments in advance of the District providing services, including items such as meter installations, development plan checks and development inspections. As the District provides these services, revenues are recognized and the unearned revenues balance is reduced. As of December 31, 2015, the unearned balance was \$1,855,340.

NOTE 9 – COMPENSATED ABSENCES

Compensated absences comprise unpaid vacation, sick, holiday and administrative leave which is accrued as earned. The liability for compensated absences is determined annually. The activity for the year was as follows:

| Balance December 31, 2014 | Increases | Decreases | Balance December 31, 2015 | Current Portion | Non-current Portion |
|---------------------------------|------------|--------------|---------------------------------|-----------------|------------------------|
| \$ 373,166 | \$ 277,898 | \$ (321,188) | \$ 329,876 | \$ 204,614 | \$ 125,262 |

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS

Plan Description

The District pays a portion of the cost of health insurance (including prescription drug benefits) as post-employment medical benefits to retired employees who satisfy the eligibility rules as required by CalPERS Health Program enrollment. The current District contribution is fixed at \$398.16 per month and is scheduled to increase by 5% per year up to a maximum of \$474.00 per month. Spouses and surviving spouses are also eligible to receive benefits. Retirees may enroll in any medical plan available through the District's CalPERS Health Program, a cost-sharing multiple-employer medical coverage plan. The contribution requirements of eligible retired employees and the District are established and may be amended by the Board of Directors.

Funding Policy

The District is not required to contribute the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The District has elected to calculate the ARC and related information using the entry age normal actuarial cost method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The District will pay an amount towards the cost of the post-employment benefit plan for those employees who meet the required service years for retirement from the District. The District funds the plan on a pay-as-you-go basis and records a liability for the difference between pay-as-you-go and the actuarially determined expense cost.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS (Continued)

Annual Cost

The District's ARC for the year was \$113,431. The District's annual OPEB cost amounted to \$105,442. The District paid \$9,101 for current retiree OPEB premiums for the year.

| | | |
|--|----|-----------------------|
| Annual Required Contribution | \$ | 113,431 |
| Interest on Net OPEB Obligation | | 18,090 |
| Adjustment to Annual Required Contribution | | <u>(26,079)</u> |
| Annual OPEB Expense | | 105,442 |
| | | |
| Less Contributions | | -0- |
| Less Benefits paid | | (9,101) |
| | | |
| Change in Net OPEB Obligation | | 96,341 |
| | | |
| Net OPEB Obligation - 12/31/2014 | | 482,408 |
| Net OPEB Obligation - 12/31/2015 | \$ | <u><u>578,749</u></u> |

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan, and the net OPEB obligation for year and the two preceding years were as follows:

| Fiscal Year Ending | Annual OPEB Cost | Annual Contributions & Benefits | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-----------------------|------------------------|---------------------------------------|--|------------------------|
| 12/31/2013 | \$ 1,135,132 | \$ 18,456 | 1.60% | \$ 3,368,398 |
| 12/31/2014 | \$ 89,888 | \$ 11,376 | 12.66% | \$ 482,408 |

Funded Status and Funding Progress of the Plan

The most recent valuation dated December 31, 2014 includes an Actuarial Accrued Liability and Unfunded Actuarial Accrued Liability of \$843,352. The covered payroll (annual payroll of active employees covered by the plan) for the year was estimated at \$1,835,790. The ratio of the unfunded actuarial accrued liability to annual covered payroll is 45.94%. The plan does not have any assets since the plan is funded on pay-as-you-go basis.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS, (Continued)

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include funding approaches that are designed to reduce short-term volatility in the incidence of benefit costs and in the growth of unfunded accrued actuarial liability (UAAL).

BCVWD's actuarial review and analysis of the post-employment benefits (OPEB) expense, liability and funding status will be actuarially reviewed and updated annually. A complete actuarial study will be performed every three years or annually if there are significant changes in the plan.

The following is a summary of the actuarial assumptions and methods utilized by the District:

| | |
|--------------------------------|--|
| Valuation date: | December 31, 2014 |
| Cost method: | Entry age normal actuarial cost method |
| Amortization method: | Level annual dollar amount |
| Remaining amortization period: | 30 Years as of the valuation date on an open basis |

Actuarial assumptions

| | |
|----------------------------|-------|
| Discount rate: | 3.75% |
| Projected salary increase: | 2.50% |
| Medical cost increases: | |
| 1/1/16 | 5% |
| 1/1/17 | 5% |
| 1/1/18 | 5% |
| 1/1/19 | 5% |
| 1/1/20 | 2.84% |
| 5/15/20 + later | 0 |

The required schedule of funding progress presented as required supplementary information on page 43 provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 11 – NET POSITION

Net Position:

| | |
|----------------------------------|---------------------------|
| Net investment in capital assets | \$ 115,246,313 |
| Restricted - capital commitments | 9,225,608 |
| Unrestricted | <u>14,338,676</u> |
| Total Net Position | <u>\$ 138,810,597</u> |

Net investment in capital assets is the value of the District's assets, less accumulated depreciation.

Unrestricted net position includes non-spendable assets and spending designations set by the Board of Directors:

| | |
|---|--------------------------|
| Unrestricted Net Position | <u>\$ 14,338,676</u> |
| Non-spendable assets: | |
| Inventories | 608,800 |
| Prepaid items | 142,412 |
| Non-current portion of notes receivable | <u>120,516</u> |
| Total Non-spendable assets | <u>871,728</u> |
| Board of Directors' designations: | |
| Capital replacement reserve | 7,999,767 |
| Operating reserve | 4,205,524 |
| Emergency reserve | <u>1,261,657</u> |
| Total Designations | <u>13,466,948</u> |
| Total Unrestricted Net Position | <u>\$ 14,338,676</u> |

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN

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 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 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 60 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 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's provisions and benefits in effect at December 31, 2015, are summarized as follows:

| | <u>Miscellaneous</u> | <u>PEPRA - Miscellaneous</u> |
|---|-----------------------------|----------------------------------|
| Hire Date | Prior to January 1, 2013 | On or after January 1, 2013 |
| Formula | 2.7% @ 55 | 2.0% @ 62 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 - 55 | 52 - 67 |
| Monthly benefits, as a % of annual salary | 2.0% - 2.7% | 1.0% - 2.5% |
| Required employee contribution rates | 8.0% | 7.0% |
| Required employer contribution rates | 13.243% | 6.967% |

Contributions

Section 20814(c) of the California Public Employees' Retirement law 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 rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. 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 District is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. Contributions to the pension plan from the District were \$478,088 for the year ended December 31, 2015.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of December 31, 2015, the District reported a liability of \$1,422,127 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015, using standard actuarial procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportion of the net collective pension liability as of June 30, 2015 and 2014, was as follows:

| | |
|------------------------------|----------|
| Proportion - June 30, 2014 | 0.03807% |
| Proportion - June 30, 2015 | 0.02072% |
| Change - Increase (Decrease) | 0.01735% |

For the year ended December 31, 2015, the District recognized pension expense of \$394,267. At December 31, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Contributions subsequent to the measurement date | \$ 190,071 | |
| Difference between actual contributions and proportionate share of contributions and changes in proportion | | (351,734) |
| Differences between expected and actual experience | 25,139 | |
| Changes in assumptions | | (237,840) |
| Net difference between projected and actual earnings on pension plan investments | 609,629 | (728,861) |
| | \$ 824,839 | \$ (1,318,435) |

\$190,071 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ended June 30, | | |
|------------------------|----|-----------|
| 2016 | \$ | (308,300) |
| 2017 | | (299,246) |
| 2018 | | (228,531) |
| 2019 | | 152,407 |
| | \$ | (683,670) |

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (*Continued*)

Actuarial Assumptions

The total pension liabilities in the June 30, 2014, actuarial valuations were determined using the following actuarial assumptions.

| | |
|---------------------------|--|
| Valuation Date | June 30, 2014 |
| Measurement Date | June 30, 2015 |
| Actuarial Cost Method | Entry-Age Normal Cost Method |
| Actuarial Assumptions: | |
| Discount Rate | 7.65% |
| Inflation | 2.75% |
| Projected Salary Increase | 3.2% - 12.2% (1) |
| Investment Rate of Return | 7.5% |
| Mortality | Derived using CalPERS' Membership Data |

(1) Depending on age, service and type of employment

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2015 actuarial experience study for the period of 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the District's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

In determining the long-term expected 7.65 percent rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Based on the expected benefit payments of the Public Employees' Retirement Fund, CalPERS indicated that a 19 year horizon was ideal in determining the level equivalent discount rate assumption. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long term, the present value of benefits was calculated for each fund. The expected rate for return was set by calculating the single equivalent expected return of return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are the same for each Plan. These geometric rates of return are net of administrative expenses and are summarized in the following table:

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (*Continued*)

Discount Rate (*Continued*)

| Asset Class | Target Allocation | Expected Real Rate of Return Years 1-10 | Expected Real Rate of Return Years 11+ |
|-------------------------------|-------------------|---|--|
| Global Equity | 51% | 5.25% | 5.71% |
| Global Debt Securities | 19% | 0.99% | 2.43% |
| Inflation Assets | 6% | 0.45% | 3.36% |
| Private Equity | 10% | 6.83% | 6.95% |
| Real Estate | 10% | 4.50% | 5.13% |
| Infrastructure and Forestland | 2% | 4.50% | 5.09% |
| Liquidity | 2% | -0.55% | -1.05% |
| Total | 100% | | |

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

| | |
|-----------------------|-----------|
| 1% Decrease | 6.65% |
| Net Pension Liability | 2,385,006 |
| Current Discount Rate | 7.65% |
| Net Pension Liability | 1,422,127 |
| 1% Increase | 8.65% |
| Net Pension Liability | 627,158 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 13 – COMMITMENTS

In 2004, the Beaumont Basin Watermaster (Watermaster) was created to manage the groundwater excavations, replenishment thereof, and storage of supplemental water within the Beaumont Basin. The Watermaster consists of representatives from the Beaumont-Cherry Valley Water District, the City of Banning, the City of Beaumont, the South Mesa Water Company, and the Yucaipa Valley Water District. The District is a member agency of the Watermaster and contributes a varied annual amount to the Watermaster to fund its operations. The District contributed \$27,844 during the year.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 14 – CONTINGENCIES

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 have a material adverse effect on the financial position of the District.

NOTE 15 – 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. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage. At December 31, 2015, the District participated in the liability, property, and workers' compensation programs of the ACWA/JPIA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing limits of \$2,000,000, combined single limit at \$2,000,000 per occurrence. The District purchased additional excess coverage layers: \$60 million for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.

In addition to the above, the District also has the following insurance coverage:

- Employee dishonesty coverage up to \$100,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance and destruction coverages.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$100 million per occurrence, subject to a \$1,000 deductible per occurrence. Mobile equipment and vehicles have a \$1,000 deductible and \$500 deductible per occurrence, respectively.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment.
- Workers' compensation insurance up to California statutory limits for all work related injuries/illnesses covered by California law.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there was no reduction in the District's insurance coverage during the year ended December 31, 2015. 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.

Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

NOTE 16 – RESTATEMENT OF NET POSITION

As discussed in Note 1 to the financial statements, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statements No. 27 and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, as of January 1, 2015. The impact of the implementation on the beginning net position is as follows:

| | Net Position |
|--|----------------|
| Balance at December 31, 2014 as previously reported | \$ 131,692,144 |
| Net pension liability as of the measurement date of June 30, 2014 | (2,368,989) |
| Contributions after the measurement date - deferred outflows of resources | 1,318,965 |
| Changes in employer contributions and differences between proportionate share of pension expense | (126,766) |
| Differences between expected and actual earnings | (344,666) |
| Balance at January 1, 2015 as restated | \$ 130,170,688 |

Following is the pro forma effect of the retroactive application:

| | 2014 Previously Presented | Restatement | 2014 Restated |
|--------------------------------|---------------------------------|--------------|------------------|
| Deferred outflows of resources | \$ - | \$ 1,320,974 | \$ 1,320,974 |
| Net pension liability | - | 2,368,989 | 2,368,989 |
| Deferred inflows of resources | - | 473,441 | 473,441 |



Required Supplementary Information

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Beaumont-Cherry Valley Water District
Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability

Last Ten Years*

| | December 31, 2015 |
|--|----------------------|
| Proportion of the collective net pension liability | 0.02072% |
| Proportionate share of the collective net pension liability | \$ 1,422,127 |
| Covered - employee payroll | \$ 1,843,708 |
| Proportionate share of the collective net pension liability as a percentage of covered-employee payroll | 129.64% |
| Plan's proportion of the fiduciary net position | 0.05970% |
| Plan's proportionate share of the fiduciary net position | \$ 6,504,607 |
| Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability | 82.05910% |

* - Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

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Beaumont-Cherry Valley Water District
Required Supplementary Information

Schedule of Contributions-Pension

Last Ten Years*

| | <u>December 31, 2015</u> |
|--|------------------------------|
| Actuarially determined employer contributions | \$ 478,088 |
| Contributions in relation to the actuarially determined contribution | 478,088 |
| Contribution deficiency (excess) | <u>\$ -</u> |
| | |
| Covered-employee payroll | \$ 1,868,863 |
| Contributions as a percentage of covered-employee payroll | 25.58% |

* - Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

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Beaumont-Cherry Valley Water District

Required Supplementary Information

Beaumont-Cherry Valley Water District Other Post-Employment Benefits **Schedule of Funding Progress**

| Actuarial Valuation Date | Actuarial Value of Plan Assets (a) | Actuarial Accrued Liability (b) | Unfunded Actuarial Accrued Liability (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|-----------------------------|--|---------------------------------------|---|-----------------------|------------------------|--|
| * 12/31/2011 | \$ - | \$ 5,908,180 | \$ 5,908,180 | 0.00% | \$ 1,892,911 | 312.12% |
| 12/31/2014 | \$ - | \$ 843,352 | \$ 843,352 | 0.00% | \$ 1,835,790 | 45.94% |

Funding progress is presented for the year(s) that an actuarial study has been prepared since the effective date of GASB Statement 45. The District implemented GASB 45 during fiscal year 2011. Additional data will be provided as future valuations are performed.

* Using the Alternate Measurement Method

DRAFT



Report on Internal Controls and Compliance

DRAFT

Insert Auditors' Report

DRAFT

Insert Auditors' Report

DRAFT



**Beaumont-Cherry Valley Water District
Board of Directors
July 13, 2016**

DATE: July 6, 2016
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: California Special Districts Association (CSDA) 2016 Board Elections: Vote To Elect A Representative to the California Special District Association Board of Directors in our Network for Seat B

Recommendation

Staff recommends that the Board of Directors vote to elect a representative of their choice to the California Special District Association Board of Directors, Seat B in our Network.

Background

Each of CSDA's six networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in our network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) director to represent its network. The (CSDA) has requested that the Board of Directors of the Beaumont-Cherry Valley Water District submit a ballot to vote for one (1) candidate of their choice to represent the CSDA Network, Seat B. The candidate's information is attached for reference.

Fiscal Impact

There is no fiscal impact to the District.

Attachments:

- Correspondence from CSDA
- CSDA Board of Directors 2015 Election Ballot
- Candidate Information



**California Special
Districts Association**
Districts Stronger Together

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION

2016 BOARD ELECTIONS

MAIL BALLOT INFORMATION

Dear Member:

A mail ballot has been enclosed for your district's use in voting to elect a representative to the CSDA Board of Directors in your Network for Seat B.

Each of CSDA's six (6) networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in your network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) director to represent its network.

We have enclosed the candidate information for each candidate who submitted one. Please vote for only one candidate to represent your network in Seat B and be sure to sign, date and fill in your member district information. If any part of the ballot is not complete, the ballot will not be valid and will not be counted.

Please utilize the enclosed return envelope to return the completed ballot. Ballots must be received at the CSDA office at 1112 I Street, Suite 200, Sacramento, CA 95814 by **5:00pm on Friday, August 5, 2016.**

If you do not use the enclosed envelope, please mail in your ballot to:
California Special Districts Association
Attn: 2016 Board Elections
1112 I Street, Suite 200
Sacramento, CA 95814

Please contact Charlotte Lowe toll-free at 877.924.CSDA or charlottel@csga.net with any questions.

**CSDA BOARD OF DIRECTORS
2016 ELECTION**



SOUTHERN NETWORK

- Bill Nelson***
Orange County Cemetery District
- John DeMonaco**
Chino Valley Independent Fire District
- Ronald Coats**
East Valley Water District

SEAT B
term ends 2019

Please vote for only one.

All fields must be completed for ballot to be counted.

** incumbent running for re-election*

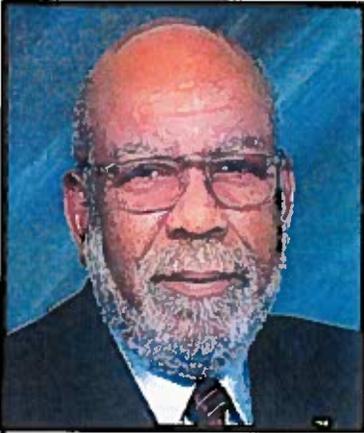
| | |
|---|-------|
| SIGNATURE: | DATE: |
| MEMBER DISTRICT: BEAUMONT-CHERRY VALLEY WATER DISTRICT | |

Must be received by 5pm, August 5, 2016. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814



California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814

Re-Elect CSDA President Bill Nelson To CSDA Board of Directors



PROVEN EXPERIENCE LEADING SPECIAL DISTRICTS

I am committed to building on CSDA's present foundation of educational programs and legislative advocacy. My enthusiasm, commitment and comprehensive knowledge of special districts bring years of experience to the CSDA Board. It would be an honor to continue serving special districts in the Southern Network.

- ✓ EXPERIENCED LEADER
 - ✓ COMMITTED TO SPECIAL DISTRICTS
 - ✓ FISCALLY RESPONSIBLE
 - ✓ DEDICATED

CSDA EXPERIENCE

- ❖ CSDA President 2016
- ❖ Served on the Board for five years
- ❖ Chair of Fiscal Committee 2014
- ❖ Membership Committee 2013-16

DISTRICT EXPERIENCE

- ❖ Appointed to Board of Trustees Orange County Cemetery District in 2003
- ❖ Chair of the Board 2006, 2010 & 2014. Currently Vice Chair
- ❖ Chair of Finance Committee 2004 to present

OTHER LEADERSHIP EXPERIENCE

- ❖ Board of Directors - California Association of Public Cemeteries 2008 to 2016
- ❖ Board of Directors - Institute for Local Government - 2016 to present
- ❖ Board of Directors - California Association of Realtors - 2004-2012
- ❖ Board of Trustees Orange County Mosquito & Vector Control - 2016 to present

COMMUNITY INVOLVEMENT-

- ❖ Orange County Grand Jury 2002-2003
- ❖ Board of Directors - Orange County Grand Jurors Association 2005 to 2011
- ❖ City of Villa Park Investment Advisory Committee- 2008 to 2014 - Chair last two years
- ❖ Villa Park Community Services Foundation - Treasurer - 2010 to 2014
- ❖ Villa Park City Council Member - 2014 to present

BUSINESS EXPERIENCE

- ❖ Financial Executive for 25 years with Atlantic Richfield Company (ARCO) & Southern Calif. Gas Co.

EDUCATION

- ❖ MBA Finance University of Southern California
- ❖ BA Economics California State University Dominguez Hills



California Special
Districts Association
Districts Stronger Together

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Bill Nelson

District/Company: Orange County Cemetery District

Title: Trustee & Vice Chair of the Board

Elected/Appointed/Staff: Appointed

Length of Service with District: 13 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

CSDA 2016 President. Chair of Fiscal Committee - 2014, Served on the Board for five years, Served on all of CSDA Committees, attended at least 10 CSDA Legislative Days and Annual Conferences, Received Special District Leadership Foundation Recognition in Special District Governance.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

Board of Directors - California Association of Public Cemeteries 2008 to 2016

Board of Directors - Institute For Local Government - 2016 to present

Board of Directors - California Association of Realtors - 2004 to 2012

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

City Council Member - City of Villa Park - 2014 to present

Trustee - Orange County Mosquito and Vector Control District - 2016 to present

4. List civic organization involvement:

Orange County Grand Jury 2002-2003

Board of Directors - Orange County Grand Jurors Association 2005-2011

City of Villa Park Investment Advisory Committee - 2008 to 2014 - Chair last two years

Villa Park Community Services Foundation - Treasurer - 2010 to 2014

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.

MY FELLOW CSDA MEMBER:

As Chairman of East Valley Water District I take great pride in the opportunity to serve my community. Prior to joining the Governing Board, I was an active public participant, and felt honored when elected in 2014. I firmly believe in the importance of transparent government and public service. With these foundational principles, I look forward to representing this region in a professional manner, as the Southern Network, Seat B, Board of Directors representative for CSDA.

I have had the opportunity to work with a number of organizations through CSDA and believe that we all benefit from interacting and sharing experiences. I am a proud lifetime member of the CSDA Leadership Foundation and have participated in a number of trainings opportunities.

At East Valley Water District, we have made a commitment to good governance and accountability. This is clearly demonstrated through the numerous awards we have received from the Government Finance Officers Association, CAPIO, CalPERS, and even CSDA. But I am proud to be a part of EVWD for more than the awards, they are an organization that delivers. As a performance based agency, we continue to achieve the impossible. Whether it is constructing a headquarters facility ahead of an already tight schedule, implementing budget based rates to provide customers with rate stability during the drought emergency, or developing a succession plan to prepare for the change in our workforce; we set our sights high to enhance the quality of life of this community.

As a CSDA Director, I will bring that passion for good governance and public service. Thank you for your consideration and for allowing me the opportunity to share my experience and perspective. I look forward to serving as a representative on the CSDA Board of Directors.

Sincerely,

A handwritten signature in blue ink that reads "Ronald Coats". The signature is written in a cursive style with a long, sweeping underline.

Ronald Coats
EVWD Chairman



**California Special
Districts Association**
Districts Stronger Together

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Ronald L. Coats

District/Company: East Valley Water District

Title: Chairman of the Board

Elected/Appointed/Staff: Elected

Length of Service with District: 2 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I am proud to be a lifetime member of the CSDA Leadership Foundation. Additionally, I have completed numerous CSDA webinars, including the CIDAC series on local agency finances and investments. Additionally, I have attended annual CSDA conferences.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I am currently affiliated with ACWA, WaterReuse, and AWWA. I have attended every ACWA conference since my election.

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

I am a member of the Association of San Bernardino County Special District's, serve on both the Citizen's Oversight Committee for the San Bernardino Community College District (3 years) and the Citizens Oversight Committee for the San Bernardino Unified School District (7 years).

4. List civic organization involvement:

Arrowhead United Way Planning and Allocations and Community Cabinet (15 years), as a member and ambassador of the San Bernardino Chamber of Commerce (17 years), Toastmasters International (10 years), American Legion (34 years), and California Sheriff's Association (27 years).

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.

I am seeking election to a seat on the Board of Directors of the California Special Districts Association.

I have served on the Board of Directors of the Chino Valley Independent Fire District for ten years, elected in 2006. I am very proud to state that the Fire District is the **first** fire district to receive the District of Distinction Accreditation from the Special Districts Leadership Foundation (SDLF). We have been a District of Distinction since 2008. We also hold a District of Transparency Certificate of Excellence. I have completed the SDLF Recognition of Special District Governance.

I serve on the CSDA Legislative and the Fiscal Committees. I have previously served on the CSDA Education and Membership committees.

I am a retired Fire Chief with 33 years of Fire Service experience. I have been involved in city, county, JPAs and special districts in various capacities. I am currently on the Board of Directors of the Fire Districts Association of California and also serve on the Conference Committee. I am a Past President of the Chino Rotary Club and the current Chairman of the Chino Rotary Foundation.

I understand, and I am committed to legislative advocacy for special districts. Special Districts provide one of the most effective, efficient, and accountable forms of local service. It is vital that we continue to work together to influence and monitor policy decisions affecting California special districts.

My commitment and extensive experience, education in public service and as a special district board member & policy-maker, provides me with the ability to effectively serve as a CSDA Board Member representing all California Special Districts. I look forward to your support!

If you would like to speak with me, I can be reached at (909) 816-8396 or at jdemonaco@chofire.org

John DeMonaco



**California Special
Districts Association**
Districts Stronger Together

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: John DeMonaco

District/Company: Chino Valley Independent Fire District

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 10 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I am on the Legislative and Fiscal Committees.

I have also served on the Education and Membership Committees.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I am on the Board of Directors for the Fire Districts Association of California.

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

N/A

4. List civic organization involvement:

I am a member and past president of the Rotary Club of Chino.

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.**



**Beaumont-Cherry Valley Water District
Regular Board Meeting
July 13th, 2016**

DATE: July 6, 2016

TO: Board of Directors

FROM: Eric Fraser, General Manager

SUBJECT: Consideration of Request for “Will Serve Letter” for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA
(Riverside County Assessor’s Parcel No’s 418-020-027, -032, -033, -034)

Recommendation:

Consider request to provide a “Will Serve Letter” for a proposed low income veteran’s housing project to be located southwest of the intersection of 8th Street and Illinois Avenue in Beaumont, CA (Assessor’s Parcel Numbers (APN) 418-020-027, 418-020-032, 418-020-033, and 418-020-034).

Background:

Refer to the Applicant’s (LINC Housing Corporation) attached request for a “Will Serve Letter” dated June 28, 2016 on behalf of the property owner (Developer). This project was previously considered by the Board of Directors at the June 10th, 2015 Board of Directors Meeting. At that time, the Board of Directors directed Staff and Legal Counsel to prepare a letter of support and non-binding intent to serve so that the applicant could move forward with project funding activities. The applicant has now secured 100 percent of the project financing from the State of California, loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments and is now ready to move forward with project continued design and construction activities. Based upon these facts, the applicant has requested that the Board of Directors consider approval of a “Will Serve Letter” at this time.

The Applicant is aware of the District’s Resolution 2014-05 prohibiting the issuance of new “Will Serve Letters” for projects not previously considered by the District. While some condition of drought still appears to exist in California as declared by the Governor, mandatory conservation requirements for each California Water Supplier is now based upon the ability of that water supplier to meet three years of water supply in the event another drought is experienced similar to the previous three years. Based upon water supply and storage information related to this supply requirement submitted by District Staff to the State of California, it appears that mandatory conservation will not be required within the District’s service area. Specifically, the District has three years of water in storage to meet drought supply requirements as set forth by the State of California.



Resolution 2014-05 requires three conditions to be met under Item 1 of that resolution in order for a “Will Serve Letter” Issuance to be suspended. Condition 1 (b) of Resolution 2014-05 requires: “There is in effect mandatory conservation measures applicable to the District’s ratepayers imposed directly by the State of California, or imposed by implementation of District conservation measures in accordance with the District’s Urban Water Management Plan”. At this time, it appears that this condition will not be required due to the fact that District Staff calculations identify that water conservation by the District will no longer be required by the State of California due to the availability of the District three year water supply. District Staff is currently waiting for confirmation by the State regarding this information.

Finally, it should be noted that California Government Code Section 65589.7 requires public entities to grant priority for the provisions of water service to proposed developments that include housing units affordable to lower income households. This project qualifies as a lower income household project and therefore the District should most likely grant priority to this project.

The District’s Regulations Governing Water Service defines Service Charges and Facilities Fees (and presumably associated water usage) for water demands for multi-family dwelling units to be 2/3 of the fees associated single family dwelling unit. Based upon these facts, the equivalent dwelling units for this project are set forth as follows:

| Description | Multifamily Dwelling Units | Equivalent Dwelling Units (EDUs) | Water Supply Requirement (Acre-Ft/Year) |
|-------------------------------------|-----------------------------------|---|--|
| 38 Unit Multi-Family Dwelling Units | 38 | 25.46 | 16.54 |

The Applicant will also be conditioned to secure final project approvals from the District and the City of Beaumont for the project development prior to construction.

The impact of this development on the District’s water supply system is determined to be minimal and is generally incorporated in the District’s 2013 Urban Water Management Plan Update as infill lot development.

The project will also be conditioned to provide an irrevocable offer of recycled water from the City of Beaumont for recycled water produced by this project (when it becomes available) to partially offset water demands imposed on BCVWD’s water system by this project.

Conditions:

Prior to final project development the following conditions must be met:

1. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and if applicable, non-potable water services for the project. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
2. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed.
3. If available, the Applicant shall connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform



to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:

- a. Landscaped areas which have turf, shall have “smart irrigation controllers” which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
 - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
4. The Applicant shall conform to all District requirements and all City of Beaumont requirements.
 5. The Urban Water Management Plan identifies a water supply component for recycled water to be provided by the District that is procured from the City of Beaumont. The Applicant shall secure entitlement to said non-potable water supply from the City of Beaumont that shall be conveyed to the District as necessary to support the project development non-potable water use requirements. Said non-potable water supply shall be provided to the District by the City at a delivered cost not to exceed the cost per acre-foot of imported water available from the State Water Project supply as available from the San Geronio Pass Water Agency current Table “A” Allotment (currently \$317 per acre foot of water). The water quality of said non-potable water shall meet all Title 22 and Basin Plan requirements.
 6. The Applicant’s project will impose additional water demands on the District’s existing system which will be required to be supplied from imported water obtained from the San Geronio Pass Water Agency and non-potable (recycled) water obtained from the City of Beaumont, YVWD or other sources.

Fiscal Impact:

There will be no fiscal impact to the District as all the fees and deposits will be paid for by the Applicant.

Prepared by Daniel K. Jagers, Director of Engineering

June 28, 2016

Board of Directors
Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

RE: Request for Water Will Serve Letter
(Illinois Avenue Development, APNs 418-020-027, 032, 033, 034, 100%
Affordable Veteran Community)

Dear Board of Directors:

LINC Housing Corporation (“LINC”), a nonprofit affordable housing developer, requests the Beaumont Cherry Valley Water District (BCVWD) provide a Will Serve Letter to the Illinois Avenue development, a 100% affordable 38-unit rental community located east of Illinois Ave and 7th street in Beaumont, CA.

LINC Housing approached the BCVWD Board requesting a conditional will serve letter during the District’s June 10, 2015 board meeting and received a Project Support and Intent to Serve Letter from the District dated July 15, 2015. That letter required that LINC housing request a project will serve letter upon expiration of the District’s resolution 2014-05. At this time, LINC Housing understands that water supply available to the BCVWD has been increased through the State Water Project and that the water supply issues created by the California Drought may have been alleviated at this time which might affect the status of the District’s Resolution 2014-05.

The development has secured all financing necessary to begin construction and the final project hurdle is to secure the project Will Serve from BCVWD. Due to the strict local and federal financing requirements, if a Will Serve Letter is not received, LINC will be forced to return over \$15,000,000 of competitive financing by August 1, 2016 and progress on the development will halt indefinitely.

The availability of affordable housing is of vital statewide importance and the attainment of decent housing and a suitable living environment for every Californian, is a priority of the highest order.

Legislature has declared priority for affordable housing in the allocation of water and sewer hookups, pursuant to Government Code 65589.7. Which states that each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households. A public agency shall not deny or condition the approval of an application for services to, or



555 E. Ocean Blvd, Suite 900
Long Beach, CA 90802-5056
Telephone: 562.684.1100
Facsimile: 562.684.1137
www.linchousing.org

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OUR
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THROUGH
HOUSING

CORPORATE OFFICERS

Rebecca F. Clark
President & CEO

Karen Maeshima
Sr. Vice President & COO

Sunny Fay Chang
Sr. Vice President

Nina Dooley
Vice President

BOARD OF DIRECTORS

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Chair

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Vice Chair

Paul M. Nowatka
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Terry F. Tomcik
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Roger A. Martinez

Jill McCullough

Jeffrey M. Mindes

Jodie Newbery

Janifer Orick

Everett Orick

Jay Prag

Flaine M. Winer

reduce the amount of services applied for by, a proposed development that includes housing units affordable to lower income households.

The Proposed Veteran Housing Development

The Illinois Avenue development will be a 38-unit affordable rental community providing homes for 37 low income veteran households including:

- 19 households serving homeless veterans with a disability;
- 2 households serving chronically homeless veterans

The Need for Veteran Housing

There's a great and urgent need for housing for homeless veterans in Riverside County. According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered veterans, 98 of which are chronically homeless and 146 with either chronic health conditions or physical disabilities in need of permanent housing. The Illinois Avenue project will serve as a valuable resource supporting the VA Loma Linda Healthcare System toward the goal of ending homelessness among Veterans by 2015 and has received support from the Department of Veterans Affairs, the County of Riverside Department of Veteran's Services, and the County of Riverside Continuum of Care.

Green Building

LINC understands the importance of water conservation, sustainability and energy efficiency. As stewards of our communities and our environment, LINC Housing is dedicated to providing housing that sits lightly on the land. All of our new developments are built to LEED standards, often reaching LEED Platinum level. Below is a list of our LEED rated properties:

- Mosaic Gardens at Huntington Park – LEED Platinum
- Mosaic Gardens at Whittier – LEED Platinum
- The Palace – LEED Platinum
- SEASONS at Compton – LEED Platinum
- East Street Senior Apartments – LEED Gold
- SEASONS at San Juan Capistrano II – LEED Gold

To help combat the current state of drought in California, Illinois Avenue will incorporate the following water-saving features:

- Faucets and toilets will be low-flow fixtures.
- Water heaters will be tank-less.
- Front-loading laundry room washers.
- Drought-tolerant landscaping with no turf areas.
- Weather-based landscape irrigation sensors.

LINC Housing Corporation

Throughout our 30-year history we have had a hand in preserving and creating over 7,500 affordable homes throughout the State of California. We've developed and operated affordable housing for seniors, families, disabled individuals, transition-age-youth, and homeless individuals.

With more than 30 years of service to families, seniors, and local governments, LINC Housing is helping to preserve the legacy of what it means to live in California – to have unparalleled opportunities for a better future. LINC’s work is principled and reflects our belief that housing connects people to their community. The goal of every LINC property is to enhance the lives of people and the communities in which they live, by increasing the supply of affordable, sustainable and service-enriched housing. The hallmark of LINC’s work is a commitment to helping our city partners achieve the best local outcomes. LINC’s development, resident services, asset management, accounting, and support staff work together to deliver comprehensive service to communities.

Sincerely,



Suny Lay Chang
Executive Vice President



www.bcvwd.org

Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

July 15, 2015

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Ken Ross
Division 2

Jeffrey Cottrell
Division 1

Suny Lay Chang, Vice President
LINC Community Development Corporation
555 Ocean Boulevard, Suite 900
Long Beach, Ca 90802

Subject: Project Support and Intent to Serve Letter
Proposed Low Income Veterans Housing Project – Illinois Avenue,
Beaumont, CA
(Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -
034)

Dear Ms. Chang:

At the regular meeting of the Beaumont-Cherry Valley Water District Board of Directors held on July 8, 2015, LINC Community Development Corporation (LINC) requested that the Board of Directors provide an "Intent to Serve Letter" supporting a proposed low income Veterans housing project to be located on Illinois Avenue in the city of Beaumont, California (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

The District understands that LINC is requesting some form of commitment or project support letter from the District at this time in order to advance the proposed project with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

The District's current Resolution 2014-05 prohibits the issuance of new "Will Serve Letters" for projects not previously considered by the District while a condition of drought exists in the State of California as declared by the Governor of the State of California and mandatory conservations measures are imposed by the State of California and are in effect in the State of California unless the project meets one of two exceptions provided in said Resolution 2014-05. This proposed project does not qualify for either of those two exceptions. Resolution 2014-05 is written such that the Resolution will expire with the end of the drought in California.

Finally, the District understands that assuming all project funding is secured, the soonest realistic project start date would be approximately January 2017 and that LINC would like the opportunity to move the project forward at your own risk and cost in an effort to secure project funding.

Based upon these facts, this letter is provided to identify that the Beaumont-Cherry Valley Water District conceptually supports the proposed low income Veterans Housing Project and upon expiration or repeal of Resolution 2014-05 and based upon the District's current proposed water supply portfolio, the District would most



www.bcvwd.org

Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

likely support the proposed project's final "Will Serve Letter" application to the District's Board of Directors based upon the proposed project demands set forth as follows:

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Ken Ross
Division 2

Jeffrey Cottrell
Division 1

| Description | Multifamily Dwelling Units | Equivalent Dwelling Units (EDUs) | Annual Demand (Acre-Ft/Year) |
|-------------------------------------|----------------------------|----------------------------------|------------------------------|
| 38 Unit Multi-Family Dwelling Units | 38 | 25.46 | 16.54 |

It should be noted that this letter in no way provides a guarantee of service to the proposed project but only serves to identify that under current conditions, the District Board of Directors favorably views the proposed development with the community needs as it relates to low income veterans housing.

LINC will be required to secure Beaumont-Cherry Valley Water District Board approval for an actual "Will Serve Letter" upon expiration of the District's Resolution 2014-05 and when you advance the proposed Veteran's Housing project beyond the planning stage for the proposed project

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

Sincerely,

Eric Fraser
BCVWD
General Manager

Attachments: 1. July 8, 2015 Staff Report for Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA and approval of Draft "Intent to Serve Letter" (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

DKJ/dkj



**Beaumont-Cherry Valley Water District
Regular Board Meeting
July 8th, 2015**

DATE: July 2, 2015

TO: Board of Directors

FROM: Eric Fraser, General Manager

SUBJECT: Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA and approval of Draft "Intent to Serve Letter"
(Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

Recommendation:

Consider request to provide a conditional "Intent to Serve Letter" for a proposed low income veteran's housing project to be located southwest of the intersection of 8th Street and Illinois Avenue in Beaumont, CA (Assessor's Parcel Numbers (APN) 418-020-027, 418-020-032, 418-020-033, and 418-020-034) and approval of Draft "Intent to Serve Letter" regarding the same.

A draft copy of the proposed "Intent to Serve Letter" is attached for Board review, comment, and consideration of approval.

Background:

At the June 10, 2015 Board Meeting, the Applicant (LINC Housing Corporation) made a request for the District to provide a conditional "Intent to Serve Letter" on behalf of the property owner (Developer).

The Applicant is aware of the District's Resolution 2014-05 prohibiting the issuance of new "Will Serve Letters" for projects not previously considered by the District, however, at the June 10, 2015 Board Meeting, the Applicant requested that the District provide an intent to serve the project upon resolution of the drought in California and the associated removal of limitations for new service set forth by the District's Resolution 2014-05. The Applicant indicated at that meeting that they require some form of commitment letter from the District in order to proceed with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

Upon review of that request, the Beaumont-Cherry Valley Water District Board of Directors requested that a letter be prepared for Board review and approval with the intent of that letter to indicate Board support of the project while providing the requirement that the Applicant secure a final "Will Serve Letter" upon expiration of the District's Resolution 2014-05.

As stated in the June 10, 2015 Staff Report related to this item (attached for reference), the Applicant identified that assuming all funding is secured, the soonest project start date would be approximately January 2017. The Applicant also identified at that time that they would like the opportunity to move the project forward at their own risk and cost in order to secure funding in order to provide much needed housing to veterans.



Finally and for reference only, the District's Regulations Governing Water Service defines Service Charges and Facilities Fees (and presumably associated water usage) for water demands for multifamily dwelling units to be 2/3 of the fees associated with a single family dwelling unit. Based upon these facts, the equivalent dwelling units for this project are set forth as follows:

| Description | Multifamily Dwelling Units | Equivalent Dwelling Units (EDUs) | Annual Demand (Acre-Ft/Year) |
|-------------------------------------|----------------------------|----------------------------------|------------------------------|
| 38 Unit Multi-Family Dwelling Units | 38 | 25.46 | 16.54 |

The impact of this development on the District's water supply system is determined to be minimal and is generally incorporated in the District's 2013 Urban Water Management Plan Update as infill lot development.

Conditions:

Prior to a final project "Will Serve Letter" being issued the following conditions must be met:

1. Resolution 2014-05 must expire. The Applicant will be required to submit a final project "Will Serve Letter" request to the District Board for consideration.
2. Upon approval of that final "Will Serve Letter" the Applicant will be required to enter into a water facilities extension agreement and pay all fees associated with the domestic and if applicable, non-potable water services for the project. The Applicant will also be required to pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
3. The Applicant will be required to pay front footage fees along all property frontages where facilities are currently installed.
4. If available, the Applicant will be required to connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
 - a. Landscaped areas which have turf, shall have "smart irrigation controllers" which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
 - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
5. The Applicant will be required to conform to all District requirements and all City of Beaumont requirements.

Fiscal Impact:

There will be no fiscal impact to the District as all the fees and deposits will be paid for by the Applicant.

Prepared by Daniel K. Jagers, Director of Engineering



www.bcvwd.org

Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

DRAFT

July 9, 2015

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Ken Ross
Division 2

Jeffrey Cottrell
Division 1

Suny Lay Chang, Vice President
LINC Community Development Corporation
555 Ocean Boulevard, Suite 900
Long Beach, Ca 90802

Subject: Project Support and Intent to Serve Letter
Proposed Low Income Veterans Housing Project – Illinois Avenue,
Beaumont, CA
(Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -
034)

Dear Ms. Chang:

At the regular meeting of the Beaumont-Cherry Valley Water District Board of Directors held on July 8, 2015, LINC Community Development Corporation (LINC) requested that the Board of Directors provide an "Intent to Serve Letter" supporting a proposed low income Veterans housing project to be located on Illinois Avenue in the city of Beaumont, California (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

The District understands that LINC is requesting some form of commitment or project support letter from the District at this time in order to advance the proposed project with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

The District's current Resolution 2014-05 prohibits the issuance of new "Will Serve Letters" for projects not previously considered by the District while a condition of drought exists in the State of California as declared by the Governor of the State of California and mandatory conservations measures are imposed by the State of California and are in effect in the State of California unless the project meets one of two exceptions provided in said Resolution 2014-05. This proposed project does not qualify for either of those two exceptions. Resolution 2014-05 is written such that the Resolution will expire with the end of the drought in California.

Finally, the District understands that assuming all project funding is secured, the soonest realistic project start date would be approximately January 2017 and that LINC would like the opportunity to move the project forward at your own risk and cost in an effort to secure project funding.

Based upon these facts, this letter is provided to identify that the Beaumont-Cherry Valley Water District conceptually supports the proposed low income Veterans Housing Project and upon expiration or repeal of Resolution 2014-05 and based upon the District's current proposed water supply portfolio, the District would most



www.bcvwd.org

Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

DRAFT

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Ken Ross
Division 2

Jeffrey Cottrell
Division 1

likely support the proposed project's final "Will Serve Letter" application to the District's Board of Directors based upon the proposed project demands set forth as follows:

| Description | Multifamily Dwelling Units | Equivalent Dwelling Units (EDUs) | Annual Dem (Acre-Ft/Year) |
|-------------------------------------|----------------------------|----------------------------------|---------------------------|
| 38 Unit Multi-Family Dwelling Units | 38 | 25.46 | 16.54 |

It should be noted that this letter in no way provides a guarantee of service to the proposed project but only serves to identify that under current conditions, the District Board of Directors favorably views the proposed development with the community needs as it relates to low income veterans housing.

LINC will be required to secure Beaumont-Cherry Valley Water District Board approval for an actual "Will Serve Letter" upon expiration of the District's Resolution 2014-05 and when you advance the proposed Veteran's Housing project beyond the planning stage for the proposed project

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

Sincerely,

Eric Fraser
BCVWD
General Manager

Attachments: 1. July 8, 2015 Staff Report (NOT INCLUDED IN DRAFT LETTER PRESENTED AS PART OF BOARD PACKAGE)

DKJ/dkj



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 10th, 2015**

DATE: June 4, 2015
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

Recommendation:

Consider request to provide a conditional "Intent to Serve Letter" for a proposed low income veteran's housing project to be located southwest of the intersection of 8th Street and Illinois Avenue in Beaumont, CA (Assessor's Parcel Numbers (APN) 418-020-027, 418-020-032, 418-020-033, and 418-020-034).

Background:

Refer to the Applicant's (LINC Housing Corporation) attached request for a conditional "Intent to Serve Letter" dated June 4, 2015 on behalf of the property owner (Developer). The Applicant is aware of the District's Resolution 2014-05 prohibiting the issuance of new "Will Serve Letters" for projects not previously considered by the District, however, the Applicant has requested that the District provide a commitment to serve the project upon resolution of the drought in California and the associated removal of limitations for new service set forth by the District's Resolution 2014-05. At this time, the Applicant requires some form of commitment letter from the District in order to proceed with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

The Applicant further identifies that assuming all funding is secured, the soonest project start date would be approximately January 2017. In the event the project is ready for construction while Resolution 2014-05 is in effect, the Applicant will be conditioned to submit a request for "Will Serve Letter" to the Board for consideration prior to commencing construction.

The Applicant further identifies that they would like the opportunity to move the project forward at their own risk and cost in order to secure funding in order to provide much needed housing to veterans.

Finally, it should be noted that California Government Code Section 65589.7 requires public entities to grant priority for the provisions of water service to proposed developments that include housing units affordable to lower income households. This project appears to qualify as a lower income household project and therefore the District appears to be required to grant priority to this project.



The District's Regulations Governing Water Service defines Service Charges and Facilities Fees (and presumably associated water usage) for water demands for multifamily dwelling units to be 2/3 of the fees associated single family dwelling unit. Based upon these facts, the equivalent dwelling units for this project are set forth as follows:

| Description | Multifamily Dwelling Units | Equivalent Dwelling Units (EDUs) |
|-------------------------------------|----------------------------|----------------------------------|
| 38 Unit Multi-Family Dwelling Units | 38 | 25.46 |

The Applicant will also be conditioned to secure final project approvals from the District and the City of Beaumont for the project development prior to construction.

The impact of this development on the District's water supply system is determined to be minimal and is generally incorporated in the District's 2013 Urban Water Management Plan Update as infill lot development.

Conditions:

Prior to final project development the following conditions must be met:

1. Resolution 2014-05 must expire prior to issuance of the project final "Will Serve Letter" or the Applicant must submit a final "Will Serve Letter" request to the District Board for consideration.
2. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and if applicable, non-potable water services for the project. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
3. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed.
4. If available, the Applicant shall connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
 - a. Landscaped areas which have turf, shall have "smart irrigation controllers" which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
 - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
5. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

Fiscal Impact:

There will be no fiscal impact to the District as all the fees and deposits will be paid for by the Applicant.

Prepared by Daniel K. Jagers, Director of Engineering

June 4, 2015

Board of Directors
Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223



555 E. Ocean Blvd, Suite 900
Long Beach, CA 90802-5056
Telephone: 562.684.1100
Facsimile: 562.684.1137
www.linchoosing.org

RE: Consideration of Request for a Conditional "Intent to Serve Letter"

Dear Board of Directors:

The Illinois Avenue development will be a 38-unit 100% affordable rental community located in Beaumont, CA. The community will provide homes for 37 veteran households. The site, located east of Illinois Avenue and 7th Street, will include the acquisition of four contiguous parcels totaling approximately 1.3 acres. More specifically located at Parcel numbers 418-020-027, 418-020-032-4, 418-020-033-5, 418-020-034-6.

The project will have affordability covenants/restrictions for at least 55 years and will have rent and income restrictions for individuals making between 30-60% of the area median income.

Beaumont Cherry Valley Water District Request for Veterans Housing

LINC understands the District's resolution 2014-05 related to the current drought conditions in California. However, due to the intense need of affordable housing and the proposed Veteran population, the proposed water-efficiency measures, and in light of the public financing proposed and timing of the project, LINC would like to request consideration of a will serve letter, conditional will serve letter, or intent to serve letter in order to move the project forward through the City of Beaumont Planning Department. Please see details below.

The Proposed Veteran Housing Development

The Illinois Avenue development will be a 38-unit affordable rental community located in Beaumont, CA. The community will provide homes for 37 veteran households comprised of:

- 19 units for homeless veterans with a disability;
- 2 units for chronically homeless veterans;
- And 16 units for veteran families earning less than 60% of the area median income.

The Need for Veteran Housing

There's a great and urgent need for housing for homeless veterans in Riverside County. According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered Veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities in

SERVING
OUR
COMMUNITIES
THROUGH
HOUSING

CORPORATE OFFICERS

Rebecca F. Clark
President & CEO

Karen Maeshima
Sr. Vice President & CFO

Sunny Lay Chang
Sr. Vice President

Nina Dooley
Vice President

BOARD OF DIRECTORS

Mark A. Montoya
Chair

Cathy Rooney
Vice Chair

Paul M. Nowatka
Secretary

Terry E. Tomek
Treasurer

William A. Cipes
TJ Cox

John Given

Tina Locklear

Roger A. Martinez

Jill McCullough

Jeffrey M. Mindes

Jodie Newbery

Jennifer Orlick

Everett Orrick

Jay Prag

Flaine M. Winer

need of permanent housing. The Illinois Avenue project will serve as a valuable resource supporting the VA Loma Linda Healthcare System with ending homelessness among Veterans by 2015 and has received support from the Department of Veterans Affairs, the County of Riverside Department of Veteran's Services, and the County of Riverside Continuum of Care.

Green Building

As stewards of our communities and our environment, LINC Housing is dedicated to providing housing that sits lightly on the land. Our properties are built to be energy and water efficient. All of our new developments are built to LEED standards, often reaching LEED Platinum level. Below is a list of our LEED rated properties:

- Mosaic Gardens at Huntington Park – LEED Platinum
- Mosaic Gardens at Whittier – LEED Platinum
- The Palace – LEED Platinum
- SEASONS at Compton – LEED Platinum
- East Street Senior Apartments – LEED Gold
- SEASONS at San Juan Capistrano II – LEED Gold

To help combat the current state of drought in California, LINC develops all of its properties to be as efficient as possible in its use of water. Illinois Avenue will incorporate the following water-saving features:

- Faucets and toilets will be low-flow fixtures.
- Water heaters will be tank-less.
- Front-loading laundry room washers.
- Drought-tolerant landscaping with no turf areas.
- Weather-based landscape irrigation sensors.

Veterans Housing Development Timeline and Funding

Affordable housing developments are difficult to develop due to limited funding availability. This project is currently being reviewed by the State of California's Housing and Community Development Department to assess whether it will be awarded a \$3.8M loan for affordable housing for veterans via its Veterans Housing and Homeless Prevention program, ("VHHP") mentioned below. In addition, the project would utilize \$9.1M in affordable housing tax credit investment ("TCAC" below) to build the project.

If all funding is secured, the soonest the project could start construction would be January 2017. LINC would like the opportunity to continue to move the project forward at our own risk and cost in order to provide much needed housing to veterans. In the event the project would be able to proceed at pace quicker than the resolution of the drought, LINC would again approach the Board of Directors.

Estimated Timeline

| Action | Date |
|---|---------------|
| PBV Commitment | April 2015 |
| VHHP Commitment | June 2015 |
| HOME Commitment | June 2015 |
| CA Tax Credit Allocation Committee (TCAC) Application | March 2016 |
| TCAC Approval | June 2016 |
| Construction Start | January 2017 |
| Construction Completion | February 2018 |

LINC Housing Corporation

LINC Housing Corporation (“LINC”) is a nonprofit affordable housing developer based in Long Beach. Throughout our 30-year history we have had a hand in preserving and creating over 7,500 affordable homes throughout the State of California. We’ve developed and operated affordable housing for seniors, families, disabled individuals, transition-age-youth, and homeless individuals.

With more than 30 years of service to families, seniors, and local governments, LINC Housing is helping to preserve the legacy of what it means to live in California – to have unparalleled opportunities for a better future. LINC’s work is principled and reflects our belief that housing connects people to their community. The goal of every LINC property is to enhance the lives of people and the communities in which they live, by increasing the supply of affordable, sustainable and service-enriched housing. The hallmark of LINC’s work is a commitment to helping our city partners achieve the best local outcomes. LINC’s development, resident services, asset management, accounting, and support staff work together to deliver comprehensive service to communities.

Sincerely,



Suny Lay Chang
SVP & Director of Housing Development



HOUSING AUTHORITY of the County of Riverside

Main Office
5555 Arlington Avenue
Riverside, CA 92504-2506
(951) 351-0700
FAX (951) 354-6324
TDD (951) 351-9844

Indio Office
44-199 Monroe, Ste. B
Indio, CA 92201
(760) 863-2828
(760) 863-2838 FAX
TDD (760) 863-2830

Website: harivco.org

April 9, 2015

Suny Lay Chang, Vice President
LINC Community Development Corporation
555 Ocean Boulevard, Suite 900
Long Beach, CA 90802

RE: Illinois Avenue Development, Beaumont, CA

Dear Ms. Chang:

The Housing Authority of the County of Riverside (HACR) is pleased to inform you that the above referenced project proposal was selected to receive Project Based Vouchers pursuant to the Request for Proposal released by the HACR on March 4, 2015. The HACR is reserving funding for twenty one vouchers for a fifteen (15) year contract term which will include: 21-one bedroom units, which will be utilized to serve veterans on the HACR's waiting list.

Final commitment of the Project Based Vouchers is subject to the following items:

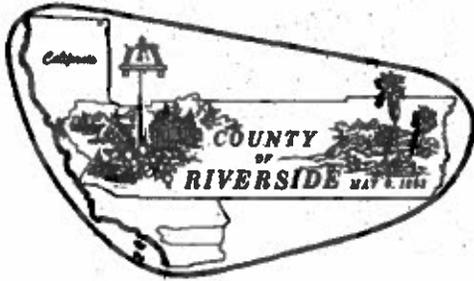
- Project's receipt of Veterans Housing and Homeless Prevention (VHHP) funds through the California Department of Housing and Community Development (HCD), pursuant to the Notice of Funding Availability dated, February 20, 2015.
- Project's receipt of all necessary capital funding for the construction of the project, including but not limited to a tax credit allocation.
- Subsidy layering requirements as defined by the U.S. Department of Housing and Urban Development (HUD).
- National Environmental Policy Act Clearance.
- Approval of an Agreement to Enter into Housing Assistance Payments (AHAP) Contract by the HACR's Board of Commissioners.

This commitment is also contingent on continued funding from HUD. In the event of a budget decrease, HACR reserves the right to rescind the commitment up until the execution of an AHAP contract. This letter of commitment is valid for one year following project's notification of receipt of VHHP funds from HCD's Notice of Funding Availability, dated February 20, 2015.

If you have any questions, please feel free to contact Stephanie Adams at (951) 343-5455 or via e-mail at sjadams@rivcoeda.org.

Thank you,

Heidi Marshall
Executive Director
Housing Authority of the County of Riverside



**COUNTY OF RIVERSIDE
DEPARTMENT OF VETERANS' SERVICES**

GRANT A. GAUTSCHE, Director

MAIN OFFICE:
4360 Orange Street
Riverside, CA 92501
Telephone: (951) 955-3060
FAX: (951) 955-3063

BRANCH OFFICE:
749 N. State Street
Hemet, CA 92543
Telephone: (951) 766-2566
FAX: (951) 766-2567

BRANCH OFFICE:
44-199B Monroe Street
Indio, CA 92201
Telephone: (760) 863-8266
FAX: (760) 863-8478

April 1, 2015

LINC Community Development Corporation
Sunny Lay Chang
555 East Ocean Boulevard, Suite 900
Long Beach, CA 90802

**Re: Support for the Construction and Operation of Veteran's Housing
Illinois Avenue Apartments, Beaumont, Ca**

Dear Mrs. Chang,

Please consider this letter as the Riverside County Veterans' Services support for the above mentioned supportive housing project for veterans. The Illinois Avenue project will restrict 19 units for Homeless Veterans with a Disability, 2 units for Chronically Homeless Veterans, and 16 units for Veterans and their families.

Ending homelessness among veterans by 2015 became a national priority after Secretary of Veterans Affairs Eric K. Shinseki unveiled the department's comprehensive plan to end homelessness among veterans in five years at the National Summit on Ending Veterans Homelessness in November 2009. The following year, the U.S. Interagency Council on Homelessness (USICH) released *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)*, listed preventing and ending homelessness among veterans in five years as a primary goal.

To meet the mission objectives of ending Veteran homelessness by 2015, VA targeted a select number of Continuum of Care (CoC) communities throughout the country, including Riverside County, to conduct a special point-in-time (PIT) enumeration of homeless veterans in 2014. Collecting accurate data on the numbers and demographics of veteran individuals and families experiencing homelessness is a critical part of VA planning and program development to end homelessness. Accurate data on Veteran homelessness will assist VA to:

- Understand changes in trends among homeless populations;
- Adjust the types of programs and services available according to need and use resources as efficiently as possible;
- Justify requests for additional resources and/or programming modifications;
- Comply with reporting requirements for HUD, the VA, other funders, and local stakeholders;
- Raise public awareness about the issue of homelessness; and
- Measure the progress of VA towards preventing and ending Veteran homelessness.

To that end, VA contracted with the Riverside County Department of Public Social Services (DPSS) to conduct the 2014 point-in-time (PIT) count of homeless veterans. The 2014 PIT Count of Homeless Veterans will enable VA, the U.S. Department of Housing and Urban Development (HUD) and the County of Riverside to assess the current size and characteristics of our homeless veteran population in order to seek the additional resources needed to achieve the goal of preventing and ending homelessness among veterans in Riverside County by the end of 2015.

The Illinois Avenue project will help meet a high priority local need to house and help homeless veterans maintain their housing. According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities.

Should you have any questions, please feel free to contact me at (951) 955-3041.

Sincerely,



GRANT A. GAUTSCHE, Director



DEPARTMENT OF VETERANS AFFAIRS

VA Desert Pacific Healthcare Network

300 Oceangate, Suite 700

Long Beach, CA 90802

VA Greater
Los Angeles
Healthcare
System
Los Angeles, CA

April 1, 2015

Re: Support for the Construction and Operation of Veteran's Housing
Illinois Avenue Apartments, Beaumont, Ca

VA Loma Linda
Healthcare
System
Loma Linda, CA

Dear Sir or Madam,

I am writing in support of the Veteran's Housing Illinois Avenue supportive housing project through the LINC Community Development Corporation. The Illinois Avenue project will offer 19 units strictly for the housing of Homeless Veterans with a Disability in Beaumont, CA. Two of the units will be strictly for Chronically Homeless Veterans and the remaining 16 units will be for Veterans and their families.

VA Long Beach
Healthcare
System
Long Beach, CA

According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered Veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities in need of permanent housing. The Illinois Avenue project will serve as a valuable resource supporting VA Loma Linda Healthcare System with ending homelessness among Veterans by 2015. The Illinois Avenue project would offer additional permanent housing resources for Veterans and their families in the Inland Empire.

VA San Diego
Healthcare
System
San Diego, CA

The Illinois Avenue project will help meet a high priority local need to house and help homeless Veterans maintain their housing. I strongly support their application.

VA Southern
Nevada
Healthcare
System
Las Vegas, NV

Sincerely,

Jennifer Gerrib, LCSW, VA-CM, MVF-CSW
Network Homeless Coordinator

Network Director
300 Oceangate,
Suite 700
Long Beach, CA
90802

SITE INFORMATION:

AREA: 1.3 Acres
 PROPOSED DENSITY: 33.3 DU/Acre
 APN: 418-020-027, 092, 099, 034
 ADDRESS: ILLINOIS AVE, BEAUMONT, CA
 RIVERSIDE COUNTY

PROPERTY OWNER

RICHARD BATCH
 18655 N. BERNARDO DR., APT. 463
 SAN DIEGO, CA 92127

BUILDING COUNT:

BUILDING "A" (3 Story) - (2) 1BR, (3) 2BR
 BUILDING "B" (3 Story) - REC, (2) 2BR, (12) 3BR
 TOTAL BUILDING COUNT: 2

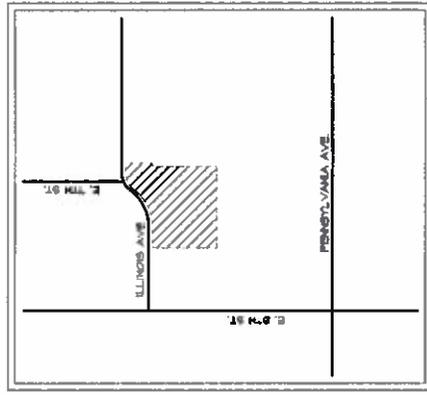
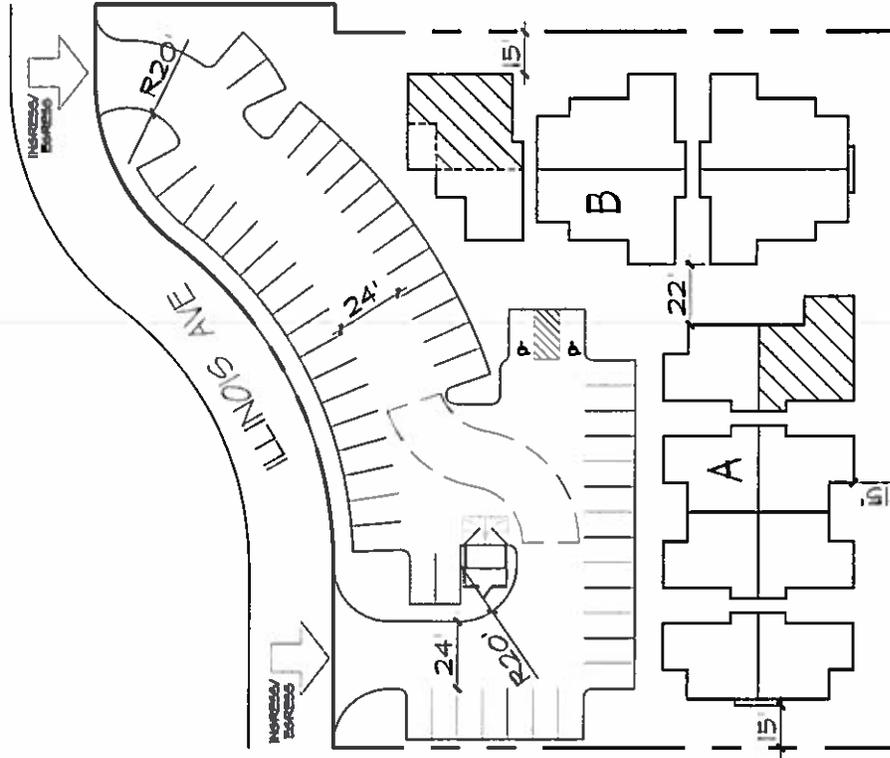
UNIT MIX:

PLAN 1: 1BR/1BA (600 Sq.Ft. MIN.): 21 UNITS
 PLAN 2: 2BR / 2BA (800 Sq.Ft. MIN.): 5 UNIT
 PLAN 3: 3BR / 2BA (1,200 Sq.Ft. MIN.): 12 UNITS
 TOTAL: 38 UNITS

REC/LAUNDRY: (2) OFFICES, 1,000 Sq.Ft.
 EXCLUDING LAUNDRY, (4) WASHING
 MACHINES, (4) DRYERS

PARKING:

55 UNCOVERED SPACES (INCLUDING (2)
 ACCESSIBLE SPACES)



VICINITY MAP (Not to Scale)

CONCEPTUAL SITE PLAN

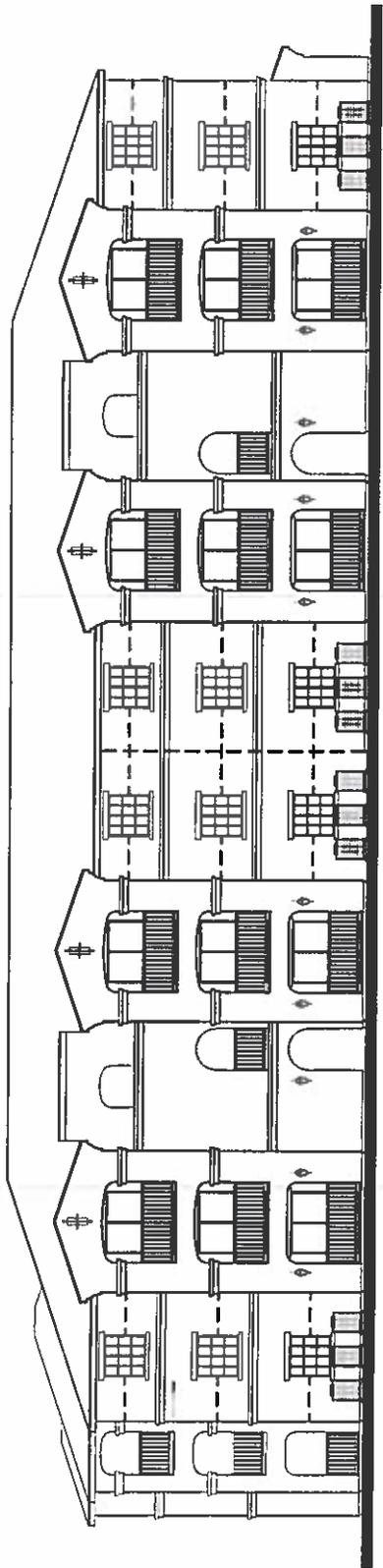
Boundary is not derived from surveyed base - verify with engineer.

LINC Housing
 1344 Clendenen Court
 Long Beach, CA 90801
 562.494.1139

DKB
 1344 Clendenen Court
 Long Beach, CA 90801
 562.494.1139

03-23-2015
 PROJECT NO. 2014XXXX

APN 186 562020 Regular Board Meeting Agenda Page 18 of 27



Conceptual Elevation



| | |
|--|---|
| | |
| | 21166 Cheshire Circle San Jose, CA 95128 408.298.0377 |

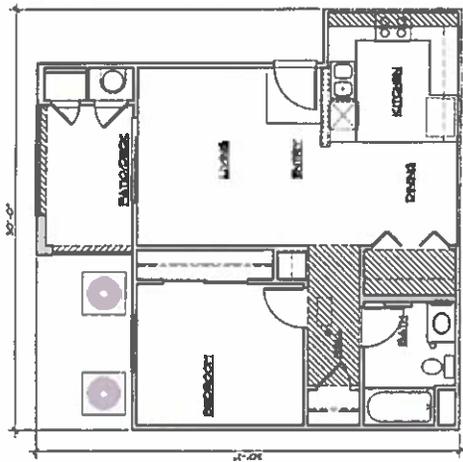
09-23-2015
 PROJECT NO. 2014XXXX

Auto Plot: 2014XXXX Regular Board Meeting Agenda 173 of 176

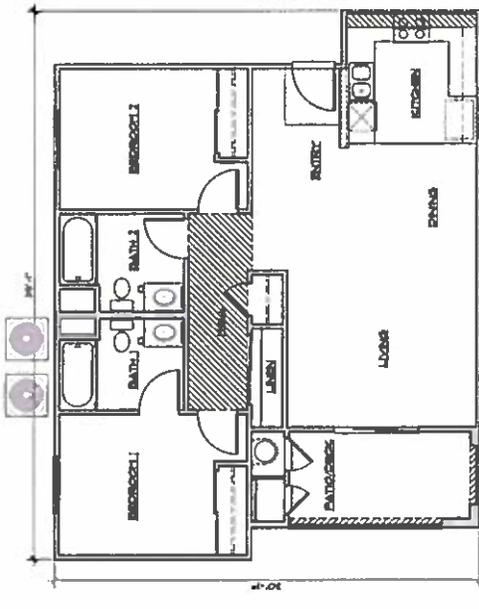
Elevations

Seasons at Beaumont

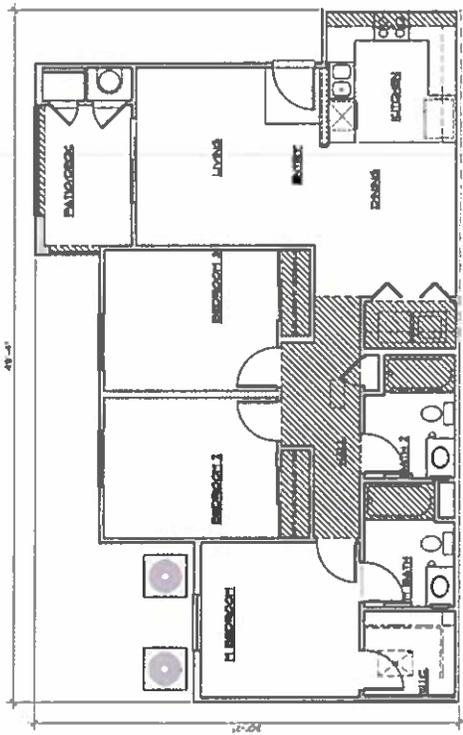
Beaumont, California



Plan 1 - 644 Sq. Ft.
Deck: 73 sq ft



Plan 2 - 942 Sq. Ft.
Deck: 95 sq ft



Plan 3 - 1,096 Sq. Ft.
Deck: 92 sq ft



LINC Housing
 1133 E. Oakes Street, Box 190
 Beaumont, CA 94824
 949.228.4377

03-23-2015
 PROJECT NO. 2014XXXX

Floor Plans

Seasons at Beaumont

Beaumont, California

□

Community/Offices - 1,584 Sq. Ft.
 Laundry Room: 155 sf
 5 Washing Machines/5 Dryers

| | |
|--|---|
| | LINC Housing 11844 Chabot Circle Fremont, CA 94538 925.434.1120 |
| | |

03-23-2015
 PROJECT NO. 2014XXXX

□

Floor Plans

Seasons at Beaumont

Beaumont, California

July 8th, 2015 BCVWD Regular Board Meeting Agenda 175 of 175 □
 July 13th, 2016 BCVWD Regular Board Meeting Agenda 151 of 176



**Beaumont-Cherry Valley Water District
Regular Board Meeting
July 13, 2016**

DATE: July 7, 2016
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: Update regarding the Acquisition of Imported Water Supply from the San Gorgonio Pass Water Agency for New Water System Connections.

Recommendation

It is recommended the Board continue to explore Resolution 2016-06, Establishing the Process for the Acquisition of Imported Water Supply from the San Gorgonio Pass Water Agency for New Water System Connections.

Background

As stated in the June 1, 2016 staff report regarding this issue, one of the key elements in providing service to new customers is an assured source of supply to meet new demand. Under the current conditions, the local water resources to meet demand have long ago been fully utilized. Nearly two-thirds of system demand is met through imported water replenishing the Beaumont Basin at the District's Noble Creek Recharge Facility. With each new connection, an assured source of new water needs to be secured.

The failure of the San Gorgonio Pass Water Agency (SGPWA) to keep pace with the additional demand in region is of critical concern. There must be definitive, reliable source of supply for new customers in order to not create an impact on the existing users. Although the SGPWA has committed to providing the supply through various resolutions and public statements, as of today, the SGPWA has not defined what that source of supply will be. The agency has also moved forward with negotiating the collection of a "Capacity Fee" with cities and water purveyors in their service area. One of the major concerns regarding this capacity fee is the lack of assurance that the funds collected are adequate to actually fund the purchase of new entitlement.

The fee structure adopted by the SGPWA was based on the Mojave Water Agency purchase of Table A entitlement from the Dudley Ridge Water District. This \$73.5 million-dollar transaction for 14,000 acre feet of water supply was performed in 2009, over seven years ago. Relying on a transaction that occurred seven years ago along with the failure to include a reliability factor for the water purchased are major concerns regarding the adequacy of the fees collected. For example, utilizing the BCVWD average consumption of 0.65 acre-feet per dwelling unit and a historical average reliability factor of 64%, each new dwelling unit will need 1.015 acre feet ($0.65/0.64=1.015$) of water to meet demand. Essentially, with that reliability factor, each new unit needs an acre foot of water. This is not addressed in the Capacity Fee Study developed by the SGPWA. The SGPWA has never engaged in a purchase of new entitlement and has no historical basis to make a determination from either their own transaction or the transactions of



others that they can secure a water supply with a higher degree of reliability at an equivalent cost. This creates the potential condition of engaging in the collection of funds that may not be sufficient to cover the cost of the actual purchase of entitlement, leaving the existing ratepayers to fund the shortfall through either increased water and/or tax rates.

For these reasons, it is essential for the SGPWA to move forward with locating and engaging in the acquisition of new water entitlement immediately and prior to collecting fees. Mr. Jeff Davis, General Manager of the SGPWA, has been invited to provide an update regarding the efforts of the SGPWA to secure new water supply.

Financial Impact

The cost to obtain new water supply for new connections to the BCVWD system could impact existing customers if adequate fees are not collected.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
July 13, 2016**

DATE: July 7, 2016
TO: Board of Directors
FROM: Eric Fraser, General Manager
SUBJECT: Presentation by SGPWA Regarding the Sites Reservoir Project.

Recommendation

No Recommendation

Background

Mr. Jeff Davis of the San Geronio Pass Water Agency (SGPWA) will be presenting information on a possible long-term new source of water supply project known as the Sites Reservoir. The SGPWA has solicited retail water agencies in its service area for possible participation in funding the project.

Financial Impact

The cost to participate in the project would be funded by the new water supply component of the connection fees collected by the District. The funds may be at possible risk if the project were not to be constructed.

Sites Reservoir Project: Water Supply Investment Overview



2016

Page

Sacramento Valley Watershed

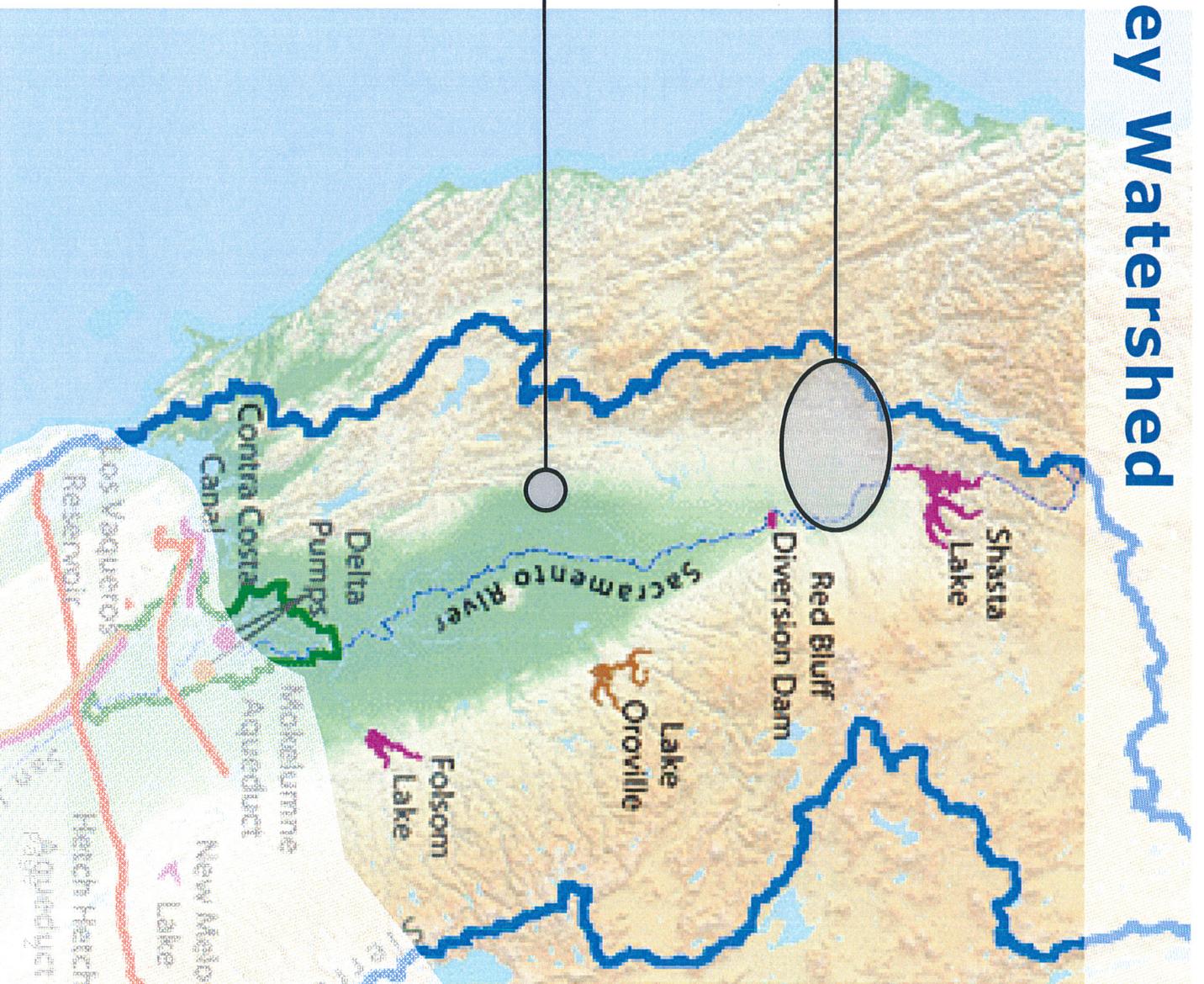
Water source

- Unregulated tributaries
- 1977 Water Rights application

Proposed Sites Reservoir

- 1957 Water Plan as a local storage project

~ 75 miles northwest from downtown Sacramento

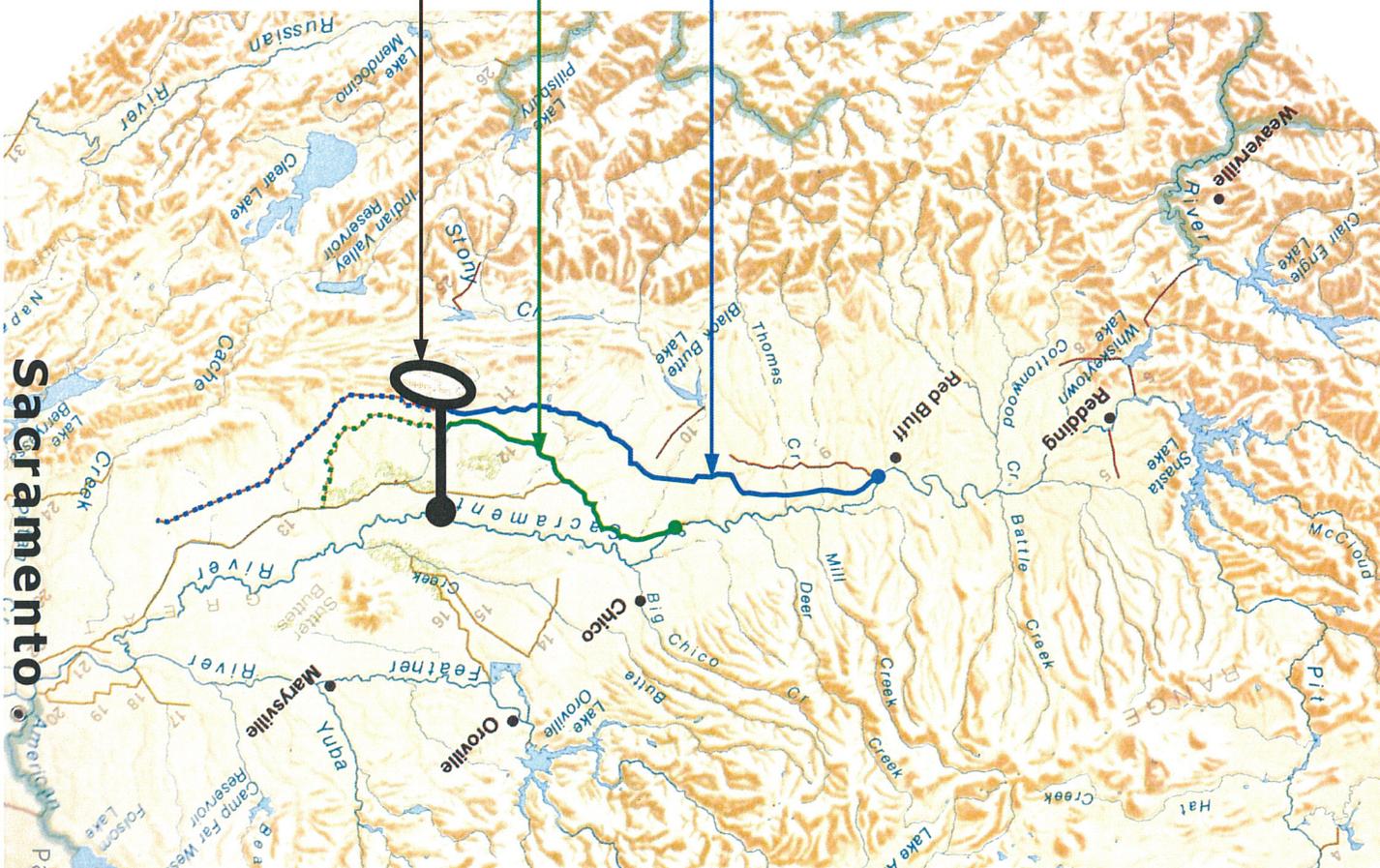


Project Location

Tehama-Colusa Canal

Glenn-Colusa Canal

Sites Reservoir



Sacramento

Facilities: Overview

From Red Bluff
(TC Canal) ↓

↓ From Hamilton City
(GCID Canal)

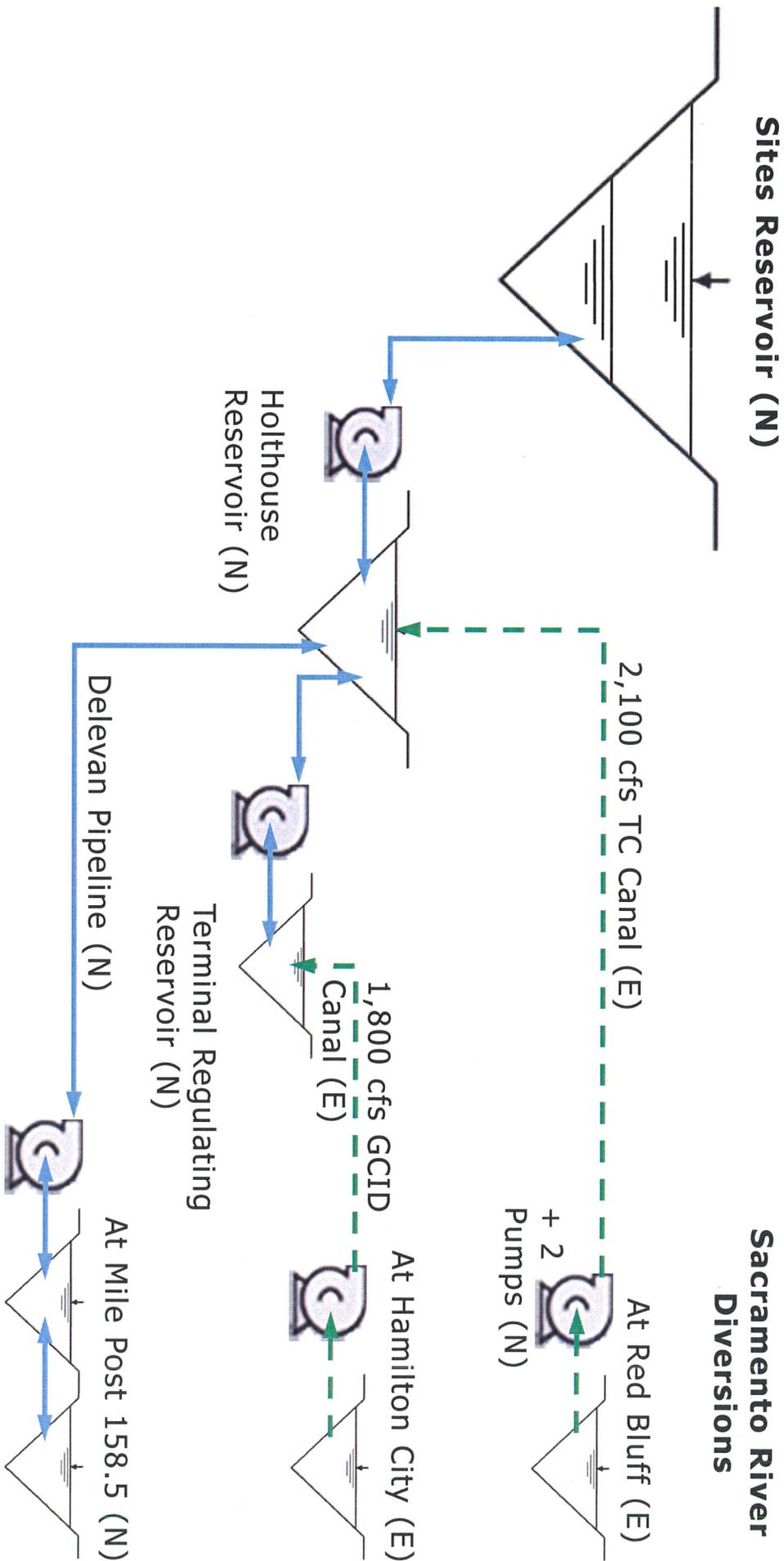
Storage capacity:
1.3 to 1.8 M acre-ft.

From Sacramento
River (Proposed)



2016 January
Draft, planning phase concepts

Facilities: Schematic

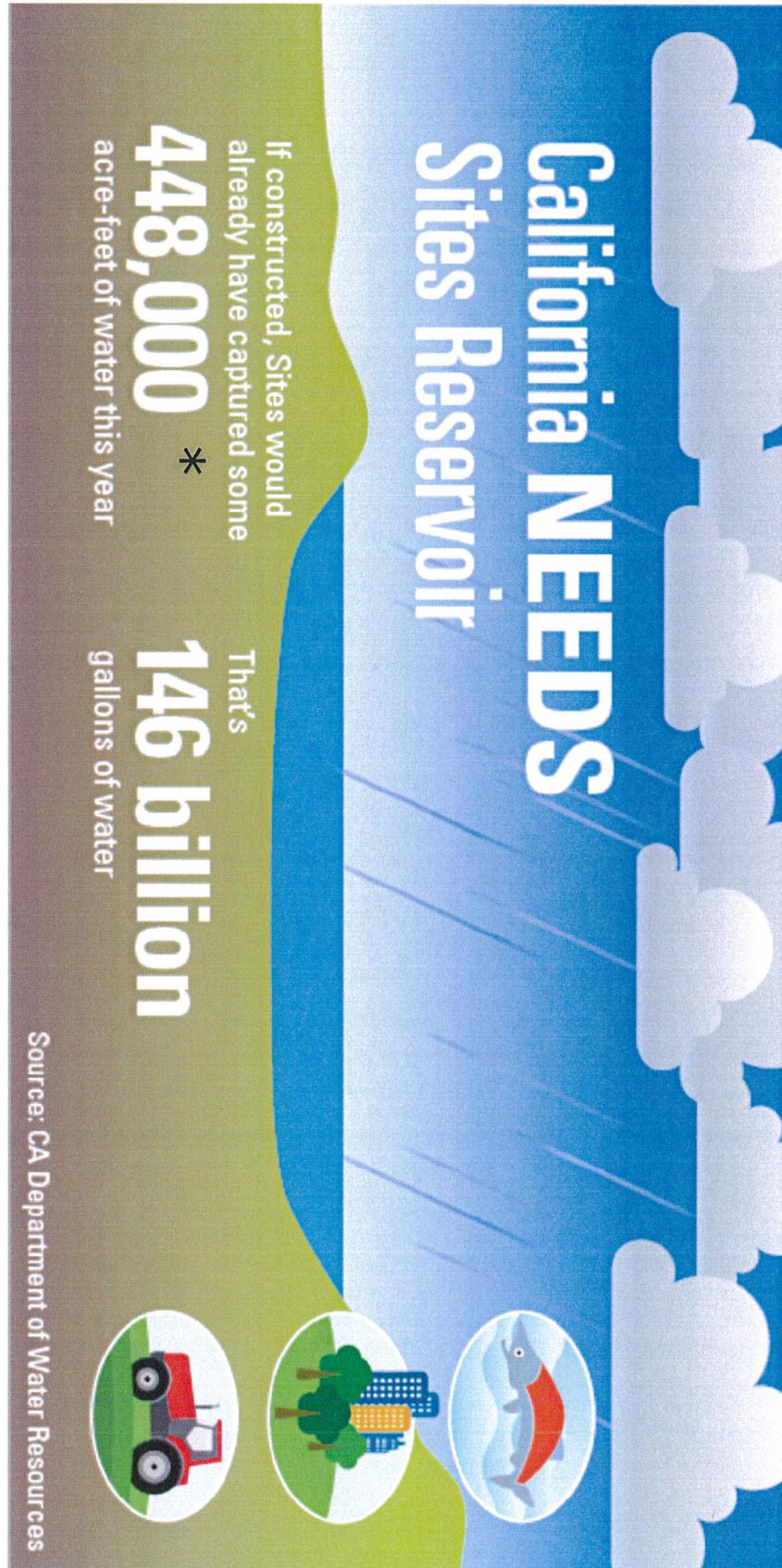


| Plant Mode | Pumping Mode | | | | | Generation Mode | | |
|-----------------------|--------------|------------|-------|-----------|--------|-----------------|------|-----------|
| | TTC Canal | GCID Canal | TRR | Sac River | Sites | Sites | TRR | Sac River |
| Plant Name | | | | | | | | |
| Planned Capacity, MW | 6 | 3.39 | 19.68 | 65.65 | 181.35 | 123 | 9.8 | 10.8 |
| Planned Capacity, cfs | 2250 | 3000 | 1890 | 2000 | 5900 | 5100 | 1500 | 1500 |

Source: DWR Report (2013 Dec), Appendix H: Power Planning Study, Figure H-4-2. NODOS Project, Schematic of Conveyance and Storage Interconnection

Why Sites?

If Sites operated in 2016

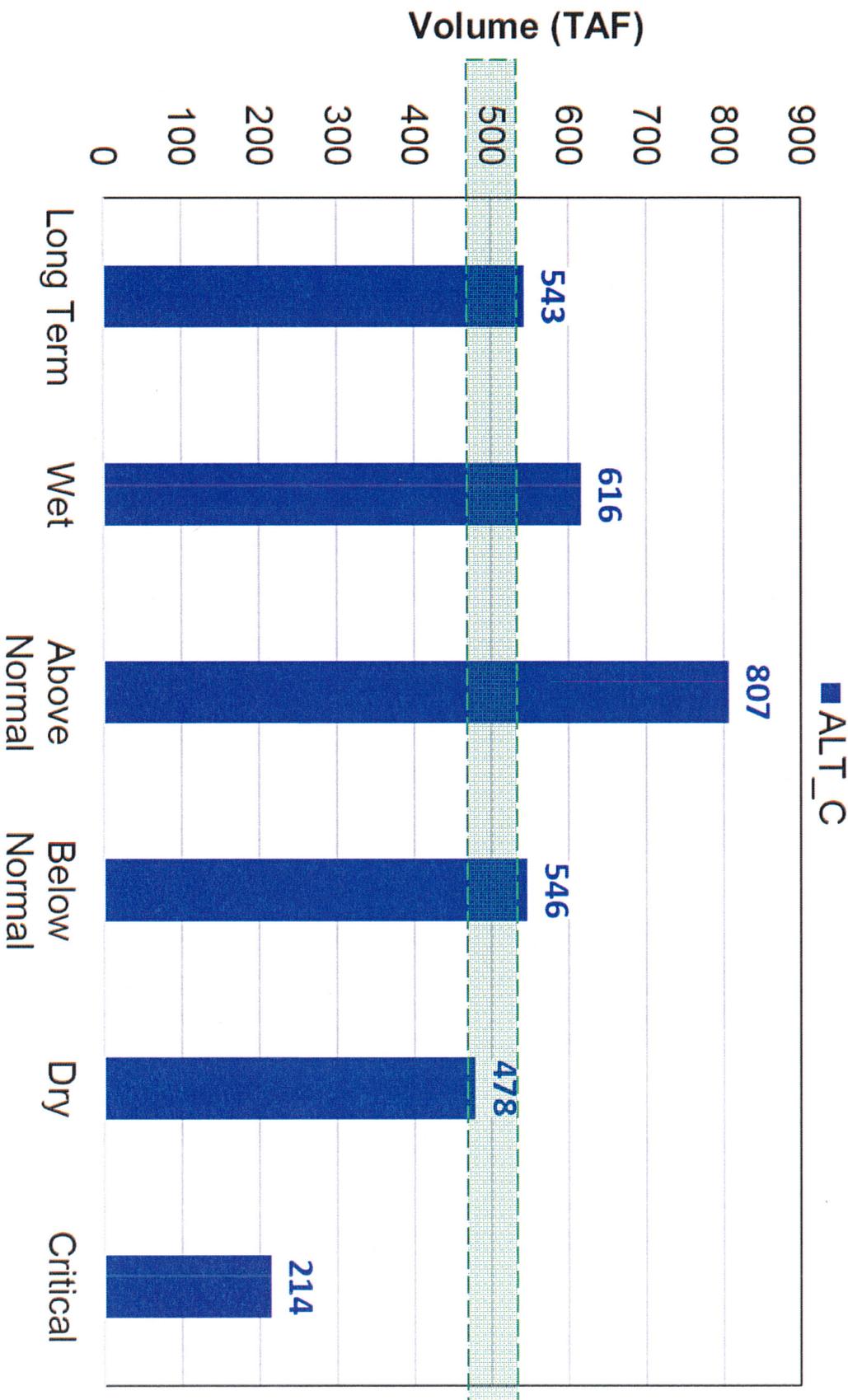


© CA Rice Commission

* Through Feb 25

Water Supply Benefits: Reservoir Storage (DWR Alternative C) **By Water Year Type**

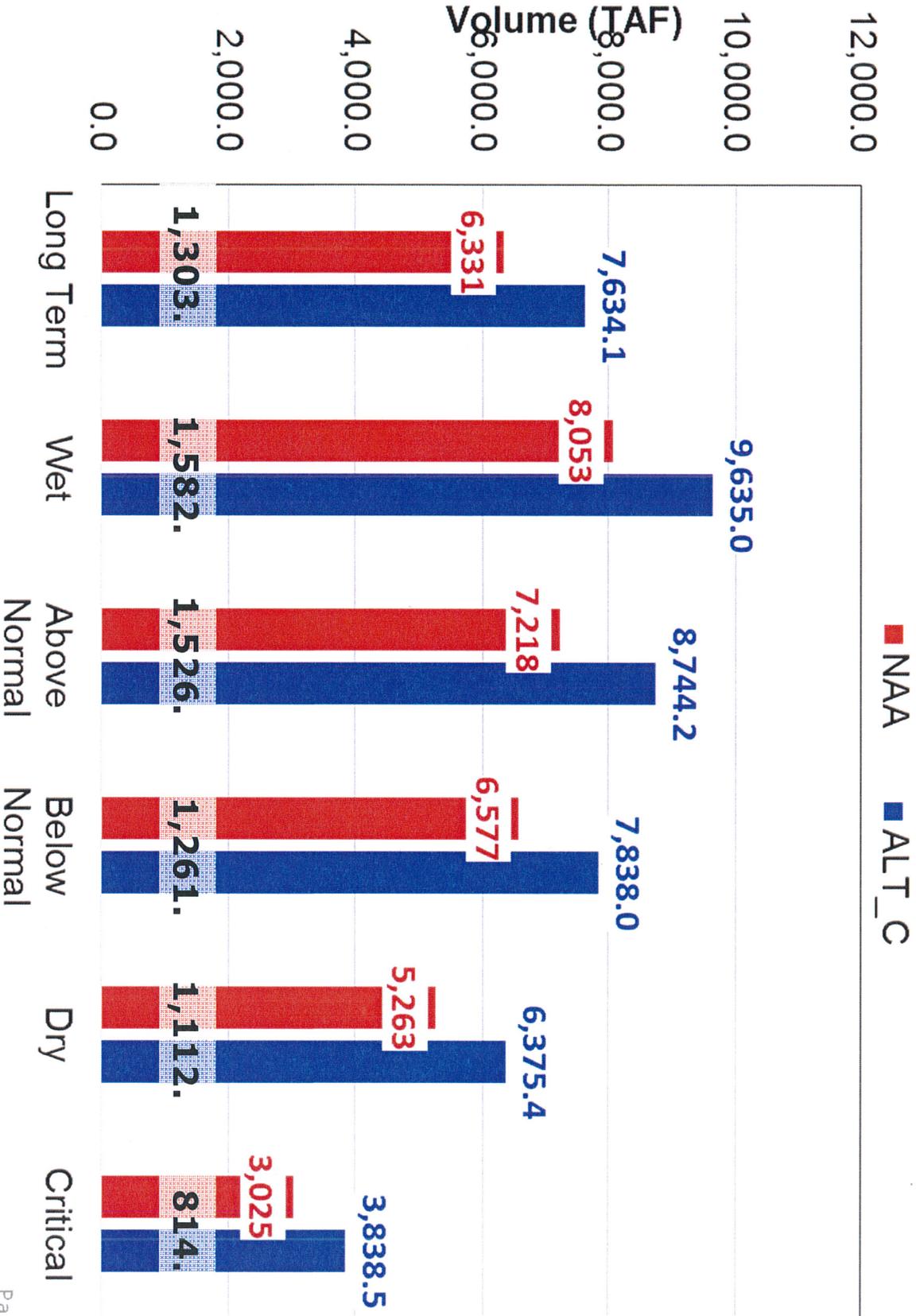
October-September Total Sacramento River Diversions to Fill Sites Reservoir



Water Supply Benefits: Storage

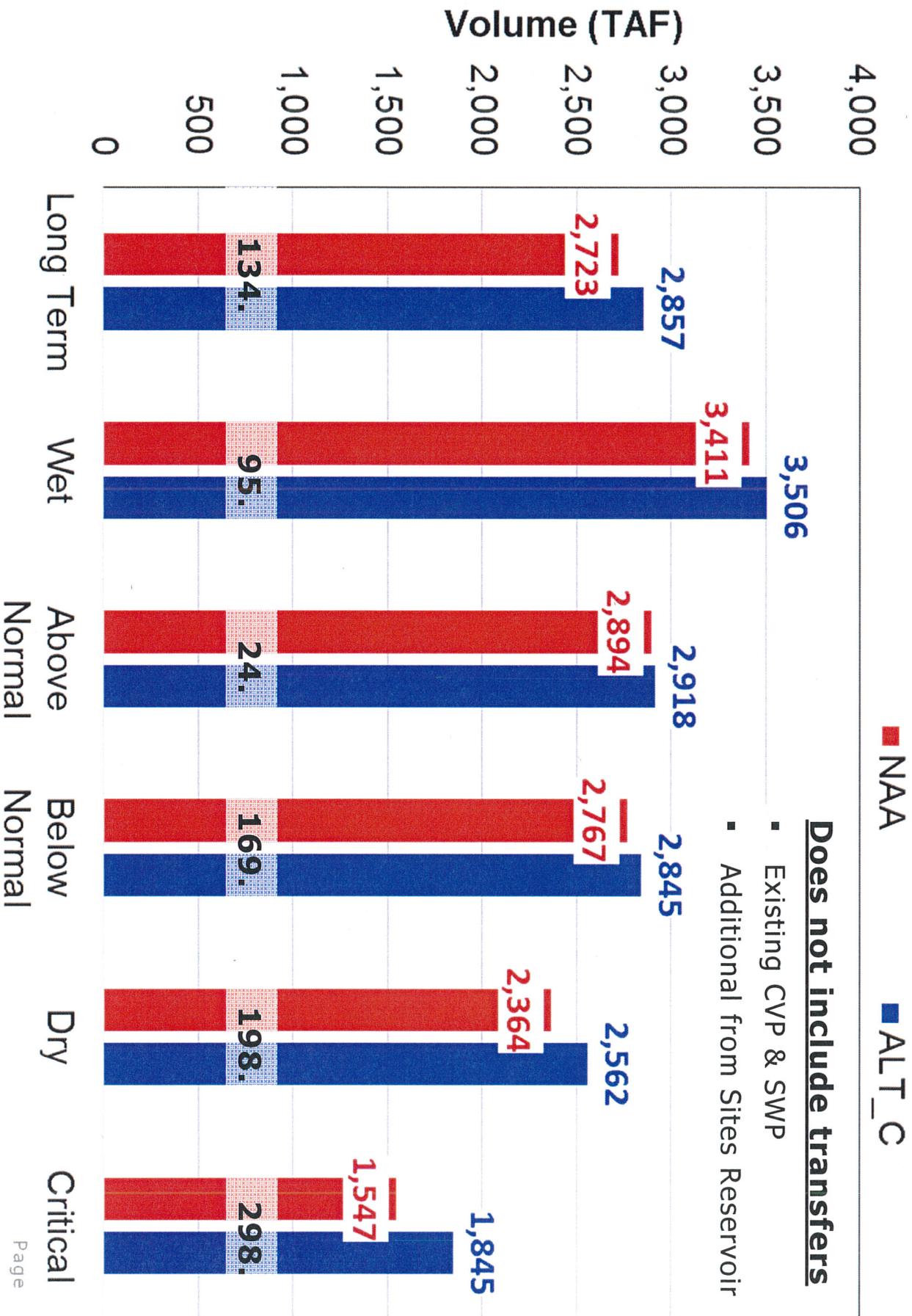
(DWR Alternative C) (Shasta, Oroville & Sites)

September Total NOD CVP/SWP Storage

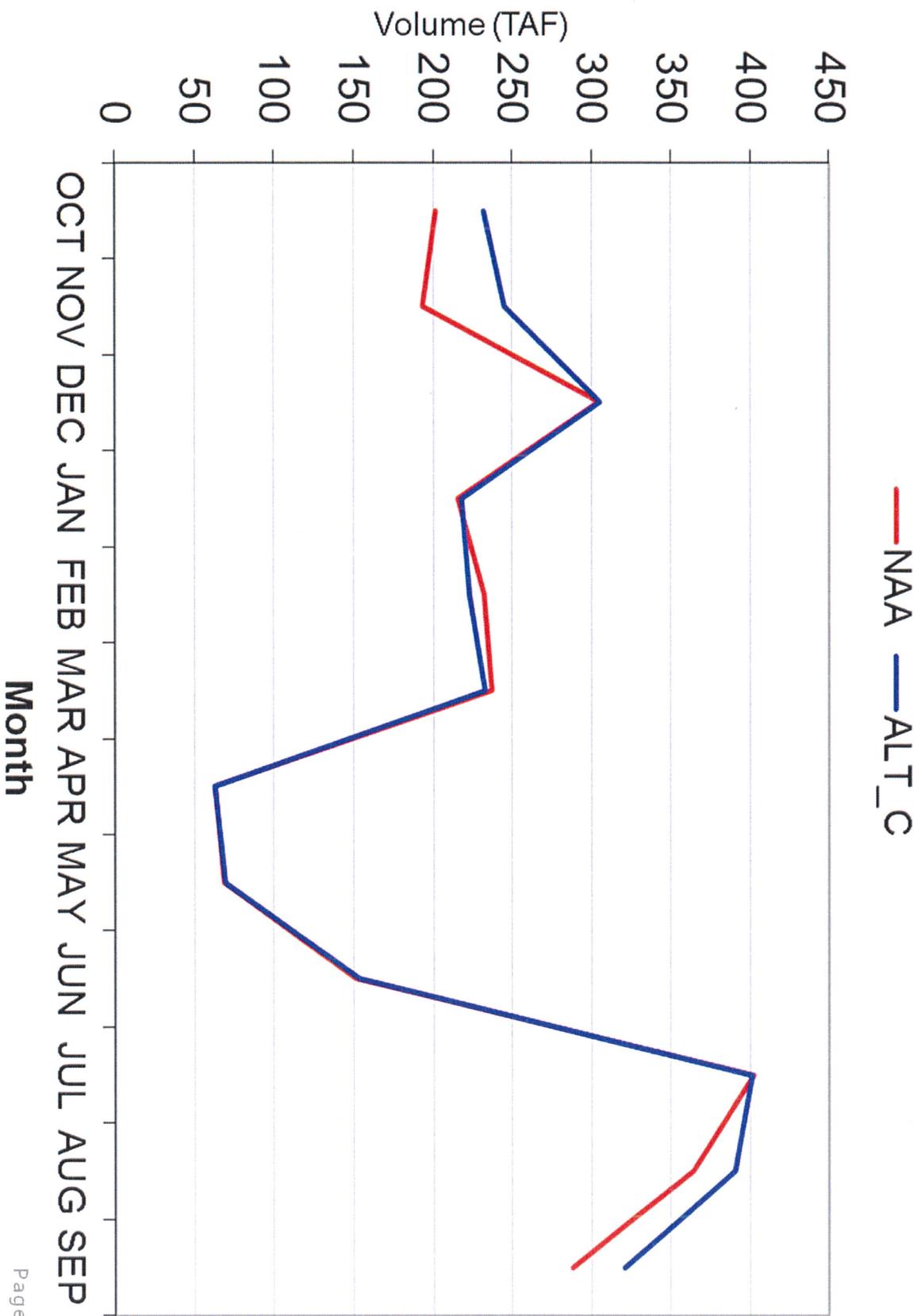


Water Supply Benefits: Yield

(DWR Alternative C)

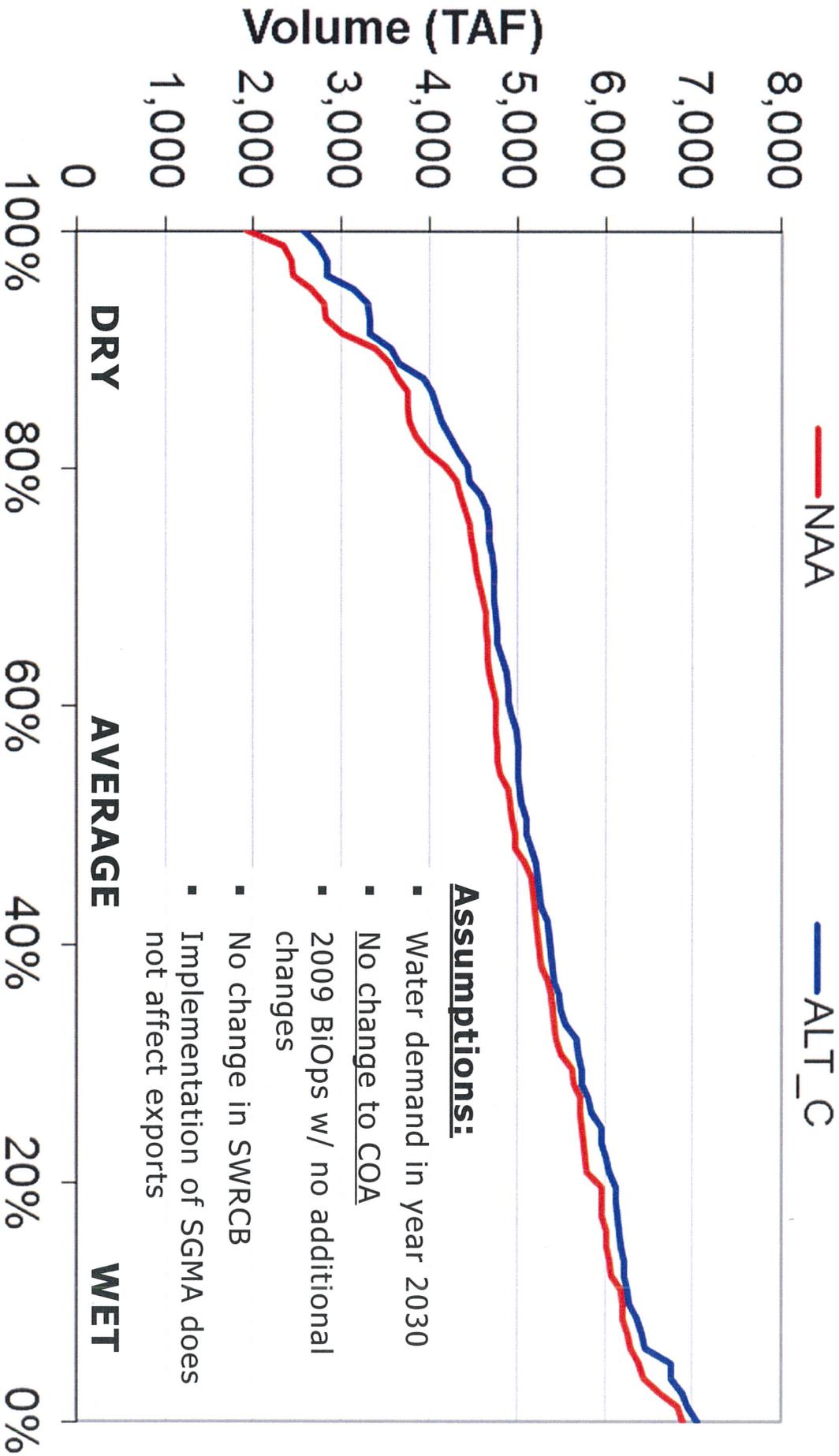


Water Supply Benefits: Monthly S. of Delta Exports (DWR Alternative C)



Water Supply Benefits: Export S. of Delta

(DWR Alternative C) **(Annual)**



Water Supply Benefits: **South of Delta**

Summary:

- ✓ Improves the Delta's ecology to
 - (a) help address SWRCB concerns
 - (b) increase exports & facilitate through-Delta transfers
- ✓ Another source of water – independent of CVP & SWP contracts
- ✓ Integrate Shasta releases (e.g. for cold water pool)
Releases stored for later release during export window
- ✓ CVP San Luis Unit:
 - (a) Increased supplies
 - (b) Reduce dependence on groundwater and help to mitigate the impacts of SGMA
- ✓ Interruptible Water (CVP Section 215 & SWP Article 21):
Could extend the duration (i.e. shoulder-loading)
- ✓ Refuge Water

Proposition 1, Chapter 8

\$ 2.7 B is available

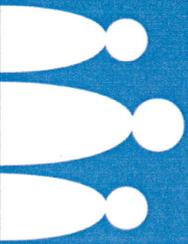
Eligible Projects

- CALFED & Groundwater Storage
- Conjunctive Use and Reservoir Reoperation
- Local and Regional Surface Storage

Eligible Public Benefits

- Ecosystem Improvement
- Water Quality Improvement
- Emergency Response
- Flood Control
- Recreation

Maximum State Cost-Share for **Funded Public Benefits**

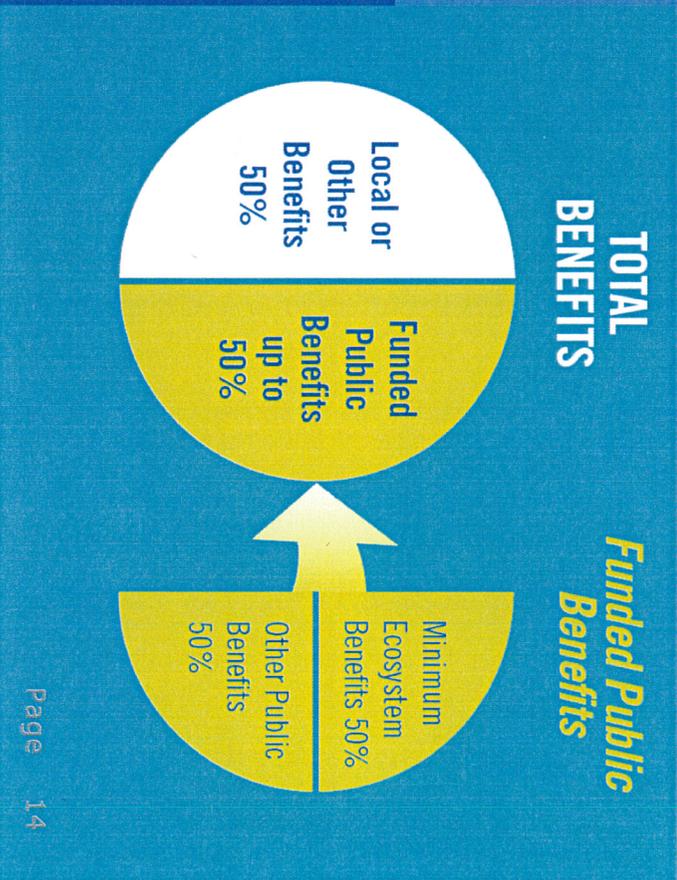


50%

Ecosystem Benefits must be

50%

of the funded public benefits

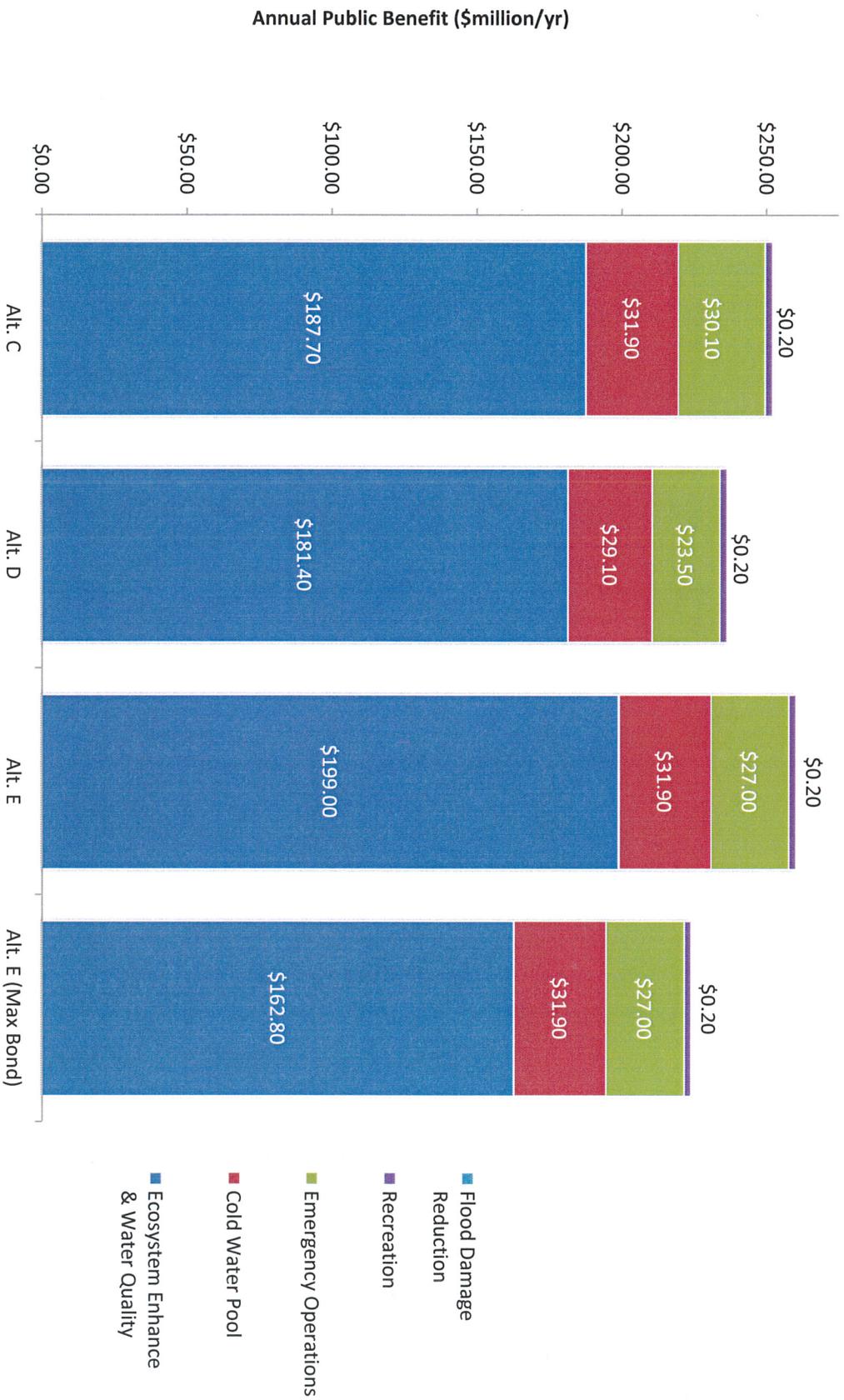



Proposition 1, Chapter 8

Key Performance Measures:

- “Priority will be given to projects that *leverage* private, federal, or local *funding to produce the greatest public benefit.*”
§ 79707 (chapter 4)
- Funds provided for “public benefits associated with water storage projects that *improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions.*”
§ 79750(b)
- Projects selected “through a competitive public process [ranked by] the [magnitude of the] *expected return for public investment.*”
§ 79759(c)
- The project provides “*measurable improvement to the Delta ecosystem or to tributaries to the Delta*”
§ 79752
- The project “will advance the long-term objectives of *restoring ecological health and improving water management for beneficial uses of the Delta*”
§ 79755(a)(5)(B)

Estimated Public Benefits (DWR Alternative C)



Project: Range of Construction Costs

Reservoirs and Dams: \$1. B - \$1.5B

Pumping and

Generating Plants: \$1. B - \$1.4B

Pipelines: \$1. B - \$1. B

Total: \$3. B - \$4. B

- Unescalated
- w/o finance cost
- Includes contingency

Project: Financing

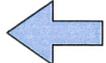
Phase 1 (prepare Prop 1 application): **Member-funded**



Repay sunk costs w/ interest

Phase 2 (complete Environmental Review):

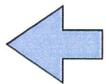
Member-funded &/or short-term debt



Repay sunk costs w/ interest

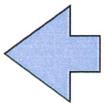
Phase 3 (complete final design & pre-construction activities):

Member-funded &/or short-term debt

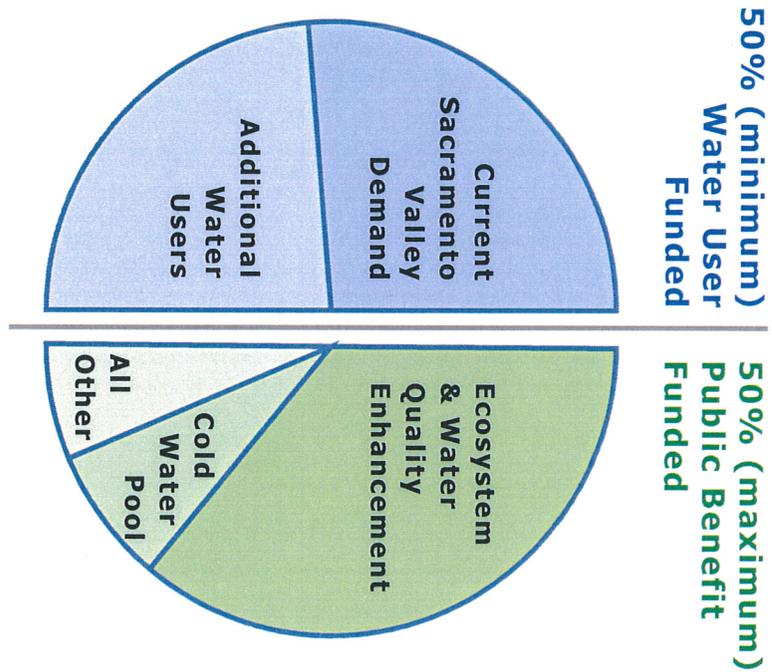


Repay sunk costs w/ interest

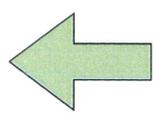
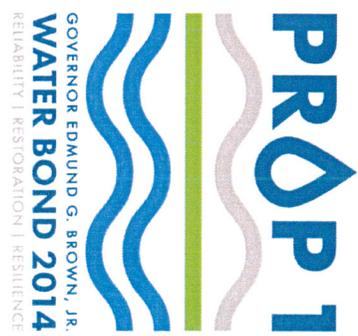
Phase 4: (construction and start-up): **long-term debt finance**



Phase 5 (operations): **Repayment**

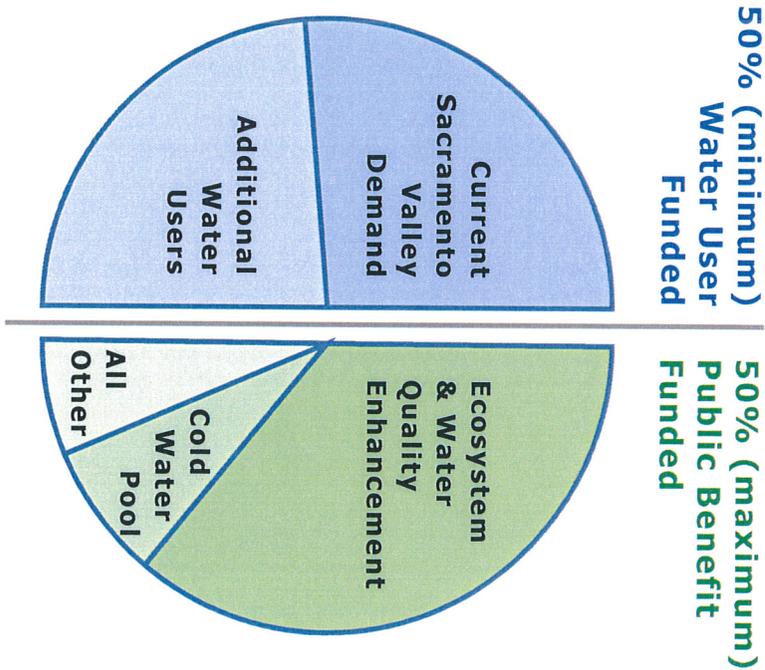
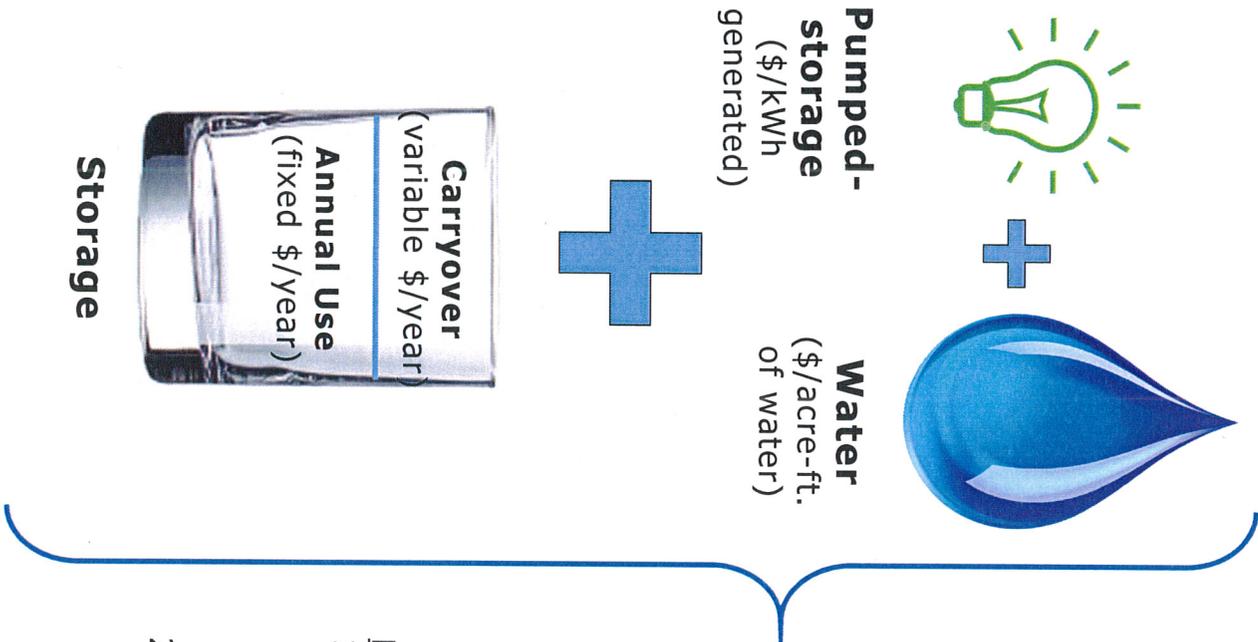


NOTE: The earlier Prop 1 funds become available, the lower the project costs (i.e. reduce the carrying cost of the public benefit cost-share).

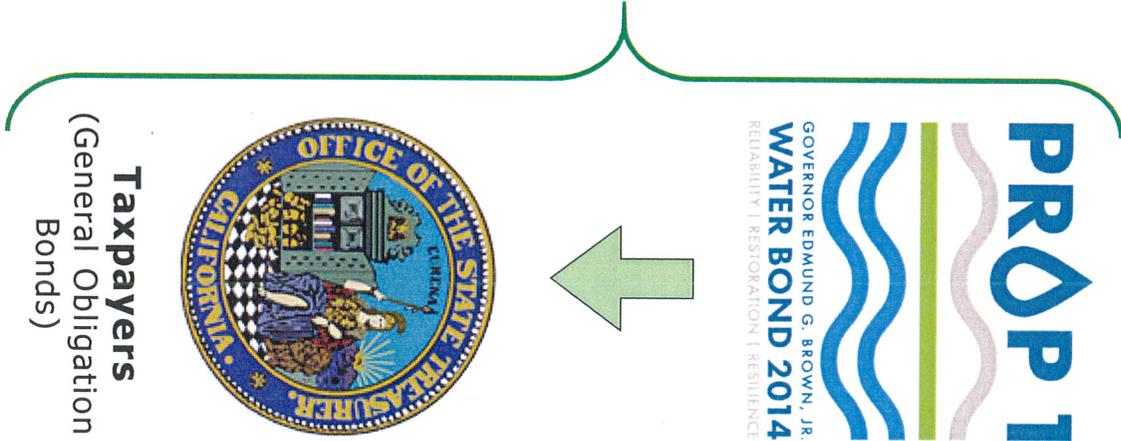


Taxpayers
(General Obligation Bonds)

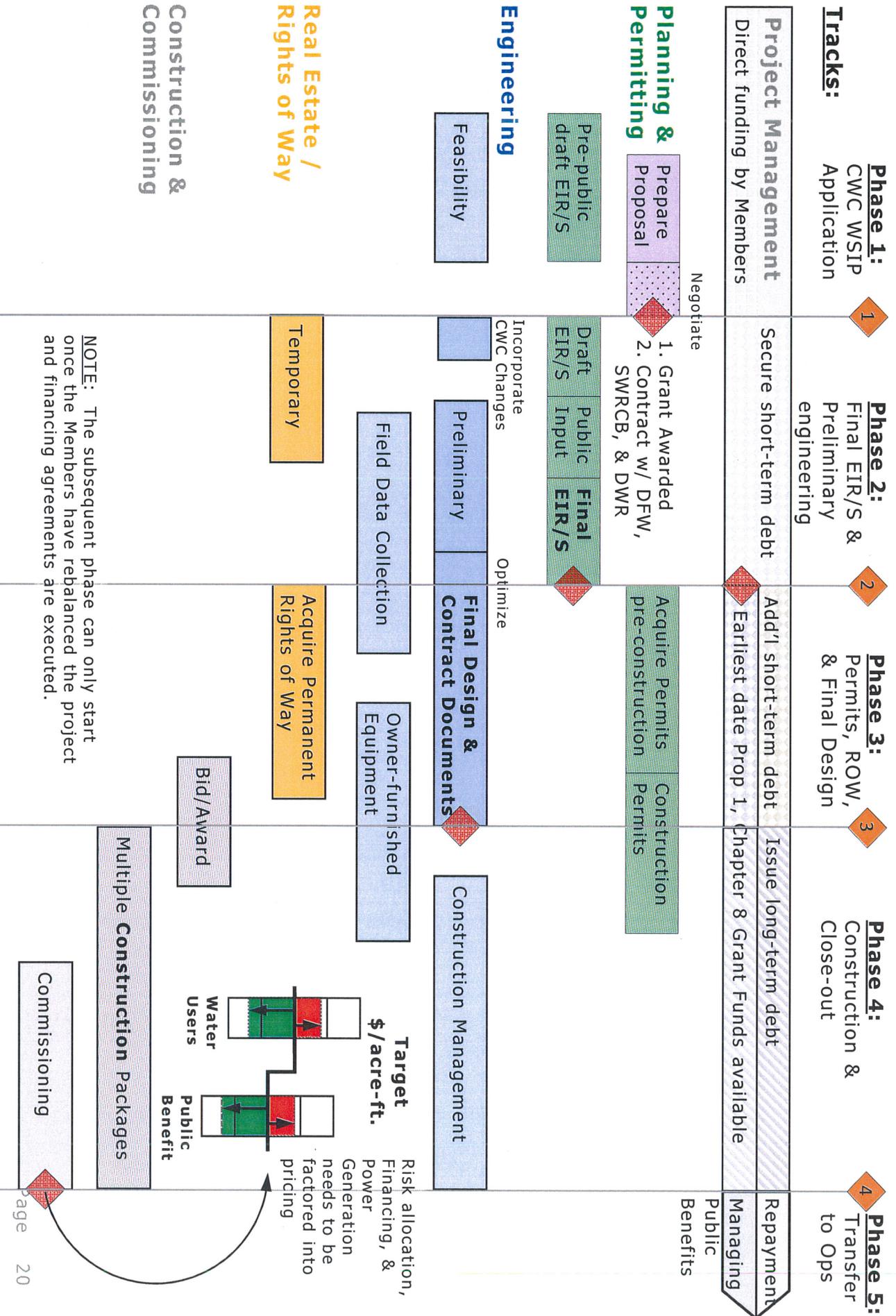
Project: Repayment



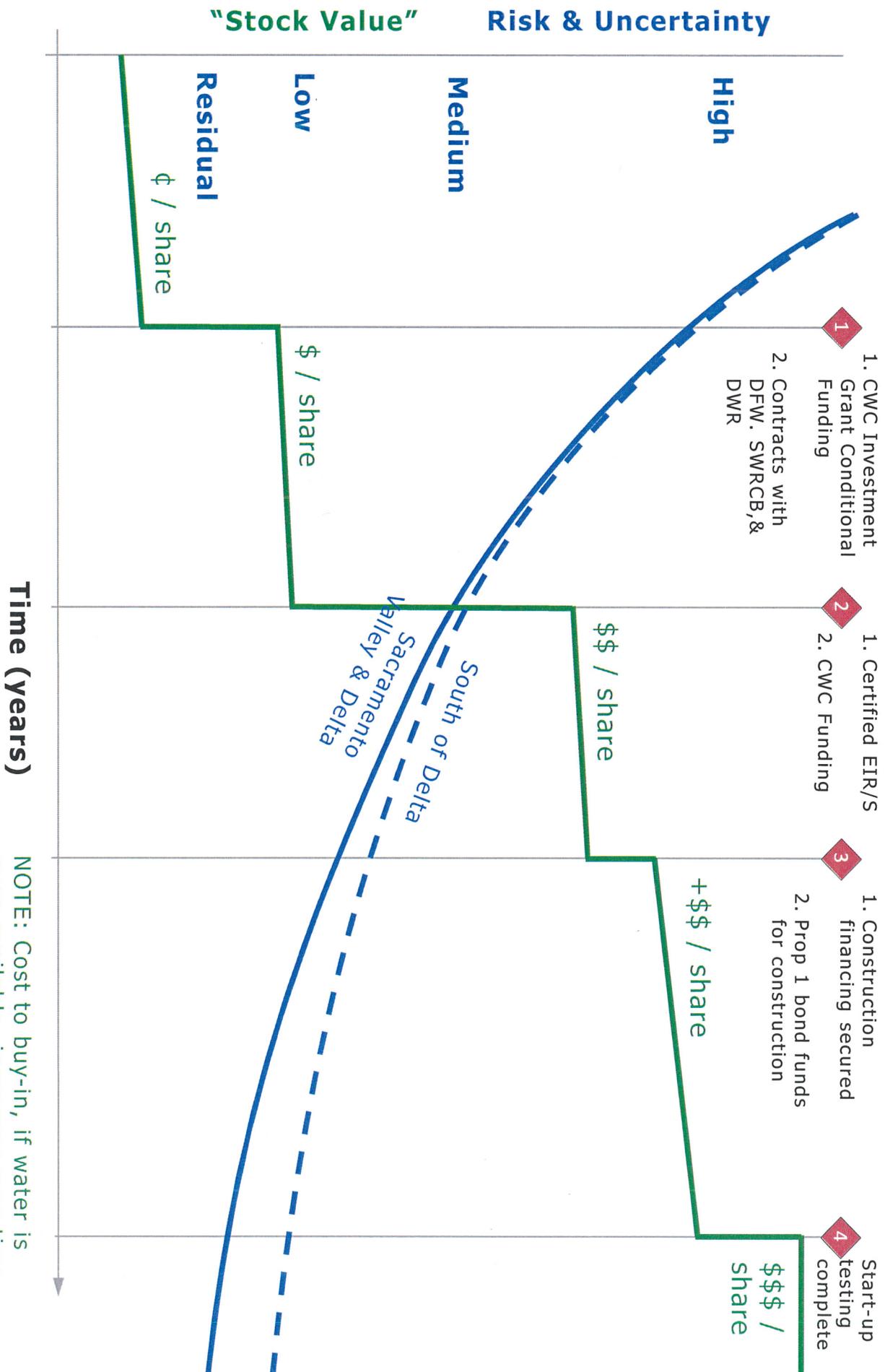
- NOTES:**
1. A 40-year term is assumed for the repayment period (separately for water-user funded and public-benefit funded activities)
 2. Water-user finance cost requires (a) power purchase contract, (b) water user contracts, (c) water right, and the entity's creditworthiness



Project: Phase Schedule



Project's Risk & Uncertainty vs. Value



NOTE: Cost to buy-in, if water is even available, increases over time