



# Hidden Valley Lake Community Services District

## Regular Board Meeting

DATE: March 19, 2019  
TIME: 6:00 p.m.  
PLACE: Hidden Valley Lake CSD  
Administration Office, Boardroom  
19400 Hartmann Road  
Hidden Valley Lake, CA

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) ROLL CALL
- 4) APPROVAL OF AGENDA
- 5) ADJOURN TO CLOSED SESSION
- 6) CLOSED SESSION: The Board will call to order and recess to Closed Session to discuss the following items:  
PURSUANT TO CALIFORNIA GOVERNMENT CODE §54957: Review of the General Manager's performance evaluation  
PURSUANT TO CALIFORNIA GOVERNMENT CODE §54957.6: Review of the General Manager's contract provisions

### RECONVENE TO OPEN SESSION

- 7) EMPLOYEE RECOGNITION: Dennis White and Sam Garcia are recognized for their service and support of Cal Fire and protection of the District water system during the house fire on Eagle Rock.
- 8) CONSENT CALENDAR
  - A. MINUTES: Approval of the February 13, 2019 Finance Committee Meeting minutes.
  - B. MINUTES: Approval of the February 19, 2019 Board of Directors Regular Board Meeting minutes.
  - C. MINUTES: Approval of the March 4, 2019 Special Meeting minutes.
  - D. MINUTES: Approval of the March 5, 2019 Safety and Security Meeting minutes.

E. DISBURSEMENTS: Check # 036145 - # 036215 including drafts and payroll for a total of \$334,489.19.

9) BOARD COMMITTEE REPORTS  
(for information only, no action anticipated)

Finance Committee  
Personnel Committee  
Safety and Security Committee  
Lake Water Use Agreement-Ad Hoc Committee  
Valley Oaks Project Committee

10) STAFF REPORTS  
(for information only, no action anticipated)

Financial Report  
Administration/Customer Service Report  
ACWA State Legislative Committee  
Field Operations Report (Hand Carry due to SSO response)  
General Manager's Report  
IT Monthly Report

11) DISCUSSION AND POSSIBLE ACTION: Discuss and recommend payment source for multiple pumper truck invoices as a result of WWTP inundation 2/25-3/4/2019 (Round 2)

12) DISCUSSION AND POSSIBLE ACTION: Approve Resolution 2019-02 Support SB 669 Safe Drinking Water Trust Legislation and maintaining opposition to the proposed statewide water tax. *ACWA/CMUA- sponsored*

13) DISCUSSION AND POSSIBLE ACTION: Approval of Board Standing Committee Charters

14) DISCUSSION AND POSSIBLE ACTION: Approval of Director(s)' attendance at ACWA Spring Conference May 7-10, 2019 at the Monterey Convention Center

15) DISCUSSION AND POSSIBLE ACTION: Schedule a Board workshop to finalize draft Strategic Plan and discuss use of an outside facilitator (Larry Bienati) to complete the Strategic Plan refining the Governance and Administrative Processes, implement a successful Board Governance and GM Operational Leadership model as well as finalize how to improve Board/Management relationship amongst other Board goals.

16) DISCUSSION AND POSSIBLE ACTION: Discuss and recommend staff to proceed with the rate increase based on the NBS Rate Study

- 17) PUBLIC COMMENT
- 18) BOARD MEMBER COMMENT
- 19) ADJOURNMENT

Public records are available upon request. Board Packets are posted on our website at [www.hvlcsd.org/meetings](http://www.hvlcsd.org/meetings)  
In compliance to the Americans with Disabilities Act, if you need special accommodations to participate in or attend the meeting please contact the District Office at 987-9201 at least 48 hours prior to the scheduled meeting.

Public shall be given the opportunity to comment on each agenda item before the Governing Board acts on that item, G.C. 54953.3. All other comments will be taken under Public Comment.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
FINANCE COMMITTEE REPORT  
MEETING DATE: February 13, 2019**

The Hidden Valley Lake Community Services District Finance Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.  
Present were:

Director Mirbegan  
Director Freeman  
General Manager, Kirk Cloyd  
Full Charge Bookkeeper, Trish Wilkinson  
Administrative Assistant, Penny Cuadras

**CALL TO ORDER**

The meeting was called to order at 12:30 pm by Director Mirbegan.

**APPROVAL OF AGENDA**

On a motion made by Director Mirbegan and seconded by Director Freeman the Committee unanimously approved the agenda.

**DISCUSS AND RECOMMEND:**

**2017-18 Draft Financial Audit:** Following review and discussion of the 2017-18 Audit Report, the Committee recommend the Board accept the 2017-2018 Audit at the February 19<sup>th</sup> Regular Board Meeting.

**Mid-Year Budget Review / Adjustment:** The committee reviewed actual expenditures compared to budget, and explored individual line items.

Director Mirbegan requested a bottom-line report of all funds.

**2019-20 Budget –Timeline:**

March – Finance Committee meet weekly for the month of March

April – Board Workshop

May - Proposed budget and projections presented to the Board

Committee request budget be set on actual cost not estimated costs. Suggest a contingency plan for unplanned events.

**RGS Contract for Financial Services:** Following review and discussion the Committee recommend the Board enter into an agreement with RGS for Financial Services as support to the Full Charge Bookkeeper.

**Draft NBS Rate Study:** Following review and discussion Committee recommend the Board to accept the NBS Rate Study as presented.

**Finance Committee Charter:** Director Mirbegan will continue to work on the revision of the current Charter.

**Water Advisory Group – WAG (Citizen Advisory) – Benefits:** Staff provided an overview to the committee regarding the process and benefits of a Water Advisory Group.

**PUBLIC COMMENT**

No public present.

**COMMITTEE MEMBER COMMENT**

No Committee Member comment.

**ADJOURNMENT**

The meeting was adjourned at 2:30 p.m.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES  
MEETING DATE: February 19, 2019**

The Hidden Valley Lake Community Services District Board of Directors met this evening at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.  
Present were:

Director Linda Herndon, President  
Director Judy Mirbegian, Vice President  
Director Jim Freeman  
Director Jim Lieberman  
Director Carolyn Graham  
Kirk Cloyd, General Manager  
Penny Cuadras, Administrative Assistant

**CALL TO ORDER**

The meeting was called to order at 7:00 p.m. by President Herndon.

**APPROVAL OF AGENDA**

On a motion made by Director Mirbegian and seconded by Director Lieberman the Board unanimously approved the agenda.

**EMPLOYEE RECOGNITION**

Trish Wilkinson, Full Charge Bookkeeper, was recognized by staff and members of the Board for her hard work and dedication to the District. Trish completed the 2017-18 Audit with vast improvement reported from Smith & Newell. Trish has been a key member of the District and has excelled as the Full Charge Bookkeeper. The District is in better shape with fiscal processes and financial reporting process than previous years.

**PRESENTATION**

**Smith & Newell 2017-18 Audit Report**

Norm Newell, Smith & Newell, presented the 2017-18 Audit and responded to all inquiries.

**ESRI GIS Conference**

Alyssa Gordon provided an overview of the ESRI GIS Conference in Nashville Tennessee Feb 4-6. Ernesto Ruvalcaba, CivicSpark Fellow, presented a demonstration of the workflow on the GIS Workforce App.

**CONSENT CALENDAR**

On a motion made by Director Mirbegian and seconded by Director Lieberman the Board unanimously approved the following Consent Calendar items.

- A. MINUTES: Approval of the January 3, 2019 Personnel Committee Meeting minutes

- B. MINUTES: Approval of the January 15, 2019 Board of Directors Meeting minutes
- C. MINUTES: Approval of the January 19, 2019 Board Workshop minutes
- D. DISBURSEMENTS: Check # 036065 - # 036144 including drafts and payroll for a total of \$382,404.59.

**BOARD COMMITTEE REPORTS**

Finance Committee: Met February 13<sup>th</sup> discussed benefits of a Water Advisory Group (WAG), Mid-Year Budget review and projected timeline. The Committee Charter and Committee Calendar were also addressed. Other items will be discussed later in the agenda.

Personnel Committee: Employee Handbook has been sent to the attorney for review and should be ready for final Board approval at the March Board Meeting.

Emergency Preparedness Program Committee: Have not met. Committee meeting scheduled for March 5<sup>th</sup>. Will discuss Committee Charter.

Lake Water Use Agreement-Ad Hoc Committee: Committee presented the signed 2019 Lake Water Use Agreement.

Valley Oaks Sub-Committee: Repairs have been made to Coyote Valley Road, substandard base material has been removed and replaced with proper material. Several areas have not been repaired and have substantial subsidence. HVLCSD staff continue to work with Valley Oaks to address these road repairs.

Staff suggest setting an 18-month period where Valley Oaks is responsible for the condition of the road where repairs have been made. If no subsidence after the 18-month period the District would accept the responsibility for maintenance and repair for the water and sewer utilities within the roadway.

Staff suggests the District hire an inspector (Coastland) to complete all the inspections of the Valley Oaks Project installed lines, paid for by the developer.

Director Mirbegian requests this information be added to the GM Report.

**BOARD MEMBER ATTENDANCE AT OTHER MEETINGS**

**STAFF REPORTS**

Financial Report:

Administration/Customer Services Report:

ACWA State Legislative Committee: Update provided by Alyssa Gordon

Field Operation Report:

I.T. Monthly Report:

General Manager's Report: Due to the recent rain events, Barry Silva brought in pumper trucks to avoid a sanitary sewer overflow. Staff remained on site 24/7 throughout the rain event.

Staff was made aware of an incident with pumper truck providing false information regarding the amount of water pumped and discharged. Follow up investigation is ongoing.

Cost of pumper trucks will be brought back to the Board.

EQ Basin did overflow into the tertiary pond. No contact with the chlorination Basin.

No SSO in the collection systems.

The General Manager discussed items in his report and responded to all inquiries.

**DISCUSSION AND POSSIBLE ACTION**

**Accept NBS Rate Study**

Moved by Director Mirbegian and seconded by Director Graham to accept NBS Rate Study as presented. Director Mirbegian clarified motion is to approve the study only.  
The board unanimously approved to accept the NBS Rate Study as submitted.

**DISCUSSION AND POSSIBLE ACTION:**  
**Authorize staff to send out 218 Public Hearing Notice 45 days in advance of the water/sewer/recycled water rate increase hearing**

Tabled

Moved by Director Mirbegian and seconded by Director Freeman, the Board unanimously approved to table item for further discussion.

A Board workshop recommended to review the rate study and other cost cutting options for the District.

**DISCUSSION AND POSSIBLE ACTION**  
**Review and Discuss Committee Charter's and Calendar (Hand Carry)**

Director Herndon provided a Board Calendar for the District website and Charter templates. Director Mirbegian provided an overview of the Finance Committee Charter. Director Graham suggested changing the name of the Emergency Preparedness Committee to Safety and Security Committee, Board members agreed to the name change. Committee's to follow Finance Committee suggested charter format and bring completed charters back to the March 19<sup>th</sup> Regular Board Meeting for final review.

Members of the Board to submit items for the Board Calendar to staff.

**DISCUSSION AND POSSIBLE ACTION:**  
**Approve RGS Contract for Financial Services**

Moved by Director Mirbegian and seconded by Director Freeman to approve the RGS contract for Financial Services, the rate is included in the contract.

The Board unanimously approved the RGS contract for Financial Services.

**DISCUSSION AND POSSIBLE ACTION:**  
**Accept 2017-18 Audit Report as presented by Smith & Newell**

A motion was made by Director Graham and Seconded by Director Lieberman to approve the 2017-2018 Audit Report as presented by Smith & Newell

The Board unanimously approved the 2017-2018 Audit Report as presented by Smith & Newell.

**PUBLIC COMMENT**

Member of the public commented on the ESRI Software and feels it is a quantum leap in data collection and very beneficial to the District. The public also agreed that an independent inspector for the Valley Oaks Pipe line would be a wise decision considering the District will be responsible after 18 months. As a rate payer understands cost go up year after year. Suggests the District look long and hard for ways to mitigate costs.

**BOARD MEMBER COMMENT**

Members of the Board acknowledged Trish for her outstanding hard work during the audit process.



## ADJOURNMENT

On a motion made by Director Freeman and seconded by Director Lieberman the Board voted unanimously to adjourn the meeting.

The meeting was adjourned at 9:05 p.m.

\_\_\_\_\_  
Linda Herndon                          Date  
President of the Board

\_\_\_\_\_  
Kirk Cloyd                                  Date  
General Manager/Secretary to the Board



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
SPECIAL MEETING MINUTES  
MEETING DATE: March 4, 2019**

The Hidden Valley Lake Community Services District Board of Directors met this evening at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.

Present were:

Director Linda Herndon, President  
Director Judy Mirbegian, Vice President (*via teleconference*)  
Director Jim Freeman  
Director Jim Lieberman  
Director Carolyn Graham  
Kirk Cloyd, General Manager  
Penny Cuadras, Administrative Assistant

**CALL TO ORDER**

The meeting was called to order at 5:33 p.m. by President Herndon.

**APPROVAL OF AGENDA**

Director Herndon moved to amend the March 4, 2019 Agenda, to remove Agenda Item 9, Closed Session.

Director Lieberman moved to approve the March 4, 2019 Special Meeting Agenda as amended, seconded by Director Graham.

Roll Call Vote:

AYES: (5) Directors Graham, Herndon, Mirbegian, Freeman and Lieberman

NAYS: (0)

ABSTAIN: (0)

ABSENT: (0)

The Board unanimously approved the March 4, 2019 Special Meeting Agenda as amended by Roll Call Vote.

**DISCUSSION AND POSSIBLE ACTION:**

**Unit 9 Tank Project approvals**

- a) **Approve the expenditure of budgeted funds to complete the Environmental portion of the Unit 9 Tank HMGP Sub application, not to exceed \$28,750**
- b) **Authorize the General Manager to submit the Unit 9 Tank Project sub application**

Director Lieberman moved to approve the Unit 9 Tank Project;

a) Approving the expenditure of budgeted funds to complete the Environmental portion of the Unit 9 Tank HMGP Sub application, not to exceed \$28,750

b) Authorizing the General Manager to submit the Unit 9 Tank Project sub application, seconded by Director Graham.

Roll Call Vote:

AYES: (5) Directors Graham, Herndon, Mirbegian, Freeman and Lieberman

NAYS: (0)  
ABSTAIN: (0)  
ABSENT: (0)

The Board unanimously approved the Unit 9 Tank Project;

- a) Approving the expenditure of budgeted funds to complete the Environmental portion of the Unit 9 Tank HMGP Sub application, not to exceed \$28,750
- b) Authorizing the General Manager to submit the Unit 9 Tank Project sub application by Roll Call Vote.

**DISCUSSION AND POSSIBLE ACTION:**

**Approve the expenditure of budgeted funds to execute Design Services for the Mountain Meadow North Water Main Replacement, not to exceed \$26,484**

Director Mirbegian moved to approve the expenditure of budgeted funds to execute Design Services for the Mountain Meadow North Water Main Replacement, not to exceed \$26,484. Seconded by Director Graham.

Roll Call Vote:

AYES: (5) Directors Graham, Herndon, Mirbegian, Freeman and Lieberman

NAYS: (0)

ABSTAIN: (0)

ABSENT: (0)

The Board unanimously approved the expenditure of budgeted funds to execute Design Services for the Mountain Meadow North Water Main Replacement, not to exceed \$26,484 by Roll Call Vote.

**DISCUSSION AND POSSIBLE ACTION:**

**Discuss and recommend payment source for multiple pumper truck invoices as a result of WWTP inundation 2/13-2/16**

Director Lieberman moved to approve payment source for multiple pumper truck invoices through Fund 313 as a result of WWTP inundation 2/13-2/16. Seconded by Director Mirbegian.

Roll Call Vote:

AYES: (5) Directors Graham, Herndon, Mirbegian, Freeman and Lieberman

NAYS: (0)

ABSTAIN: (0)

ABSENT: (0)

The Board unanimously approved using Operation Reserve Fund 313 for the payment source for multiple pumper truck invoices as a result of WWTP inundation 2/13-2/16 by Roll Call Vote. These funds are expected to be reimbursed up to 94% my CalOES/FEMA.

**DISCUSSION AND POSSIBLE ACTION:**

**Possible discussion of a Declaration of Emergency due to the 2019 flooding (Hand Carry)**

Director Freeman moved to approve Resolution 2019-01 RESOLUTION OF THE HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT EMERGENCY DECLARATION  
Seconded by Director Lieberman.

Roll Call Vote:

AYES: (5) Directors Graham, Herndon, Mirbegian, Freeman and Lieberman

NAYS: (0)

ABSTAIN: (0)  
ABSENT: (0)

The Board unanimously approved Resolution 2019-01 RESOLUTION OF THE HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT EMERGENCY DECLARATION by Roll Call Vote.

### ADJOURNMENT

Director Lieberman moved to adjourn the meeting. Seconded by Director Freeman

Roll Call:

AYES: (5) Directors Graham, Herndon, Mirbegan, Freeman and Lieberman

NAYS: (0)

ABSTAIN: (0)

ABSENT: (0)

The Board voted unanimously to adjourn the meeting by Roll Call Vote.

The meeting was adjourned at 6:22 p.m.

\_\_\_\_\_  
Linda Herndon                                Date  
President of the Board

\_\_\_\_\_  
Kirk Cloyd    3/5/19  
General Manager/Secretary to the Board    Date



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
SAFETY & SECURITY COMMITTEE REPORT  
MEETING DATE: March 5, 2019**

The Hidden Valley Lake Community Services District Safety & Security Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California. Present were:

Director Graham  
General Manager, Kirk Cloyd  
Administrative Assistant, Penny Cuadras

**CALL TO ORDER**

The meeting was called to order at 12:05 by Director Graham.

**APPROVAL OF AGENDA**

Director Graham moved to approve the March 5, 2019 Safety and Security Agenda and seconded by General Manager, Kirk Cloyd the Committee unanimously approved the agenda.

**DISCUSS AND REVIEW:**

**RGS proposal for Board of Directors Guide to Disaster Operations and Workshop**

Committee recommend to proceed with this if it can be included in the 2019/20 budget or other funds can be identified in the current budget as all funds in the Safety and Security line item have been expended for the 2018/19 fiscal year. Cost to be split between water and sewer for a total of \$13,500.

**DISCUSS AND REVIEW:**

**Improved staff & HVLA communication/coordination during emergency events**

Staff is currently working with HVLA Security to purchase 16 hand held Motorola radios with batteries and a desk charger for each radio, at a total cost of \$1,600.00. HVLA has discussed a Mutual Aid Agreement with HVLCSD that will allow the District to use HVLA License and FCC Frequencies daily and during emergencies.

**DISCUSS AND REVIEW:**

**Committee Charter-Does the Committee have a draft charter? Board has agreed on format to follow Finance Committee charter**

The Committee will continue to work on the charter. A schedule has been set by the Committee to meet on the first Thursday of every month at 12:00 PM

**DISCUSS AND REVIEW:**

**CSDA Webinar-Emergency Preparedness and Response & the District's Emergency Action Plan**

Staff stressed the importance of the Boards knowledge of their Constitutional responsibility as a Civil Servant.  
Staff recommend bringing before the Board during Committee Report for discussion.  
Director Graham will view the Webinar and discuss with the Board.

**DISCUSS AND REVIEW:**  
**Emergency/Backup Generators for the water system**

Staff provided a conceptual study estimate and funding options for emergency/backup power for the District water system. This is vital during PG&E scheduled outages and emergencies.

**DISCUSS AND REVIEW:**  
**District policy to review Vulnerability Assessment, Emergency Response Plan and District's Facilities Annually**

Discussed the District Vulnerability Assessment and Emergency Response Plan, to be reviewed annually and updated as needed as well as Board policy to tour District facilities annually.

**DISCUSS AND REVIEW:**  
**Improving the safety and security of staff and assets**

Staff provided an update on items discussed in previous meetings.

Director Graham requests a tour be scheduled to tour the WWTP and District water/wastewater infrastructure.

**PUBLIC COMMENT**

No Public present.

**COMMITTEE MEMBER COMMENT**

Director Graham asked that staff be reminded to wear safety vests and run safety lights when reading meters and when driving the golf carts.

**ADJOURNMENT**

The meeting was adjourned at 1:32 p.m.

VENDOR SET: 01 Hidden Valley Lake

## D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 120 SEWER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-1002	PETTY CASH REIMBURSEMENT			N		FUND TOTAL FOR VENDOR	117.25
01-1046	RAINBOW AGRICULTURAL SERV			N		FUND TOTAL FOR VENDOR	588.71
01-1086	CALIFORNIA SPECIAL DISTRI			N		FUND TOTAL FOR VENDOR	600.00
01-11	STATE OF CALIFORNIA EDD			N		FUND TOTAL FOR VENDOR	2,169.77
01-1392	MEDIACOM			N		FUND TOTAL FOR VENDOR	258.56
01-1579	SOUTH LAKE REFUSE COMPANY			N		FUND TOTAL FOR VENDOR	214.05
01-17	SMITH & NEWELL CPA			N		FUND TOTAL FOR VENDOR	6,200.00
01-1705	SPECIAL DISTRICT RISK MAN			N		FUND TOTAL FOR VENDOR	15,485.64
01-1722	US DEPARTMENT OF THE TREA			N		FUND TOTAL FOR VENDOR	3,755.37
01-1723	ADVANCED ELECTRONIC SECUR			N		FUND TOTAL FOR VENDOR	132.00
01-1751	USA BLUE BOOK			N		FUND TOTAL FOR VENDOR	2,174.62
01-1961	ACWA/JPIA			N		FUND TOTAL FOR VENDOR	549.82
01-2057	BARTLEY PUMP, INC.			N		FUND TOTAL FOR VENDOR	1,398.50
01-21	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	5,197.41
01-2111	DATAPROSE			N		FUND TOTAL FOR VENDOR	1,382.22
01-2283	ARMED FORCE PEST CONTROL,			N		FUND TOTAL FOR VENDOR	102.50
01-2538	HARDESTER'S MARKETS & HAR			N		FUND TOTAL FOR VENDOR	40.20
01-2598	VERIZON WIRELESS			N		FUND TOTAL FOR VENDOR	436.18
01-2638	RICOH USA, INC.			N		FUND TOTAL FOR VENDOR	193.14
01-2648	B & G TIRES OF MIDDLETOWN			N		FUND TOTAL FOR VENDOR	91.09
01-2660	ST. HELENA HOSPITAL D.B.			N		FUND TOTAL FOR VENDOR	65.06
01-2684	OFFICE DEPOT			N		FUND TOTAL FOR VENDOR	268.69
01-2699	MICHELLE HAMILTON			N		FUND TOTAL FOR VENDOR	312.50
01-2700	REDFORD SERVICES			N		FUND TOTAL FOR VENDOR	950.00
01-2788	GHD			N		FUND TOTAL FOR VENDOR	3,116.50
01-2816	CARDMEMBER SERVICE			N		FUND TOTAL FOR VENDOR	940.73
01-2817	MIKSIS SERVICES, INC.			N		FUND TOTAL FOR VENDOR	14,947.50

VENDOR SET: 01 Hidden Valley Lake

## D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 120 SEWER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2820	ALPHA ANALYTICAL LABORATO			N		FUND TOTAL FOR VENDOR	2,253.00
01-2823	GARDENS BY JILLIAN			N		FUND TOTAL FOR VENDOR	100.00
01-2825	NATIONWIDE RETIREMENT SOL			N		FUND TOTAL FOR VENDOR	900.00
01-2842	COASTLAND CIVIL ENGINEERI			N		FUND TOTAL FOR VENDOR	1,240.00
01-2847	ALYSSA GORDON			N		FUND TOTAL FOR VENDOR	227.10
01-2860	WESTGATE PETROLEUM CO., I			N		FUND TOTAL FOR VENDOR	693.16
01-2890	CURTIS EDWARD'S ROOFING			N		FUND TOTAL FOR VENDOR	175.00
01-2909	STREAMLINE			N		FUND TOTAL FOR VENDOR	100.00
01-2914	RAY MORGAN COMPANY			N		FUND TOTAL FOR VENDOR	64.16
01-2917	AT&T MOBILITY			N		FUND TOTAL FOR VENDOR	33.55
01-2921	LOCAL GOVERNMENT COMMISSI			N		FUND TOTAL FOR VENDOR	12,127.28
01-2922	AMAZON CAPITAL SERVICES,			N		FUND TOTAL FOR VENDOR	415.57
01-2927	TELEDYNE INSTRUMENTS, INC			N		FUND TOTAL FOR VENDOR	359.29
01-2933	CSMFO			N		FUND TOTAL FOR VENDOR	55.00
01-2945	APPLIED TECHNOLOGY SOLUTI			N		FUND TOTAL FOR VENDOR	286.50
01-2950	AFLAC			N		FUND TOTAL FOR VENDOR	210.04
01-2951	JENFITCH, LLC			N		FUND TOTAL FOR VENDOR	6,084.15
01-2965	THE RESULTS GROUP			N		FUND TOTAL FOR VENDOR	750.00
01-2967	TITUS			N		FUND TOTAL FOR VENDOR	15,584.11
01-8	AT&T			N		FUND TOTAL FOR VENDOR	121.12
01-9	PACIFIC GAS & ELECTRIC CO			N		FUND TOTAL FOR VENDOR	12,999.63
01-981	U S POSTMASTER			N		FUND TOTAL FOR VENDOR	100.00
*** FUND TOTALS ***							116,566.67



VENDOR SET: 01 Hidden Valley Lake

## D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 130 WATER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-1	MISCELLANEOUS VENDOR			N		FUND TOTAL FOR VENDOR	606.49
01-1002	PETTY CASH REIMBURSEMENT			N		FUND TOTAL FOR VENDOR	117.24
01-1046	RAINBOW AGRICULTURAL SERV			N		FUND TOTAL FOR VENDOR	588.71
01-1086	CALIFORNIA SPECIAL DISTRI			N		FUND TOTAL FOR VENDOR	600.00
01-11	STATE OF CALIFORNIA EDD			N		FUND TOTAL FOR VENDOR	2,442.31
01-1392	MEDIACOM			N		FUND TOTAL FOR VENDOR	258.56
01-1579	SOUTH LAKE REFUSE COMPANY			N		FUND TOTAL FOR VENDOR	214.03
01-1659	WAGNER & BONSIGNORE			N		FUND TOTAL FOR VENDOR	10,561.50
01-17	SMITH & NEWELL CPA			N		FUND TOTAL FOR VENDOR	6,200.00
01-1705	SPECIAL DISTRICT RISK MAN			N		FUND TOTAL FOR VENDOR	15,485.64
01-1722	US DEPARTMENT OF THE TREA			N		FUND TOTAL FOR VENDOR	4,432.30
01-1723	ADVANCED ELECTRONIC SECUR			N		FUND TOTAL FOR VENDOR	132.00
01-1961	ACWA/JPIA			N		FUND TOTAL FOR VENDOR	549.82
01-2057	BARTLEY PUMP, INC.			N		FUND TOTAL FOR VENDOR	2,339.48
01-21	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	5,867.82
01-2111	DATAPROSE			N		FUND TOTAL FOR VENDOR	1,382.22
01-2283	ARMED FORCE PEST CONTROL,			N		FUND TOTAL FOR VENDOR	102.50
01-2538	HARDESTER'S MARKETS & HAR			N		FUND TOTAL FOR VENDOR	29.48
01-2541	MENDO MILL CLEARLAKE			N		FUND TOTAL FOR VENDOR	24.99
01-2598	VERIZON WIRELESS			N		FUND TOTAL FOR VENDOR	436.17
01-2638	RICOH USA, INC.			N		FUND TOTAL FOR VENDOR	193.15
01-2648	B & G TIRES OF MIDDLETOWN			N		FUND TOTAL FOR VENDOR	91.09
01-2660	ST. HELENA HOSPITAL D.B.			N		FUND TOTAL FOR VENDOR	65.06
01-2684	OFFICE DEPOT			N		FUND TOTAL FOR VENDOR	173.06
01-2699	MICHELLE HAMILTON			N		FUND TOTAL FOR VENDOR	312.50
01-2702	PACE SUPPLY CORP			N		FUND TOTAL FOR VENDOR	9,003.10
01-2816	CARDMEMBER SERVICE			N		FUND TOTAL FOR VENDOR	4,245.60

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 130 WATER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2819	SWRCB - DWCP			N		FUND TOTAL FOR VENDOR	110.00
01-2820	ALPHA ANALYTICAL LABORATO			N		FUND TOTAL FOR VENDOR	1,225.00
01-2823	GARDENS BY JILLIAN			N		FUND TOTAL FOR VENDOR	100.00
01-2825	NATIONWIDE RETIREMENT SOL			N		FUND TOTAL FOR VENDOR	900.00
01-2842	COASTLAND CIVIL ENGINEERI			N		FUND TOTAL FOR VENDOR	1,240.00
01-2847	ALYSSA GORDON			N		FUND TOTAL FOR VENDOR	227.11
01-2860	WESTGATE PETROLEUM CO., I			N		FUND TOTAL FOR VENDOR	693.16
01-2878	BADGER METER			N		FUND TOTAL FOR VENDOR	264.00
01-2890	CURTIS EDWARD'S ROOFING			N		FUND TOTAL FOR VENDOR	175.00
01-2909	STREAMLINE			N		FUND TOTAL FOR VENDOR	100.00
01-2914	RAY MORGAN COMPANY			N		FUND TOTAL FOR VENDOR	64.16
01-2917	AT&T MOBILITY			N		FUND TOTAL FOR VENDOR	33.55
01-2922	AMAZON CAPITAL SERVICES,			N		FUND TOTAL FOR VENDOR	415.57
01-2933	CSMFO			N		FUND TOTAL FOR VENDOR	55.00
01-2943	DICKENSON PEATMAN & FOGAR			N		FUND TOTAL FOR VENDOR	400.00
01-2945	APPLIED TECHNOLOGY SOLUTI			N		FUND TOTAL FOR VENDOR	286.50
01-2950	AFLAC			N		FUND TOTAL FOR VENDOR	238.58
01-2965	THE RESULTS GROUP			N		FUND TOTAL FOR VENDOR	750.00
01-2966	LAKE COUNTY TREE SERVICE,			N		FUND TOTAL FOR VENDOR	3,500.00
01-8	AT&T			N		FUND TOTAL FOR VENDOR	121.12
01-9	PACIFIC GAS & ELECTRIC CO			N		FUND TOTAL FOR VENDOR	14,789.43
01-981	U S POSTMASTER			N		FUND TOTAL FOR VENDOR	100.00
*** FUND TOTALS ***							92,243.00

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 140 FLOOD ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099 ACCT NO#	G/L NAME	G/L AMOUNT
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01-9	PACIFIC GAS & ELECTRIC CO			N	FUND TOTAL FOR VENDOR	127.69
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\*\*\* FUND TOTALS \*\*\* 127.69

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 215 RECA REDEMPTION 1995

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2893	U.S. BANK ST. PAUL			N		FUND TOTAL FOR VENDOR	52,595.82
*** FUND TOTALS ***							52,595.82
*** REPORT TOTALS ***			261,533.18				261,533.18

\*G / L EXPENSE DISTRIBUTION\*

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 2075	AFLAC	210.04
120 2088	SURVIVOR BENEFITS - PERS	10.61
120 2090	PERS PAYABLE	2,298.83
120 2091	FIT PAYABLE	2,760.47
120 2092	CIT PAYABLE	933.72
120 2093	SOCIAL SECURITY PAYABLE	17.98
120 2094	MEDICARE PAYABLE	479.42
120 2095	S D I PAYABLE	327.75
120 2099	DEFERRED COMP - 457 PLAN	900.00
120 5-00-5025	RETIREE HEALTH BENEFITS	1,798.77
120 5-00-5060	GASOLINE, OIL & FUEL	710.04
120 5-00-5061	VEHICLE MAINT	95.70
120 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	155.00
120 5-00-5092	POSTAGE & SHIPPING	1,035.42
120 5-00-5122	ENGINEERING SERVICES	4,356.50
120 5-00-5123	OTHER PROFESSIONAL SERVICES	12,127.28
120 5-00-5126	AUDIT SERVICES	6,200.00
120 5-00-5130	PRINTING & PUBLICATION	470.35
120 5-00-5145	EQUIPMENT RENTAL	257.30
120 5-00-5148	OPERATING SUPPLIES	8,202.52
120 5-00-5150	REPAIR & REPLACE	18,822.16
120 5-00-5155	MAINT BLDG & GROUNDS	247.93
120 5-00-5156	CUSTODIAL SERVICES	1,262.50
120 5-00-5157	SECURITY	132.00
120 5-00-5191	TELEPHONE	849.41
120 5-00-5192	ELECTRICITY	12,999.63
120 5-00-5193	OTHER UTILITIES	214.05
120 5-00-5194	IT SERVICES	321.00
120 5-00-5195	ENV/MONITORING	2,253.00

VENDOR SET: 01 Hidden Valley Lake

## D I S B U R S E M E N T   R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 215 RECA REDEMPTION 1995

SORTED BY FUND

## \*G/L EXPENSE DISTRIBUTION\*

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 5-00-5198	ANNUAL OPERATING FEES	28.75
120 5-00-5315	SAFETY EQUIPMENT	89.12
120 5-10-5010	SALARIES & WAGES	277.11
120 5-10-5020	EMPLOYEE BENEFITS	6,107.59
120 5-10-5021	RETIREMENT BENEFITS	1,674.06
120 5-10-5090	OFFICE SUPPLIES	219.50
120 5-10-5170	TRAVEL MILEAGE	284.36
120 5-10-5175	EDUCATION / SEMINARS	370.00
120 5-30-5010	SALARIES & WAGES	198.19
120 5-30-5020	EMPLOYEE BENEFITS	5,741.56
120 5-30-5021	RETIREMENT BENEFITS	1,213.91
120 5-30-5090	OFFICE SUPPLIES	23.76
120 5-30-5175	EDUCATION / SEMINARS	12.50
120 5-40-5010	DIRECTORS COMPENSATION	22.20
120 5-40-5030	DIRECTOR HEALTH BENEFITS	3,360.90
120 5-40-5170	TRAVEL MILEAGE	41.37
120 5-40-5176	DIRECTOR TRAINING	1,050.00
120 5-70-7201	I & I	15,402.41
	** FUND TOTAL **	116,566.67
130 1052	ACCTS REC WATER USE	556.49
130 2075	AFLAC	238.58
130 2088	SURVIVOR BENEFITS - PERS	11.71
130 2090	PERS PAYABLE	2,586.65
130 2091	FIT PAYABLE	3,327.78
130 2092	CIT PAYABLE	1,143.55
130 2093	SOCIAL SECURITY PAYABLE	19.22
130 2094	MEDICARE PAYABLE	533.09
130 2095	S D I PAYABLE	364.56
130 2099	DEFERRED COMP - PLAN 457 PAYAB	900.00
130 5-00-5025	RETIREE HEALTH BENEFITS	1,798.77
130 5-00-5060	GASOLINE, OIL & FUEL	693.16
130 5-00-5061	VEHICLE MAINT	95.70
130 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	155.00
130 5-00-5092	POSTAGE & SHIPPING	1,035.42
130 5-00-5122	ENGINEERING SERVICES	1,240.00
130 5-00-5124	WATER RIGHTS	10,961.50
130 5-00-5126	AUDIT SERVICES	6,200.00
130 5-00-5130	PRINTING & PUBLICATION	470.35
130 5-00-5145	EQUIPMENT RENTAL	257.31
130 5-00-5150	REPAIR & REPLACE	14,331.90
130 5-00-5155	MAINT BLDG & GROUNDS	3,747.93
130 5-00-5156	CUSTODIAL SERVICES	312.50
130 5-00-5157	SECURITY	132.00
130 5-00-5191	TELEPHONE	849.40
130 5-00-5192	ELECTRICITY	14,789.43
130 5-00-5193	OTHER UTILITIES	214.03

\*G/L EXPENSE DISTRIBUTION\*

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
130 5-00-5194	IT SERVICES	585.00
130 5-00-5195	ENV/MONITORING	1,225.00
130 5-00-5198	ANNUAL OPERATING FEES	28.75
130 5-00-5315	SAFETY EQUIPMENT	89.12
130 5-00-5505	WATER CONSERVATION	380.00
130 5-10-5010	SALARIES & WAGES	277.09
130 5-10-5020	EMPLOYEE BENEFITS	6,107.49
130 5-10-5021	RETIREMENT BENEFITS	1,674.04
130 5-10-5090	OFFICE SUPPLIES	219.48
130 5-10-5170	TRAVEL MILEAGE	284.37
130 5-10-5175	EDUCATION / SEMINARS	370.00
130 5-30-5010	SALARIES & WAGES	251.42
130 5-30-5020	EMPLOYEE BENEFITS	5,767.56
130 5-30-5021	RETIREMENT BENEFITS	1,595.42
130 5-30-5063	CERTIFICATIONS	110.00
130 5-30-5090	OFFICE SUPPLIES	23.76
130 5-30-5175	EDUCATION / SEMINARS	1,812.50
130 5-40-5010	DIRECTORS COMPENSATION	23.70
130 5-40-5030	DIRECTOR HEALTH BENEFITS	3,360.90
130 5-40-5170	TRAVEL MILEAGE	41.37
130 5-40-5176	DIRECTOR TRAINING	1,050.00
	** FUND TOTAL **	92,243.00
140 5-00-5192	ELECTRICITY	127.69
	** FUND TOTAL **	127.69
215 5-00-5522	INTEREST ON LONG-TERM DEBT	52,595.82
	** FUND TOTAL **	52,595.82

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 \*\* TOTAL \*\* 261,533.18

NO ERRORS

SELECTION CRITERIA

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VENDOR SET: 01 Hidden Valley Lake  
VENDOR: ALL  
BANK: ALL  
VENDOR CLASS(ES): ALL CLASSES  
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TRANSACTION SELECTION

REPORTING: PAID ITEMS ,G/L DIST

=====PAYMENT DATES=====      =====ITEM DATES=====      =====POSTING DATES=====  
PAID ITEMS DATES      :    2/01/2019 THRU 2/28/2019      0/00/0000 THRU 99/99/9999      0/00/0000 THRU 99/99/9999

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PRINT OPTIONS

REPORT SEQUENCE: FUND  
G/L EXPENSE DISTRIBUTION: YES  
CHECK RANGE: 000000 THRU 999999  
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HIDDEN VALLEY LAKE CSD  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: FEBRUARY 28TH, 2019

120-SEWER ENTERPRISE FUND  
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
ALL REVENUE	<u>1,613,149.00</u>	<u>101,739.22</u>	<u>1,687,259.21</u>	( <u>74,110.21</u> )	<u>104.59</u>
TOTAL REVENUES	<u>1,613,149.00</u>	<u>101,739.22</u>	<u>1,687,259.21</u>	( <u>74,110.21</u> )	<u>104.59</u>
<u>EXPENDITURE SUMMARY</u>					
NON-DEPARTMENTAL	608,872.00	73,169.12	821,974.79	( 213,102.79)	135.00
ADMINISTRATION	383,766.00	30,447.62	252,161.98	131,604.02	65.71
OFFICE	0.00	0.00	0.00	0.00	0.00
FIELD	308,888.00	23,262.80	192,904.01	115,983.99	62.45
DIRECTORS	44,916.00	4,619.47	28,757.09	16,158.91	64.02
SPECIAL PROJECTS	93,522.50	0.00	281,842.06	( 188,319.56)	301.36
CAPITAL PROJECTS & EQUIP	<u>55,000.00</u>	<u>15,402.41</u>	<u>52,404.37</u>	<u>2,595.63</u>	<u>95.28</u>
TOTAL EXPENDITURES	<u>1,494,964.50</u>	<u>146,901.42</u>	<u>1,630,044.30</u>	( <u>135,079.80</u> )	<u>109.04</u>
REVENUES OVER/(UNDER) EXPENDITURES	118,184.50	( 45,162.20)	57,214.91	60,969.59	48.41



120-SEWER ENTERPRISE FUND  
 REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-4020 INSPECTION FEES	700.00	0.00	300.00	400.00	42.86
120-4036 DEVELOPER SEWER FEES	0.00	0.00	21,606.04 (	21,606.04)	0.00
120-4040 LIEN RECORDING FEES	0.00	0.00	0.00	0.00	0.00
120-4045 AVAILABILITY FEES	5,000.00	0.00	4,364.84	635.16	87.30
120-4050 SALES OF RECLAIMED WATER	125,000.00	2,645.62	72,653.44	52,346.56	58.12
120-4111 COMM SEWER USE	22,000.00	2,572.62	20,580.96	1,419.04	93.55
120-4112 GOV'T SEWER USE	700.00	60.93	487.44	212.56	69.63
120-4116 SEWER USE CHARGES	1,137,649.00	94,628.76	757,644.17	380,004.83	66.60
120-4210 LATE FEE	25,000.00	1,831.09	13,264.06	11,735.94	53.06
120-4300 MISC INCOME	1,500.00	0.20	626.60	873.40	41.77
120-4310 OTHER INCOME	0.00	0.00	121.35 (	121.35)	0.00
120-4320 FEMA/CalOES Grants	295,000.00	0.00	401,454.00 (	106,454.00)	136.09
120-4505 LEASE INCOME	0.00	0.00	0.00	0.00	0.00
120-4550 INTEREST INCOME	600.00	0.00	1,188.91 (	588.91)	198.15
120-4580 TRANSFERS IN	0.00	0.00	392,967.40 (	392,967.40)	0.00
120-4591 INCOME APPLICABLE TO PRIOR YRS	0.00	0.00	0.00	0.00	0.00
120-4955 Gain/Loss	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUES</b>	<b>1,613,149.00</b>	<b>101,739.22</b>	<b>1,687,259.21 (</b>	<b>74,110.21)</b>	<b>104.59</b>
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120-SEWER ENTERPRISE FUND  
NON-DEPARTMENTAL  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-00-5010 SALARY & WAGES	0.00	0.00	0.00	0.00	0.00
120-5-00-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
120-5-00-5021 RETIREMENT BENEFITS	0.00	0.00	0.00	0.00	0.00
120-5-00-5024 WORKERS' COMP INSURANCE	0.00	0.00	350.70 (	350.70)	0.00
120-5-00-5025 RETIREE HEALTH BENEFITS	21,472.00	899.37	7,044.05	14,427.95	32.81
120-5-00-5026 COBRA Health & Dental	0.00	0.00	0.00	0.00	0.00
120-5-00-5040 ELECTION EXPENSE	4,500.00	0.00	0.00	4,500.00	0.00
120-5-00-5050 DEPRECIATION	0.00	0.00	0.00	0.00	0.00
120-5-00-5060 GASOLINE, OIL & FUEL	8,000.00	710.04	6,753.51	1,246.49	84.42
120-5-00-5061 VEHICLE MAINT	12,500.00	95.70	18,326.76 (	5,826.76)	146.61
120-5-00-5062 TAXES & LIC	800.00	0.00	311.01	488.99	38.88
120-5-00-5074 INSURANCE	22,000.00	0.00	25,770.89 (	3,770.89)	117.14
120-5-00-5075 BANK FEES	13,400.00	1,440.61	11,694.19	1,705.81	87.27
120-5-00-5080 MEMBERSHIP & SUBSCRIPTIONS	6,400.00	155.00	5,497.00	903.00	85.89
120-5-00-5092 POSTAGE & SHIPPING	5,000.00	1,034.90	3,968.63	1,031.37	79.37
120-5-00-5110 CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
120-5-00-5121 LEGAL SERVICES	5,000.00	0.00	1,372.50	3,627.50	27.45
120-5-00-5122 ENGINEERING SERVICES	27,000.00	4,356.50	25,091.86	1,908.14	92.93
120-5-00-5123 OTHER PROFESSIONAL SERVICE	96,000.00	12,127.28	36,081.27	59,918.73	37.58
120-5-00-5126 AUDIT SERVICES	7,500.00	6,200.00	6,200.00	1,300.00	82.67
120-5-00-5130 PRINTING & PUBLICATION	5,000.00	470.35	1,823.76	3,176.24	36.48
120-5-00-5135 NEWSLETTER	500.00	0.00	0.00	500.00	0.00
120-5-00-5140 RENTS & LEASES	0.00	0.00	0.00	0.00	0.00
120-5-00-5145 EQUIPMENT RENTAL	14,000.00	257.30	19,715.98 (	5,715.98)	140.83
120-5-00-5148 OPERATING SUPPLIES	22,000.00	8,202.52	36,935.82 (	14,935.82)	167.89
120-5-00-5150 REPAIR & REPLACE	145,000.00	18,822.16	79,503.00	65,497.00	54.83
120-5-00-5155 MAINT BLDG & GROUNDS	5,500.00	247.93	3,517.71	1,982.29	63.96
120-5-00-5156 CUSTODIAL SERVICES	15,150.00	1,262.50	9,112.50	6,037.50	60.15
120-5-00-5157 SECURITY	5,000.00	132.00	396.00	4,604.00	7.92
120-5-00-5160 SLUDGE DISPOSAL	28,500.00	0.00	29,191.83 (	691.83)	102.43
120-5-00-5180 UNCOLLECTABLE ACCOUNTS	0.00	0.00	0.00	0.00	0.00
120-5-00-5191 TELEPHONE	9,500.00	849.41	6,752.92	2,747.08	71.08
120-5-00-5192 ELECTRICITY	45,000.00	12,999.63	29,011.79	15,988.21	64.47
120-5-00-5193 OTHER UTILITIES	2,600.00	214.05	1,500.81	1,099.19	57.72
120-5-00-5194 IT SERVICES	35,000.00	321.00	27,001.00	7,999.00	77.15
120-5-00-5195 ENV/MONITORING	32,000.00	2,253.00	21,902.50	10,097.50	68.45
120-5-00-5196 RISK MANAGEMENT	0.00	0.00	0.00	0.00	0.00
120-5-00-5198 ANNUAL OPERATING FEES	2,000.00	28.75	1,829.50	170.50	91.48
120-5-00-5310 EQUIPMENT - FIELD	1,500.00	0.00	0.00	1,500.00	0.00
120-5-00-5311 EQUIPMENT - OFFICE	1,300.00	0.00	0.00	1,300.00	0.00
120-5-00-5312 TOOLS - FIELD	1,000.00	0.00	1,337.62 (	337.62)	133.76
120-5-00-5315 SAFETY EQUIPMENT	3,500.00	89.12	2,491.68	1,008.32	71.19
120-5-00-5510 SEWER OUTREACH	0.00	0.00	0.00	0.00	0.00
120-5-00-5545 RECORDING FEES	250.00	0.00	34.00	216.00	13.60
120-5-00-5580 TRANSFERS OUT	0.00	0.00	401,454.00 (	401,454.00)	0.00
120-5-00-5590 NON-OPERATING OTHER	0.00	0.00	0.00	0.00	0.00
120-5-00-5591 EXPENSES APPLICABLE TO PRI	0.00	0.00	0.00	0.00	0.00
120-5-00-5600 CONTINGENCY	5,000.00	0.00	0.00	5,000.00	0.00
120-5-00-5650 OPERATING RESERVES	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: FEBRUARY 28TH, 2019

120-SEWER ENTERPRISE FUND  
 NON-DEPARTMENTAL  
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-00-5700 OVER / SHORT	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	608,872.00	73,169.12	821,974.79 (	213,102.79)	135.00

120-SEWER ENTERPRISE FUND  
ADMINISTRATION  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-10-5010 SALARIES & WAGES	244,904.00	19,226.18	164,693.92	80,210.08	67.25
120-5-10-5020 EMPLOYEE BENEFITS	82,142.00	6,269.13	48,119.38	34,022.62	58.58
120-5-10-5021 RETIREMENT BENEFITS	47,170.00	4,078.45	33,464.19	13,705.81	70.94
120-5-10-5063 CERTIFICATIONS	0.00	0.00	211.50 (	211.50)	0.00
120-5-10-5090 OFFICE SUPPLIES	4,000.00	219.50	2,943.65	1,056.35	73.59
120-5-10-5170 TRAVEL MILEAGE	1,200.00	284.36	1,153.58	46.42	96.13
120-5-10-5175 EDUCATION / SEMINARS	4,000.00	370.00	1,404.03	2,595.97	35.10
120-5-10-5179 ADM MISC EXPENSES	350.00	0.00	171.73	178.27	49.07
<b>TOTAL ADMINISTRATION</b>	<b>383,766.00</b>	<b>30,447.62</b>	<b>252,161.98</b>	<b>131,604.02</b>	<b>65.71</b>

HIDDEN VALLEY LAKE CSD  
REVENUE & EXPENSE REPORT (UNAUDITED)  
AS OF: FEBRUARY 28TH, 2019

120-SEWER ENTERPRISE FUND  
OFFICE  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-20-5010 SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
120-5-20-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
TOTAL OFFICE	0.00	0.00	0.00	0.00	0.00

120-SEWER ENTERPRISE FUND  
FIELD  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-30-5010 SALARIES & WAGES	212,658.00	13,866.69	119,552.91	93,105.09	56.22
120-5-30-5020 EMPLOYEE BENEFITS	44,600.00	5,741.56	41,105.49	3,494.51	92.16
120-5-30-5021 RETIREMENT BENEFITS	41,830.00	3,618.29	29,425.11	12,404.89	70.34
120-5-30-5022 CLOTHING ALLOWANCE	1,800.00	0.00	1,278.37	521.63	71.02
120-5-30-5063 CERTIFICATIONS	1,500.00	0.00	295.00	1,205.00	19.67
120-5-30-5090 OFFICE SUPPLIES	2,000.00	23.76	283.65	1,716.35	14.18
120-5-30-5170 TRAVEL MILEAGE	500.00	0.00	143.06	356.94	28.61
120-5-30-5175 EDUCATION / SEMINARS	4,000.00	12.50	820.42	3,179.58	20.51
TOTAL FIELD	308,888.00	23,262.80	192,904.01	115,983.99	62.45

120-SEWER ENTERPRISE FUND  
DIRECTORS  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-40-5010 DIRECTORS COMPENSATION	3,000.00	167.20	1,248.80	1,751.20	41.63
120-5-40-5020 DIRECTOR BENEFITS	100.00	0.00	26.97	73.03	26.97
120-5-40-5030 DIRECTOR HEALTH BENEFITS	40,116.00	3,360.90	26,389.95	13,726.05	65.78
120-5-40-5170 TRAVEL MILEAGE	200.00	41.37	41.37	158.63	20.69
120-5-40-5175 EDUCATION / SEMINARS	0.00	0.00	0.00	0.00	0.00
120-5-40-5176 DIRECTOR TRAINING	1,500.00	1,050.00	1,050.00	450.00	70.00
TOTAL DIRECTORS	44,916.00	4,619.47	28,757.09	16,158.91	64.02

HIDDEN VALLEY LAKE CSD  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: FEBRUARY 28TH, 2019

120-SEWER ENTERPRISE FUND  
 SPECIAL PROJECTS  
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-60-6001 PW LKHVA01	0.00	0.00	0.00	0.00	0.00
120-5-60-6002 PW LKHVB02	0.00	0.00	0.00	0.00	0.00
120-5-60-6003 PW LKHVA81	0.00	0.00	0.00	0.00	0.00
120-5-60-6004 PW LKHVB82	0.00	0.00	0.00	0.00	0.00
120-5-60-6005 PW LKHVF84	0.00	0.00	0.00	0.00	0.00
120-5-60-6006 PW LKHVF83	0.00	0.00	281,842.06 (	281,842.06)	0.00
120-5-60-6007 STORMS 2019	93,522.50	0.00	0.00	93,522.50	0.00
<b>TOTAL SPECIAL PROJECTS</b>	<b>93,522.50</b>	<b>0.00</b>	<b>281,842.06 (</b>	<b>188,319.56)</b>	<b>301.36</b>



HIDDEN VALLEY LAKE CSD  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: FEBRUARY 28TH, 2019

120-SEWER ENTERPRISE FUND  
 CAPITAL PROJECTS & EQUIP  
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-70-7201 I & I	55,000.00	15,402.41	52,404.37	2,595.63	95.28
TOTAL CAPITAL PROJECTS & EQUIP	55,000.00	15,402.41	52,404.37	2,595.63	95.28
TOTAL EXPENDITURES	1,494,964.50	146,901.42	1,630,044.30	( 135,079.80)	109.04
REVENUES OVER/(UNDER) EXPENDITURES	118,184.50	( 45,162.20)	57,214.91	60,969.59	48.41

\*\*\* END OF REPORT \*\*\*

HIDDEN VALLEY LAKE CSD  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: FEBRUARY 28TH, 2019

130-WATER ENTERPRISE FUND  
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
ALL REVENUE	<u>1,909,200.00</u>	<u>97,343.22</u>	<u>1,066,709.17</u>	<u>842,490.83</u>	<u>55.87</u>
TOTAL REVENUES	<u>1,909,200.00</u>	<u>97,343.22</u>	<u>1,066,709.17</u>	<u>842,490.83</u>	<u>55.87</u>
<u>EXPENDITURE SUMMARY</u>					
NON-DEPARTMENTAL	817,905.00	60,132.96	440,719.60	377,185.40	53.88
ADMINISTRATION	389,713.00	30,447.57	252,077.21	137,635.79	64.68
OFFICE	0.00	0.00	0.00	0.00	0.00
FIELD	309,288.00	29,305.30	229,770.59	79,517.41	74.29
DIRECTORS	<u>44,916.00</u>	<u>4,630.97</u>	<u>28,844.95</u>	<u>16,071.05</u>	<u>64.22</u>
TOTAL EXPENDITURES	<u>1,561,822.00</u>	<u>124,516.80</u>	<u>951,412.35</u>	<u>610,409.65</u>	<u>60.92</u>
REVENUES OVER/(UNDER) EXPENDITURES	347,378.00	( 27,173.58)	115,296.82	232,081.18	33.19

130-WATER ENTERPRISE FUND  
 REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-4035 RECONNECT FEE	13,000.00	1,710.00	7,565.00	5,435.00	58.19
130-4038 COMM WATER METER INSTALL	0.00	0.00	0.00	0.00	0.00
130-4039 WATER METER INST	1,000.00	0.00	510.00	490.00	51.00
130-4040 LIEN RECORDING FEES	500.00	174.70	355.16	144.84	71.03
130-4045 AVAILABILITY FEES	25,000.00	0.00	17,631.16	7,368.84	70.52
130-4110 COMM WATER USE	85,000.00	4,982.49	60,854.41	24,145.59	71.59
130-4112 GOV'T WATER USE	6,000.00	393.38	3,311.25	2,688.75	55.19
130-4115 WATER USE	1,750,000.00	87,334.42	874,887.45	875,112.55	49.99
130-4117 WATER OVERAGE FEE	0.00	0.00	0.00	0.00	0.00
130-4118 WATER OVERAGE COMM	0.00	0.00	0.00	0.00	0.00
130-4119 WATER OVERAGE GOV	0.00	0.00	0.00	0.00	0.00
130-4210 LATE FEE	25,000.00	2,538.03	22,943.55	2,056.45	91.77
130-4215 RETURNED CHECK FEE	1,000.00	50.00	500.00	500.00	50.00
130-4300 MISC INCOME	2,000.00	160.20	6,436.56 (	4,436.56)	321.83
130-4310 OTHER INCOME	0.00	0.00	121.35 (	121.35)	0.00
130-4505 LEASE INCOME	0.00	0.00	0.00	0.00	0.00
130-4550 INTEREST INCOME	700.00	0.00	2,144.50 (	1,444.50)	306.36
130-4580 TRANSFER IN	0.00	0.00	69,448.78 (	69,448.78)	0.00
130-4591 INCOME APPLICABLE TO PRIOR YRS	0.00	0.00	0.00	0.00	0.00
130-4955 Gain/Loss	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUES</b>	<b>1,909,200.00</b>	<b>97,343.22</b>	<b>1,066,709.17</b>	<b>842,490.83</b>	<b>55.87</b>

130-WATER ENTERPRISE FUND  
NON-DEPARTMENTAL  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-00-5010 SALARY & WAGES	0.00	0.00	0.00	0.00	0.00
130-5-00-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
130-5-00-5021 RETIREMENT BENEFITS	0.00	0.00	0.00	0.00	0.00
130-5-00-5024 WORKERS' COMP INSURANCE	0.00	0.00	350.70 (	350.70)	0.00
130-5-00-5025 RETIREE HEALTH BENEFITS	21,472.00	899.40	7,056.43	14,415.57	32.86
130-5-00-5026 COBRA Health & Dental	0.00	0.00	0.00	0.00	0.00
130-5-00-5040 ELECTION EXPENSE	4,500.00	0.00	0.00	4,500.00	0.00
130-5-00-5050 DEPRECIATION	0.00	0.00	0.00	0.00	0.00
130-5-00-5060 GASOLINE, OIL & FUEL	6,500.00	693.16	6,736.59 (	236.59)	103.64
130-5-00-5061 VEHICLE MAINT	12,500.00	95.70	5,128.57	7,371.43	41.03
130-5-00-5062 TAXES & LIC	1,200.00	0.00	311.00	889.00	25.92
130-5-00-5074 INSURANCE	25,000.00	0.00	25,770.88 (	770.88)	103.08
130-5-00-5075 BANK FEES	13,500.00	1,440.59	11,894.19	1,605.81	88.11
130-5-00-5080 MEMBERSHIP & SUBSCRIPTIONS	24,000.00	155.00	18,904.00	5,096.00	78.77
130-5-00-5092 POSTAGE & SHIPPING	6,000.00	1,034.89	3,968.65	2,031.35	66.14
130-5-00-5110 CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
130-5-00-5121 LEGAL SERVICES	1,000.00	0.00	1,372.50 (	372.50)	137.25
130-5-00-5122 ENGINEERING SERVICES	60,000.00	1,240.00	8,764.35	51,235.65	14.61
130-5-00-5123 OTHER PROFESSIONAL SERVICE	35,000.00	0.00	15,183.57	19,816.43	43.38
130-5-00-5124 WATER RIGHTS	70,000.00	10,961.50	26,922.37	43,077.63	38.46
130-5-00-5126 AUDIT SERVICES	7,500.00	6,200.00	6,200.00	1,300.00	82.67
130-5-00-5130 PRINTING & PUBLICATION	7,500.00	470.35	1,823.77	5,676.23	24.32
130-5-00-5135 NEWSLETTER	500.00	0.00	0.00	500.00	0.00
130-5-00-5140 RENT & LEASES	0.00	0.00	0.00	0.00	0.00
130-5-00-5145 EQUIPMENT RENTAL	50,533.00	257.31	37,589.66	12,943.34	74.39
130-5-00-5148 OPERATING SUPPLIES	1,500.00	0.00	5,248.20 (	3,748.20)	349.88
130-5-00-5150 REPAIR & REPLACE	185,000.00	14,331.90	68,579.85	116,420.15	37.07
130-5-00-5155 MAINT BLDG & GROUNDS	12,000.00	3,747.93	5,210.37	6,789.63	43.42
130-5-00-5156 CUSTODIAL SERVICES	3,750.00	312.50	3,412.50	337.50	91.00
130-5-00-5157 SECURITY	5,000.00	132.00	396.00	4,604.00	7.92
130-5-00-5180 UNCOLLECTABLE ACCOUNTS	0.00	0.00	2,128.17 (	2,128.17)	0.00
130-5-00-5191 TELEPHONE	10,000.00	849.40	6,752.91	3,247.09	67.53
130-5-00-5192 ELECTRICITY	115,000.00	14,789.43	93,347.92	21,652.08	81.17
130-5-00-5193 OTHER UTILITIES	2,200.00	214.03	1,500.79	699.21	68.22
130-5-00-5194 IT SERVICES	35,000.00	585.00	28,714.01	6,285.99	82.04
130-5-00-5195 ENV/MONITORING	15,000.00	1,225.00	14,375.00	625.00	95.83
130-5-00-5196 RISK MANAGEMENT	0.00	0.00	0.00	0.00	0.00
130-5-00-5198 ANNUAL OPERATING FEES	30,000.00	28.75	26,834.25	3,165.75	89.45
130-5-00-5310 EQUIPMENT - FIELD	2,000.00	0.00	808.04	1,191.96	40.40
130-5-00-5311 EQUIPMENT - OFFICE	1,000.00	0.00	808.03	191.97	80.80
130-5-00-5312 TOOLS - FIELD	2,000.00	0.00	0.00	2,000.00	0.00
130-5-00-5315 SAFETY EQUIPMENT	2,500.00	89.12	2,062.33	437.67	82.49
130-5-00-5505 WATER CONSERVATION	9,000.00	380.00	2,530.00	6,470.00	28.11
130-5-00-5545 RECORDING FEES	250.00	0.00	34.00	216.00	13.60
130-5-00-5580 TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00
130-5-00-5590 NON-OPERATING OTHER	0.00	0.00	0.00	0.00	0.00
130-5-00-5591 EXPENSES APPLICABLE TO PRI	0.00	0.00	0.00	0.00	0.00
130-5-00-5600 CONTINGENCY	40,000.00	0.00	0.00	40,000.00	0.00
130-5-00-5650 OPERATING RESERVES	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD  
REVENUE & EXPENSE REPORT (UNAUDITED)  
AS OF: FEBRUARY 28TH, 2019

130-WATER ENTERPRISE FUND  
NON-DEPARTMENTAL  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
TOTAL NON-DEPARTMENTAL	817,905.00	60,132.96	440,719.60	377,185.40	53.88

130-WATER ENTERPRISE FUND  
ADMINISTRATION  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-10-5010 SALARIES & WAGES	244,904.00	19,226.29	164,556.89	80,347.11	67.19
130-5-10-5020 EMPLOYEE BENEFITS	88,289.00	6,269.01	48,115.80	40,173.20	54.50
130-5-10-5021 RETIREMENT BENEFITS	47,170.00	4,078.42	33,454.48	13,715.52	70.92
130-5-10-5063 CERTIFICATIONS	0.00	0.00	32.50 (	32.50)	0.00
130-5-10-5090 OFFICE SUPPLIES	3,000.00	219.48	2,943.70	56.30	98.12
130-5-10-5170 TRAVEL MILEAGE	2,000.00	284.37	1,183.10	816.90	59.16
130-5-10-5175 EDUCATION / SEMINARS	4,000.00	370.00	1,619.01	2,380.99	40.48
130-5-10-5179 ADM MISC EXPENSES	350.00	0.00	171.73	178.27	49.07
130-5-10-5505 WATER CONSERVATION	0.00	0.00	0.00	0.00	0.00
TOTAL ADMINISTRATION	389,713.00	30,447.57	252,077.21	137,635.79	64.68

HIDDEN VALLEY LAKE CSD  
REVENUE & EXPENSE REPORT (UNAUDITED)  
AS OF: FEBRUARY 28TH, 2019

130-WATER ENTERPRISE FUND  
OFFICE  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-20-5010 SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
130-5-20-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
TOTAL OFFICE	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD  
REVENUE & EXPENSE REPORT (UNAUDITED)  
AS OF: FEBRUARY 28TH, 2019130-WATER ENTERPRISE FUND  
FIELD  
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-30-5010 SALARIES & WAGES	212,658.00	17,591.68	150,636.68	62,021.32	70.84
130-5-30-5020 EMPLOYEE BENEFITS	44,600.00	5,767.56	41,304.92	3,295.08	92.61
130-5-30-5021 RETIREMENT BENEFITS	41,830.00	3,999.80	32,632.99	9,197.01	78.01
130-5-30-5022 CLOTHING ALLOWANCE	1,800.00	0.00	1,278.37	521.63	71.02
130-5-30-5063 CERTIFICATIONS	600.00	110.00	320.00	280.00	53.33
130-5-30-5090 OFFICE SUPPLIES	2,000.00	23.76	200.00	1,800.00	10.00
130-5-30-5170 TRAVEL MILEAGE	1,800.00	0.00	171.18	1,628.82	9.51
130-5-30-5175 EDUCATION / SEMINARS	4,000.00	1,812.50	3,226.45	773.55	80.66
TOTAL FIELD	309,288.00	29,305.30	229,770.59	79,517.41	74.29



130-WATER ENTERPRISE FUND  
 DIRECTORS  
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-40-5010 DIRECTORS COMPENSATION	3,000.00	178.70	1,334.80	1,665.20	44.49
130-5-40-5020 DIRECTOR BENEFITIS	100.00	0.00	28.83	71.17	28.83
130-5-40-5030 DIRECTOR HEALTH BENEFITS	40,116.00	3,360.90	26,389.95	13,726.05	65.78
130-5-40-5080 MEMBERSHIP & SUBSCRIPTION	0.00	0.00	0.00	0.00	0.00
130-5-40-5170 TRAVEL MILEAGE	200.00	41.37	41.37	158.63	20.69
130-5-40-5175 EDUCATION / SEMINARS	0.00	0.00	0.00	0.00	0.00
130-5-40-5176 DIRECTOR TRAINING	1,500.00	1,050.00	1,050.00	450.00	70.00
TOTAL DIRECTORS	44,916.00	4,630.97	28,844.95	16,071.05	64.22
TOTAL EXPENDITURES	<u>1,561,822.00</u>	<u>124,516.80</u>	<u>951,412.35</u>	<u>610,409.65</u>	<u>60.92</u>
REVENUES OVER/(UNDER) EXPENDITURES	<u>347,378.00</u>	<u>( 27,173.58)</u>	<u>115,296.82</u>	<u>232,081.18</u>	<u>33.19</u>

\*\*\* END OF REPORT \*\*\*



**Hidden Valley Lake Community Services District**  
**Financial Activity, Cash and Investment Summary**  
**As of February 28, 2019**  
**(Rounded and Unaudited)**

	<b>Operating Checking</b>	<b>Money Market</b>	<b>LAIF</b>	<b>Bond Trustee</b>	<b>Total All Cash/Investment Accounts</b>
	<b>West America Bank 1010</b>	<b>West America Bank 1130</b>	<b>State Treasurer 1133</b>	<b>US Bank 1200</b>	
<b>Financial Activity of Cash/Investment Accounts in General Ledger [1]</b>					
<b>Beginning Balances</b>	\$ 438,630.59	\$ 953,463.49	\$ 991,944.31	\$ 177,650.05	\$ 2,561,688.44
<b>Cash Receipts</b>					
Utility Billing Deposits	234,459.16	-	-	-	
Electronic Fund Deposits	-	-	-	-	
Other Deposits	45.90	49.05	-	282.77	
<b>Total Cash Receipts</b>	<b>\$ 234,505.06</b>	<b>\$ 49.05</b>	<b>\$ -</b>	<b>\$ 282.77</b>	
<b>Cash Disbursements</b>					
Accounts Payable Checks issued	235,419.58	-	-	-	
Electronic Fund Disbursements	43,733.63	-	-	-	
Payroll Checks issued - net	52,454.78	-	-	-	
Bank Fees	2,881.20	-	-	-	
Other Disbursements	-	-	-	1,494.68	
<b>Total Disbursements</b>	<b>\$ 334,489.19</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,494.68</b>	
<b>Transfers Between Accounts</b>					
Transfers In	60,598.32	-	-	-	
Transfers Out	-	52,595.82	-	-	
<b>Total Transfers Between Accounts</b>	<b>\$ 60,598.32</b>	<b>\$ 52,595.82</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Balances in General Ledger</b>	<b>\$ 399,244.78</b>	<b>\$ 900,916.72</b>	<b>\$ 991,944.31</b>	<b>\$ 176,438.14</b>	<b>\$ 2,468,543.95</b>
<b>Reconciling Adjustments to Financial Institutions [2]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Financial Institution Ending Balances</b>	<b>\$ 424,268.03</b>	<b>\$ 900,916.72</b>	<b>\$ 991,944.31</b>	<b>\$ 176,438.14</b>	<b>\$ 2,493,567.20</b>

**Ending Balances General Ledger Distribution by District Funds**

<b>100</b> Operating	-	-	-	-	-
<b>120</b> Wastewater Operating	60,878.31	58,542.16	69,593.02	-	189,013.49
<b>130</b> Water Operating	120,447.07	163,884.00	103,713.35	-	388,044.42
<b>140</b> Flood Enterprise	2,227.43	-	-	-	2,227.43
<b>215</b> 2016 Sewer Refinancing Bond	-	202,587.93	62,932.66	176,438.14	441,958.73
<b>218</b> 2002 CIEDB Loan	85,131.02	-	11,906.88	-	97,037.90
<b>219</b> 2012 USDA Solar COP	0.23	54,978.08	847.37	-	55,825.68
<b>313</b> Wastewater Operating Reserve	(10,601.00)	60,502.32	267,553.90	-	317,455.22
<b>314</b> Wastewater CIP	6,000.00	51,684.33	270,305.62	-	327,989.95
<b>319</b> 2012 USDA Solar COP Reserve	-	31,274.42	-	-	31,274.42
<b>320</b> Water CIP	61,261.41	66,596.06	-	-	127,857.47
<b>325</b> Water Operating Reserve	19,338.97	-	-	-	19,338.97
<b>350</b> 2002 CIEDB Loan Reserve	-	-	177,058.60	-	177,058.60
<b>711</b> 2016 Bond Administration	(5,571.22)	1,085.67	28,082.92	-	23,597.37
<b>712</b> Bond Revolving	60,132.56	209,781.75	-	-	269,914.31
<b>Total Ending Balances in General Ledger</b>	<b>\$ 399,244.78</b>	<b>\$ 900,916.72</b>	<b>\$ 991,994.31</b>	<b>\$ 176,438.14</b>	<b>\$ 2,468,593.95</b>

[1] From General Ledger activity by Financial Institution accounts with District Fund accounts consolidated. Checking and Money Market accounts are with West America Bank, Local Agency Investment Account (LAIF) is held by the State Treasurer on behalf of the District and US Bank is the Bond Trustee for the the 2016 Refunding >>>>>>. All cash accounts have been reconciled to the ending Financial Institution statements.

[2] See Reconciliation Detail Summary for details

COMPANY: 999 - POOLED CASH FUND  
ACCOUNT: 1010 CASH - POOLED  
TYPE: All  
STATUS: All  
FOLIO: All

CHECK DATE: 2/01/2019 THRU 2/28/2019  
CLEAR DATE: 0/00/0000 THRU 99/99/9999  
STATEMENT: 0/00/0000 THRU 99/99/9999  
VOIDED DATE: 0/00/0000 THRU 99/99/9999  
AMOUNT: 0.00 THRU 999,999,999.99  
CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
BANK DRAFT:								
1010	2/01/2019	BANK-DRAFT	000277	US DEPARTMENT OF THE TREASURY	45.90CR	CLEARED	A	2/01/2019
1010	2/01/2019	BANK-DRAFT	000278	AFLAC	224.31CR	CLEARED	A	2/19/2019
1010	2/01/2019	BANK-DRAFT	000279	CALIFORNIA PUBLIC EMPLOYEES RE	5,529.68CR	CLEARED	A	2/04/2019
1010	2/01/2019	BANK-DRAFT	000280	NATIONWIDE RETIREMENT SOLUTION	900.00CR	CLEARED	A	2/01/2019
1010	2/01/2019	BANK-DRAFT	000281	STATE OF CALIFORNIA EDD	2,528.24CR	CLEARED	A	2/01/2019
1010	2/01/2019	BANK-DRAFT	000282	US DEPARTMENT OF THE TREASURY	4,024.36CR	CLEARED	A	2/01/2019
1010	2/01/2019	BANK-DRAFT	020119	USDA Interest Payment	8,002.50CR	CLEARED	G	2/05/2019
1010	2/15/2019	BANK-DRAFT	000283	AFLAC	224.31CR	CLEARED	A	3/05/2019
1010	2/15/2019	BANK-DRAFT	000284	CALIFORNIA PUBLIC EMPLOYEES RE	5,535.55CR	CLEARED	A	2/19/2019
1010	2/15/2019	BANK-DRAFT	000285	NATIONWIDE RETIREMENT SOLUTION	900.00CR	CLEARED	A	2/15/2019
1010	2/15/2019	BANK-DRAFT	000286	STATE OF CALIFORNIA EDD	2,083.84CR	CLEARED	A	2/15/2019
1010	2/15/2019	BANK-DRAFT	000287	US DEPARTMENT OF THE TREASURY	4,071.51CR	CLEARED	A	2/15/2019
1010	2/15/2019	BANK-DRAFT	021519	CalPERS UAL 26384 FEBRUARY	19.45CR	CLEARED	G	2/19/2019
1010	2/15/2019	BANK-DRAFT	021520	CalPERS UAL 1739 FEBRUARY	9,598.08CR	CLEARED	G	2/19/2019
1010	2/28/2019	BANK-DRAFT	000288	US DEPARTMENT OF THE TREASURY	45.90CR	CLEARED	A	2/26/2019

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
CHECK:								
1010	2/01/2019	CHECK	036145	ALPHA ANALYTICAL LABORATORIES	886.00CR	CLEARED	A	2/06/2019
1010	2/01/2019	CHECK	036146	AMAZON CAPITAL SERVICES, INC.	6.32CR	CLEARED	A	2/05/2019
1010	2/01/2019	CHECK	036147	AT&T MOBILITY	67.10CR	CLEARED	A	2/08/2019
1010	2/01/2019	CHECK	036148	BARTLEY PUMP, INC.	836.54CR	CLEARED	A	2/07/2019
1010	2/01/2019	CHECK	036149	CSMFO	110.00CR	CLEARED	A	2/11/2019
1010	2/01/2019	CHECK	036150	GHD	3,116.50CR	CLEARED	A	2/06/2019
1010	2/01/2019	CHECK	036151	JENFITCH, LLC	3,042.35CR	CLEARED	A	2/06/2019
1010	2/01/2019	CHECK	036152	MEDIACOM	517.12CR	CLEARED	A	2/06/2019
1010	2/01/2019	CHECK	036153	OFFICE DEPOT	74.64CR	CLEARED	A	2/12/2019
1010	2/01/2019	CHECK	036154	PACIFIC GAS & ELECTRIC COMPANY	27,916.75CR	CLEARED	A	2/06/2019
1010	2/01/2019	CHECK	036155	PETTY CASH REIMBURSEMENT	234.49CR	CLEARED	A	2/01/2019
1010	2/01/2019	CHECK	036156	RAINBOW AGRICULTURAL SERVICES	1,177.42CR	CLEARED	A	2/13/2019
1010	2/01/2019	CHECK	036157	THE RESULTS GROUP	1,500.00CR	CLEARED	A	2/11/2019
1010	2/01/2019	CHECK	036158	USA BLUE BOOK	737.47CR	CLEARED	A	2/07/2019
1010	2/01/2019	CHECK	036159	AALTO, APRIL	7.49CR	CLEARED	A	2/22/2019
1010	2/01/2019	CHECK	036160	ABBOTT, ALLAN & CHER	351.45CR	CLEARED	A	2/06/2019
1010	2/08/2019	CHECK	036161	ACWA/JPIA	1,099.64CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036162	ALPHA ANALYTICAL LABORATORIES	679.00CR	CLEARED	A	2/13/2019
1010	2/08/2019	CHECK	036163	AMAZON CAPITAL SERVICES, INC.	813.32CR	CLEARED	A	2/14/2019
1010	2/08/2019	CHECK	036164	APPLIED TECHNOLOGY SOLUTIONS	573.00CR	CLEARED	A	2/19/2019
1010	2/08/2019	CHECK	036165	ARMED FORCE PEST CONTROL, INC.	205.00CR	CLEARED	A	2/13/2019
1010	2/08/2019	CHECK	036166	B & G TIRES OF MIDDLETOWN	130.00CR	CLEARED	A	2/14/2019
1010	2/08/2019	CHECK	036167	BADGER METER	264.00CR	CLEARED	A	2/15/2019
1010	2/08/2019	CHECK	036168	CALIFORNIA SPECIAL DISTRICTS A	1,200.00CR	CLEARED	A	2/15/2019
1010	2/08/2019	CHECK	036169	DATAPROSE	2,764.44CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036170	DICKENSON PEATMAN & FOGARTY	400.00CR	CLEARED	A	2/19/2019
1010	2/08/2019	CHECK	036171	HARDESTER'S MARKETS & HARDWARE	69.68CR	CLEARED	A	2/13/2019

3/08/2019 1:10 PM  
 COMPANY: 999 - POOLED CASH FUND  
 ACCOUNT: 1010 CASH - POOLED  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK RECONCILIATION REGISTER

PAGE: 2  
 CHECK DATE: 2/01/2019 THRU 2/28/2019  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
CHECK:								
1010	2/08/2019	CHECK	036172	JENFITCH, LLC	3,041.80CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036173	JORDAN & BIANCA ERICKSON	50.00CR	CLEARED	A	2/19/2019
1010	2/08/2019	CHECK	036174	LOCAL GOVERNMENT COMMISSION IN	12,127.28CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036175	PACE SUPPLY CORP	6,707.59CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036176	SOUTH LAKE REFUSE COMPANY	428.08CR	CLEARED	A	2/15/2019
1010	2/08/2019	CHECK	036177	SPECIAL DISTRICT RISK MANAGEME	30,971.28CR	CLEARED	A	2/13/2019
1010	2/08/2019	CHECK	036178	STREAMLINE	200.00CR	CLEARED	A	2/14/2019
1010	2/08/2019	CHECK	036179	SWRCB - DWOCP	110.00CR	CLEARED	A	2/25/2019
1010	2/08/2019	CHECK	036180	U.S. BANK ST. PAUL	52,595.82CR	CLEARED	A	2/12/2019
1010	2/08/2019	CHECK	036181	USA BLUE BOOK	1,149.46CR	CLEARED	A	2/14/2019
1010	2/08/2019	CHECK	036182	WESTGATE PETROLEUM CO., INC.	609.22CR	CLEARED	A	2/13/2019
1010	2/08/2019	CHECK	036183	ALTEN, JOAN	3.45CR	CLEARED	A	3/05/2019
1010	2/15/2019	CHECK	036184	ALPHA ANALYTICAL LABORATORIES	665.00CR	CLEARED	A	2/21/2019
1010	2/15/2019	CHECK	036185	ALYSSA GORDON	454.21CR	CLEARED	A	2/20/2019
1010	2/15/2019	CHECK	036186	AT&T	242.24CR	CLEARED	A	2/21/2019
1010	2/15/2019	CHECK	036187	CURTIS EDWARD'S ROOFING	350.00CR	OUTSTND	A	0/00/0000
1010	2/15/2019	CHECK	036188	GARDENS BY JILLIAN	200.00CR	CLEARED	A	2/27/2019
1010	2/15/2019	CHECK	036189	LAKE COUNTY TREE SERVICE, INC.	3,500.00CR	CLEARED	A	2/19/2019
1010	2/15/2019	CHECK	036190	MIKSI SERVICES, INC.	14,947.50CR	CLEARED	A	2/22/2019
1010	2/15/2019	CHECK	036191	OFFICE DEPOT	95.62CR	CLEARED	A	2/25/2019
1010	2/15/2019	CHECK	036192	RAY MORGAN COMPANY	128.32CR	CLEARED	A	2/22/2019
1010	2/15/2019	CHECK	036193	TELEDYNE INSTRUMENTS, INC.	359.29CR	CLEARED	A	2/21/2019
1010	2/15/2019	CHECK	036194	U S POSTMASTER	200.00CR	CLEARED	A	2/26/2019
1010	2/15/2019	CHECK	036195	WAGNER & BONSIGNORE	10,561.50CR	CLEARED	A	2/22/2019
1010	2/22/2019	CHECK	036196	ADVANCED ELECTRONIC SECURITY S	264.00CR	CLEARED	A	3/01/2019
1010	2/22/2019	CHECK	036197	ALPHA ANALYTICAL LABORATORIES	1,248.00CR	CLEARED	A	2/27/2019
1010	2/22/2019	CHECK	036198	AMAZON CAPITAL SERVICES, INC.	11.50CR	CLEARED	A	3/01/2019
1010	2/22/2019	CHECK	036199	B & G TIRES OF MIDDLETOWN	52.18CR	CLEARED	A	2/28/2019
1010	2/22/2019	CHECK	036200	BARTLEY PUMP, INC.	2,901.44CR	CLEARED	A	2/26/2019
1010	2/22/2019	CHECK	036201	CARDMEMBER SERVICE	5,186.33CR	CLEARED	A	3/05/2019
1010	2/22/2019	CHECK	036202	COASTLAND CIVIL ENGINEERING, I	2,480.00CR	CLEARED	A	2/26/2019
1010	2/22/2019	CHECK	036203	MENDO MILL CLEARLAKE	24.99CR	CLEARED	A	2/27/2019
1010	2/22/2019	CHECK	036204	MICHELLE HAMILTON	625.00CR	CLEARED	A	3/01/2019
1010	2/22/2019	CHECK	036205	OFFICE DEPOT	271.49CR	CLEARED	A	3/07/2019
1010	2/22/2019	CHECK	036206	PACE SUPPLY CORP	2,295.51CR	CLEARED	A	2/26/2019
1010	2/22/2019	CHECK	036207	REDFORD SERVICES	950.00CR	CLEARED	A	2/27/2019
1010	2/22/2019	CHECK	036208	RICOH USA, INC.	386.29CR	CLEARED	A	3/04/2019
1010	2/22/2019	CHECK	036209	SMITH & NEWELL CPA	12,400.00CR	CLEARED	A	3/04/2019
1010	2/22/2019	CHECK	036210	ST. HELENA HOSPITAL D.B.A. JO	130.12CR	CLEARED	A	3/05/2019
1010	2/22/2019	CHECK	036211	TITUS	15,584.11CR	CLEARED	A	3/06/2019
1010	2/22/2019	CHECK	036212	USA BLUE BOOK	287.69CR	CLEARED	A	3/04/2019
1010	2/22/2019	CHECK	036213	VERIZON WIRELESS	872.35CR	CLEARED	A	3/01/2019
1010	2/22/2019	CHECK	036214	WESTGATE PETROLEUM CO., INC.	777.10CR	CLEARED	A	2/26/2019
1010	2/22/2019	CHECK	036215	BRIGMAN, DEBORAH L	92.16CR	CLEARED	A	2/28/2019

COMPANY: 999 - POOLED CASH FUND  
ACCOUNT: 1010 CASH - POOLED  
TYPE: All  
STATUS: All  
FOLIO: All

CHECK DATE: 2/01/2019 THRU 2/28/2019  
CLEAR DATE: 0/00/0000 THRU 99/99/9999  
STATEMENT: 0/00/0000 THRU 99/99/9999  
VOIDED DATE: 0/00/0000 THRU 99/99/9999  
AMOUNT: 0.00 THRU 999,999,999.99  
CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	-----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1010	2/22/2019	CHECK	036216	NDD, LLC	101.94CR	OUTSTND	A	0/00/0000
DEPOSIT:								
1010	2/01/2019	DEPOSIT		CREDIT CARD 2/01/2019	1,935.64	CLEARED	C	2/04/2019
1010	2/01/2019	DEPOSIT	000001	CREDIT CARD 2/01/2019	2,158.35	CLEARED	C	2/04/2019
1010	2/01/2019	DEPOSIT	000002	REGULAR DAILY POST 2/01/2019	2,047.09	CLEARED	C	2/04/2019
1010	2/04/2019	DEPOSIT		CREDIT CARD 2/04/2019	6,231.56	CLEARED	C	2/04/2019
1010	2/04/2019	DEPOSIT	000001	CREDIT CARD 2/04/2019	779.96	CLEARED	C	2/05/2019
1010	2/04/2019	DEPOSIT	000002	CREDIT CARD 2/04/2019	2,052.48	CLEARED	C	2/06/2019
1010	2/04/2019	DEPOSIT	000003	CREDIT CARD 2/04/2019	1,518.63	CLEARED	C	2/07/2019
1010	2/04/2019	DEPOSIT	000004	REGULAR DAILY POST 2/04/2019	2,949.85	CLEARED	C	2/05/2019
1010	2/05/2019	DEPOSIT		CREDIT CARD 2/05/2019	1,479.24	CLEARED	C	2/07/2019
1010	2/05/2019	DEPOSIT	000001	CREDIT CARD 2/05/2019	1,174.83	CLEARED	C	2/08/2019
1010	2/05/2019	DEPOSIT	000002	REGULAR DAILY POST 2/05/2019	2,874.26	CLEARED	C	2/06/2019
1010	2/06/2019	DEPOSIT		CREDIT CARD 2/06/2019	1,677.77	CLEARED	C	2/08/2019
1010	2/06/2019	DEPOSIT	000001	CREDIT CARD 2/06/2019	1,581.85	CLEARED	C	2/11/2019
1010	2/06/2019	DEPOSIT	000002	REGULAR DAILY POST 2/06/2019	2,905.70	CLEARED	C	2/07/2019
1010	2/07/2019	DEPOSIT		CREDIT CARD 2/07/2019	1,290.07	CLEARED	C	2/11/2019
1010	2/07/2019	DEPOSIT	000001	CREDIT CARD 2/07/2019	3,115.72	CLEARED	C	2/11/2019
1010	2/07/2019	DEPOSIT	000002	REGULAR DAILY POST 2/07/2019	4,019.02	CLEARED	C	2/08/2019
1010	2/08/2019	DEPOSIT		CREDIT CARD 2/08/2019	2,314.33	CLEARED	C	2/11/2019
1010	2/08/2019	DEPOSIT	000001	CREDIT CARD 2/08/2019	2,330.75	CLEARED	C	2/11/2019
1010	2/08/2019	DEPOSIT	000002	REGULAR DAILY POST 2/08/2019	5,477.02	CLEARED	C	2/11/2019
1010	2/11/2019	DEPOSIT		CREDIT CARD 2/11/2019	1,297.22	CLEARED	C	2/12/2019
1010	2/11/2019	DEPOSIT	000001	CREDIT CARD 2/11/2019	1,803.91	CLEARED	C	2/12/2019
1010	2/11/2019	DEPOSIT	000002	CREDIT CARD 2/11/2019	2,004.70	CLEARED	C	2/13/2019
1010	2/11/2019	DEPOSIT	000003	CREDIT CARD 2/11/2019	1,818.81	CLEARED	C	2/14/2019
1010	2/11/2019	DEPOSIT	000004	REGULAR DAILY POST 2/11/2019	18,697.08	CLEARED	C	2/12/2019
1010	2/12/2019	DEPOSIT		CREDIT CARD 2/12/2019	943.52	CLEARED	C	2/14/2019
1010	2/12/2019	DEPOSIT	000001	CREDIT CARD 2/12/2019	120.31	CLEARED	C	2/15/2019
1010	2/12/2019	DEPOSIT	000002	CREDIT CARD 2/12/2019	3,218.83	CLEARED	C	2/15/2019
1010	2/12/2019	DEPOSIT	000003	REGULAR DAILY POST 2/12/2019	3,555.20	CLEARED	C	2/13/2019
1010	2/13/2019	DEPOSIT		CREDIT CARD 2/13/2019	1,585.87	CLEARED	C	2/15/2019
1010	2/13/2019	DEPOSIT	000001	CREDIT CARD 2/13/2019	2,546.74	CLEARED	C	2/19/2019
1010	2/13/2019	DEPOSIT	000002	CREDIT CARD 2/13/2019	5,867.05	CLEARED	C	2/19/2019
1010	2/13/2019	DEPOSIT	000003	REGULAR DAILY POST 2/13/2019	8,028.96	CLEARED	C	2/14/2019
1010	2/14/2019	DEPOSIT		CREDIT CARD 2/14/2019	575.00	CLEARED	C	2/19/2019
1010	2/14/2019	DEPOSIT	000001	CREDIT CARD 2/14/2019	2,966.66	CLEARED	C	2/19/2019
1010	2/14/2019	DEPOSIT	000002	REGULAR DAILY POST 2/14/2019	7,647.01	CLEARED	C	2/15/2019
1010	2/15/2019	DEPOSIT		CREDIT CARD 2/15/2019	1,428.30	CLEARED	C	2/19/2019
1010	2/15/2019	DEPOSIT	000001	CREDIT CARD 2/15/2019	1,948.85	CLEARED	C	2/19/2019
1010	2/15/2019	DEPOSIT	000002	REGULAR DAILY POST 2/15/2019	5,311.54	CLEARED	C	2/19/2019
1010	2/15/2019	DEPOSIT	000003	DRAFT POSTING	10,157.29	CLEARED	U	2/19/2019
1010	2/15/2019	DEPOSIT	000004	CC DRAFT POSTING	15,822.67	CLEARED	U	2/19/2019

COMPANY: 999 - POOLED CASH FUND  
 ACCOUNT: 1010 CASH - POOLED  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 2/01/2019 THRU 2/28/2019  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
DEPOSIT:								
1010	2/19/2019	DEPOSIT		CREDIT CARD 2/19/2019	5,562.69	CLEARED	C	2/19/2019
1010	2/19/2019	DEPOSIT	000001	CREDIT CARD 2/19/2019	1,157.80	CLEARED	C	2/19/2019
1010	2/19/2019	DEPOSIT	000002	CREDIT CARD 2/19/2019	1,602.95	CLEARED	C	2/20/2019
1010	2/19/2019	DEPOSIT	000003	CREDIT CARD 2/19/2019	3,382.62	CLEARED	C	2/21/2019
1010	2/19/2019	DEPOSIT	000004	CREDIT CARD 2/19/2019	5,155.96	CLEARED	C	2/22/2019
1010	2/19/2019	DEPOSIT	000005	REGULAR DAILY POST 2/19/2019	18,813.89	CLEARED	C	2/20/2019
1010	2/20/2019	DEPOSIT		CREDIT CARD 2/20/2019	3,364.94	CLEARED	C	2/22/2019
1010	2/20/2019	DEPOSIT	000001	CREDIT CARD 2/20/2019	5,938.93	CLEARED	C	2/25/2019
1010	2/20/2019	DEPOSIT	000002	REGULAR DAILY POST 2/20/2019	9,083.61	CLEARED	C	2/21/2019
1010	2/20/2019	DEPOSIT	000003	CREDIT CARD 2/20/2019	4,397.19	CLEARED	C	2/25/2019
1010	2/20/2019	DEPOSIT	000004	CREDIT CARD 2/20/2019	113.20	CLEARED	C	2/25/2019
1010	2/21/2019	DEPOSIT		CREDIT CARD 2/21/2019	1,745.78	CLEARED	C	2/25/2019
1010	2/21/2019	DEPOSIT	000001	CREDIT CARD 2/21/2019	1,309.52	CLEARED	C	2/25/2019
1010	2/21/2019	DEPOSIT	000002	REGULAR DAILY POST 2/21/2019	6,715.86	CLEARED	C	2/22/2019
1010	2/22/2019	DEPOSIT		CREDIT CARD 2/22/2019	1,351.02	CLEARED	C	2/25/2019
1010	2/22/2019	DEPOSIT	000001	CREDIT CARD 2/22/2019	1,276.24	CLEARED	C	2/25/2019
1010	2/22/2019	DEPOSIT	000002	REGULAR DAILY POST 2/22/2019	1,968.45	CLEARED	C	2/25/2019
1010	2/25/2019	DEPOSIT		CREDIT CARD 2/25/2019	1,627.89	CLEARED	C	2/25/2019
1010	2/25/2019	DEPOSIT	000001	CREDIT CARD 2/25/2019	1,087.76	CLEARED	C	2/26/2019
1010	2/25/2019	DEPOSIT	000002	CREDIT CARD 2/25/2019	446.24	CLEARED	C	2/27/2019
1010	2/25/2019	DEPOSIT	000003	CREDIT CARD 2/25/2019	944.82	CLEARED	C	2/28/2019
1010	2/25/2019	DEPOSIT	000004	REGULAR DAILY POST 2/25/2019	1,714.02	CLEARED	C	2/26/2019
1010	2/25/2019	DEPOSIT	000005	DAILY PAYMENT POSTING - ADJ	102.59CR	CLEARED	U	2/28/2019
1010	2/26/2019	DEPOSIT		CREDIT CARD 2/26/2019	791.77	CLEARED	C	2/28/2019
1010	2/26/2019	DEPOSIT	000001	CREDIT CARD 2/26/2019	584.09	CLEARED	C	3/01/2019
1010	2/26/2019	DEPOSIT	000002	REGULAR DAILY POST 2/26/2019	2,281.97	CLEARED	C	2/27/2019
1010	2/27/2019	DEPOSIT		CREDIT CARD 2/27/2019	647.27	CLEARED	C	3/01/2019
1010	2/27/2019	DEPOSIT	000001	CREDIT CARD 2/27/2019	540.56	CLEARED	C	3/04/2019
1010	2/27/2019	DEPOSIT	000002	REGULAR DAILY POST 2/27/2019	940.38	CLEARED	C	2/28/2019
1010	2/28/2019	DEPOSIT		CREDIT CARD 2/28/2019	309.01	CLEARED	C	3/04/2019
1010	2/28/2019	DEPOSIT	000001	CREDIT CARD 2/28/2019	1,223.31	CLEARED	C	3/04/2019
1010	2/28/2019	DEPOSIT	000002	REGULAR DAILY POST 2/28/2019	1,222.37	CLEARED	C	3/01/2019

MISCELLANEOUS:								
1010	2/01/2019	MISC.		PAYROLL DIRECT DEPOSIT	26,623.59CR	CLEARED	P	2/01/2019
1010	2/01/2019	MISC.	000001	Interest Payment USDA	8,002.50CR	CLEARED	G	2/06/2019
1010	2/01/2019	MISC.	000002	Interest Payment USDA	8,002.50	CLEARED	G	3/07/2019
1010	2/01/2019	MISC.	020119	Interest Payment	52,595.82	CLEARED	G	2/04/2019
1010	2/01/2019	MISC.	020120	Interest Payment USDA	8,002.50	CLEARED	G	2/05/2019
1010	2/01/2019	MISC.	020121	CORRECT DRAFT DATE	45.90	CLEARED	G	2/01/2019
1010	2/15/2019	MISC.		PAYROLL DIRECT DEPOSIT	25,554.14CR	CLEARED	P	2/15/2019
1010	2/28/2019	MISC.		PAYROLL DIRECT DEPOSIT	277.05CR	CLEARED	P	2/28/2019

SERVICE CHARGE: -----

COMPANY: 999 - POOLED CASH FUND  
ACCOUNT: 1010 CASH - POOLED  
TYPE: All  
STATUS: All  
FOLIO: All

CHECK DATE: 2/01/2019 THRU 2/28/2019  
CLEAR DATE: 0/00/0000 THRU 99/99/9999  
STATEMENT: 0/00/0000 THRU 99/99/9999  
VOIDED DATE: 0/00/0000 THRU 99/99/9999  
AMOUNT: 0.00 THRU 999,999,999.99  
CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
SERVICE CHARGE: -----								
1010	2/04/2019	SERV-CHG		JAN. 2019 ETS FEES	402.15CR	CLEARED	G	2/04/2019
1010	2/04/2019	SERV-CHG	000001	JAN. 2019 ETS FEES	959.12CR	CLEARED	G	2/04/2019
1010	2/04/2019	SERV-CHG	000002	JAN. 2019 ETS FEES	1,180.52CR	CLEARED	G	2/04/2019
1010	2/15/2019	SERV-CHG		ANALYSIS FEE JANUARY 2019	339.41CR	CLEARED	G	2/15/2019

TOTALS FOR ACCOUNT 1010

CHECK	TOTAL:	235,419.58CR
DEPOSIT	TOTAL:	234,459.16
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	8,189.44
SERVICE CHARGE	TOTAL:	2,881.20CR
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	43,733.63CR

TOTALS FOR POOLED CASH FUND

CHECK	TOTAL:	235,419.58CR
DEPOSIT	TOTAL:	234,459.16
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	8,189.44
SERVICE CHARGE	TOTAL:	2,881.20CR
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	43,733.63CR



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

**CAPITAL EXPENDITURES  
2018 - 2019 BUDGET**

<b>SEWER CIP EXPENSES</b>	<b>FUND</b>	<b>Budget</b>	<b>Yr to Date Actual</b>
Construction Truck (60%)	314	78,000	58,374
Headworks Rake	314	62,000	
I & I Repair	314	55,000	52,473
I & I Study (Intern/Fellowship)	313	46,000	20,909
<b>Total</b>		<b>241,000</b>	<b>131,756</b>

<b>SEWER CIP REVENUE</b>	<b>FUND</b>	<b>Revenue</b>	<b>Yr to Date Actual</b>
Sewer Op Reserve (1.5%)	313	20,000	
FEMA/CalOES	313	102,000	18,000
Sewer CIP (1.5%)	314	20,000	
FEMA/CalOES	314	193,000	383,454
<b>Total</b>		<b>335,000</b>	<b>401,454</b>

<b>WATER CIP EXPENSES</b>	<b>FUND</b>	<b>Budget</b>	<b>Yr to Date Actual</b>
Unit 9 Tank Replacement	*1	1,279,000	
Repair Water Main Line	*2	150,000	
Construction Truck (40%)	320	52,000	38,916
<b>Total</b>		<b>1,481,000</b>	<b>38,916</b>

<b>WATER CIP/OP RESERVE</b>	<b>FUND</b>	<b>Revenue</b>	<b>Yr to Date Actual</b>
Water CIP (6%)	320	115,000	69,312
Water OP Reserve Fund -NEW- (3.75%)	325	72,000	43,313
<b>Total</b>		<b>187,000</b>	<b>112,625</b>

\*1 Financial Options Undetermined

\*2 Financial Options Undetermined





## MEMO

To: Board of Directors

From: Trish Wilkinson, Full Charge Bookkeeper

Date: 03/08/2019

RE: Office & Administrative Staff Overtime Monthly Report

---

### February 2019

#### Overtime:

Administrative Assistant: 5.00 hours

Water Resources Specialist: - hours

Full Charge Bookkeeper: - hours

Senior Accounts Representative: 1.00 hour

Senior Accounts Representative: 1.00 hour

**Total Overtime: 7.00 hours**

# MEMO

To: Board of Directors

From: Marty Rodriguez

Date: 03/14/2019

RE: Senior Account Representative's Monthly Report

---

## **Monthly Billing 02/28/2019**

Mailed statements: 2,144

Electronic statements: 455

The statement "SPECIAL MESSAGE"

New rates are in effect July 1, 2018. For more details please refer to the back of this bill under FY 2018/2019. The District office will be closed from 12pm – 1pm on the 3<sup>rd</sup> Wednesday of each month.

## **Delinquent Billing 02/21/2019**

Delinquent statements for February bills:

Mailed statements: 458

Electronic statements: 64

## **Courtesy Notification 03/12/2019**

Courtesy notices delivered to the customer's property for delinquent November's bill:  
145

Electronic notices: 16

## **Phone Notification 03/13/2019**

Phone notifications: 87

The phone notification was sent out around 10:30 am resulting in 62 payments received by the office staff during business hours.

## **Lock Offs 03/14/2019**

25 Customers were in the Lock Off Process at 5:00 pm on 03/13/2019.

14 payments were made before service orders went out in the field at 9:00 am on 03/14/2019.

A total of 11 customers were Locked Off for non-payment.

Throughout Lock off day 4 payments were collected and meters unlocked.

At the time of this report only 7 meters remain locked.



# Hidden Valley Lake Community Services District

19400 Hartmann Road  
Hidden Valley Lake, CA 95467  
707.987.9201  
707.987.3237 fax  
[www.hiddenvalleylakecsd.com](http://www.hiddenvalleylakecsd.com)

## MEMO

To: Board of Directors  
From: Kirk Cloyd  
Date: March 19, 2019  
RE: General Manager's Monthly Report

---

Good evening. The following report discusses items Hidden Valley Lake CSD completed over the past month and is intended to provide the Board and public with an update on the progression of projects.

I was out the week of Feb. 25<sup>th</sup> through March 1<sup>st</sup> attending to a family member after surgery out of state.

### Water

1. Noted that several water agencies with surface water sources in the area are notifying their constituents of an issue with Haloacetic Acid contamination in their drinking water. Please be advised that this is **NOT** an issue for agencies that use groundwater wells as their source like HVLCSD. If asked, please inform our constituents that HVLCSD is not faced with this issue.
2. On-going: Met with several constituents and interested parties in person and on the phone to answer and update them on the water meter moratorium issue.
3. Staff met with Ferguson Waterworks, the Neptune Meter representative for our area. An AMI Alternative is being explored that may not provide the same public portal or on demand leak detection but may be less expensive for HVLCSD.
4. District staff (Sam and Dennis) and its water system performed admirably in responding to a fire on Eagle Rock during this reporting period. Minor system pressure fluctuations were attributed by Cal Fire to their staff shutting their hoses off abruptly causing water hammer within the distribution system. The system did not fail and preformed as designed.
5. Staff conducted a kickoff meeting with Coastland Eng. for the replacement of the water mainline in Mountain Meadow North between Hartmann Rd. & Donkey Hill. Staff noted several operational issues with the initial design. Coastland has taken the noted issues and the information gathered during a site inspection into account and will use the data to draft a preliminary design.



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## **Sanitary Sewer**

1. Once again, during this reporting period, staff worked 24-7 and over the weekends to address hydraulic overload in the sanitary sewer system. Pumper trucks were used to haul the waste/rainwater to County Special Districts in Clearlake that accepted the additional flow. Water did overflow from the EQ Basin at the RWRP into the tertiary storage pond and into Coyote Creek. The discharge into Coyote Creek was primarily rainwater but is classified as a Category 1 SSO. This was reported to CalOES as mandated. Due to our past and ongoing efforts, our relationship with CalOES, the Regional Water Board and State Water Board personnel, no fines have been placed against HVLCSD at this time.
2. Staff responded to a report of an SSO (Sanitary Sewer Overflow) which discharged into Hidden Valley Lake. This Category 1 spill was confirmed. The investigation found that Hidden Valley Lake Association's pool contractor violated HVLCSD's Ord. 59.0 by pumping approx. 12,600 gallons of water into the sewer collections system rather than assuring dichlorination and discharging the water to the storm drain system which would eventually made its way to the lake as well. The hydraulic overloading of the collections system resulted in two manholes overflowing across private property and to the lake. Per state requirements, this spill was reported to CalOES, the State Water Board and our Regional Water Quality Control Board. All time and costs incurred were tracked, samples of the lake taken and these costs as well as any fines/fees incurred will be passed on to HVLA. HVLA may choose to pass these costs on to their contractor if they can show negligence or malice.

## **Stormwater**

1. During this reporting period, District personnel continued to monitor stormwater and the potential for flooding within District boundaries. One of the best indicators is the Guenoc Gauging Station which can be monitored real time at the link below:  
[https://waterdata.usgs.gov/usa/nwis/uv?site\\_no=11453500](https://waterdata.usgs.gov/usa/nwis/uv?site_no=11453500)
2. The SCADA system for the stormwater lift station failed during the most recent rain event. Staff continues to monitor the facility manually and is working to make repairs as needed.
3. I attended several Lake County OES Atmospheric River Briefings. Both Lake County and the State of California declared disasters based on the severe rain events. This along with the disaster proclamation declared by HVLCSD at the February 4<sup>th</sup> Special Board meeting makes HVLCSD eligible for CalOES/FEMA disaster relief funds. Staff is actively pursuing said funding for reimbursement.



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4. Accompanied HVLA staff to inspect damage and an exposed pipe at the north side of the Putah Creek Levee. The pipe is believed to be left over pump inlet piping from the gravel operation which would have been used to remove the sand and debris from larger dredging material. HVLCSD made a request to the State to provide a levee inspector on behalf of HVLA, however, the state has not responded.

## **Recycled Water**

Staff was informed by HVLA Golf Pro that they received a bill for the last two months even though they have not request/use recycled water. Staff investigated the issue and noted that the valve is leaking and needs to be replaced. An adjustment to the recycled water bill will be made. A portable correlator would make such an investigation much quicker and easier to detect at lower flows.

## **Finance**

The District is working to draft a proposed budget for the 2019/20 fiscal year which will start July 1<sup>st</sup> 2019. Staff has met with the Finance Committee to complete a Capital Budget (CIP) for both water and wastewater. The draft operational budget is currently under review. Once staff has had numbers for the wastewater budget based on winter water usage from Dec. 2018 through March 2019, staff and the Finance Committee will bring a final draft to the full Board in a 2019/20 Board workshop for review and comment.

## **Information Technology**

1. The I.T. Monthly Report for February 2019 was included in the agenda for the monthly Board meeting.

## **Human Resources**

1. The revised Employee Handbook is still with the attorney for review and comment and is expected to be returned sometime the week of March 18<sup>th</sup>.

## **Facilities**

Nothing to report.

## **Vehicles & Equipment**

As stated in the Feb. Board meeting: Unit 4 continues to decline. It is recommended that this truck be replaced with a car that gets good mileage so it can be used to attend out of county meetings and trainings by staff in the 2019/20 budget.



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## General Information

1. The District continues to work with the representative for the Valley Oaks Development. Progress has been made and good faith efforts by both parties are expected to continue. The Valley Oaks Development has provided HVLCSD with a utility easement through their property outside District boundaries. District legal council has not finished review and it has been noted that it may be more prudent for the District to recognize said easement once the property is annexed into the District boundaries. HVLCSD is waiting on the legal advice of District Council.
2. The District received notification from Poppy Bank that they would not pay the connection or developer fees for the Coyote Valley Plaza. The District notified Poppy Bank, Lake County Building and Lake County Health Departments that the District cannot accept sewage from any additional suites rented/leases without all fees being paid in advance. All future updates will take place in closed session pending potential legal notification and/or action.
3. The CivicSpark Fellows met with the G.M. to discuss a public outreach program and the platforms that are available. This will help to promote the District in its daily operations but also if the Board chooses to pursue the 218 process for a rate increase.
4. The Board conducted a Workshop to review and discuss the NBS Rate Study.

## Emergency Preparedness

1. Staff attended the monthly SLFSC Committee Meeting.
2. Penny Cuadras attended Community Emergency Response Team (CERT) *ON HER OWN TIME*, providing a well-rounded and better prepared staff as a District resource. This training was in Mendocino County as Lake County no longer has the staff or funding to provide such training.
3. Penny Cuadras attended Vulnerability Assessment (VA) training provided at no cost to the District by RCAC. When asked to report on the class, Penny stated, "The class was very informative as well as helpful in building a professional network..."
  - Maintaining an up to date asset inventory and assuring accurate Insurance coverage is critical.
  - Federal law requires all community water systems serving more than 3,300 people to complete a VA. Within six months after completing a VA, systems must also develop or revise their emergency response plans to incorporate the results of the VA. The V/A should be reviewed periodically (annually) to



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- account for changing threats or additions to the system to ensure that security objectives are being met.
- Creating a Vulnerability Assessment-Creating a VA allows utilities to assess their vulnerabilities to both man-made and natural hazards and evaluate potential improvements to enhance their security and resilience. A VA also determines vulnerable components and possible disruption points, and identify security measures. The objective of the assessment is to move beyond what is merely possible and determine the likelihood of a particular attack scenario.
- Emergencies Happen-There is no clear definition of what constitutes an emergency. Each is unique, requiring case-by-case evaluation based on the actual event. Advance planning increases the likelihood that you will respond in an organized and efficient manner. A few minutes can often mean the difference between a minor mishap and a major event. Emergency preparedness planning is an essential function, and is never a wasted effort.”

This District has not reviewed its VA nor have facility tours been conducted by the Safety & Security Committee in several years. System/facility inspections are being scheduled. The VA and Emergency Response Plan will be updated based on the findings in the facility inspections.



# **HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

---

**\$3,650,000**

**Sewer System Reassessment District No. 1**

**Limited Obligation Refunding Improvement Bonds  
Series 2016**

**Continuing Disclosure Annual Report**

**Fiscal Year Ended June 30, 2018**

**OFFICE LOCATIONS:**

**Temecula – Corporate Headquarters**  
32605 Temecula Parkway, Suite 100  
Temecula, CA 92592

**San Francisco – Regional Office**  
870 Market Street, Suite 1223  
San Francisco, CA 94102

**California Satellite Offices**  
Atascadero, Davis,  
Huntington Beach,  
Joshua Tree, Riverside,  
Sacramento, San Jose

[www.nbsgov.com](http://www.nbsgov.com)

Prepared by:





# **HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

---

**\$3,650,000**

**Hidden Valley Lake Community Services District  
Sewer System Reassessment District No. 1  
Limited Obligation Refunding Improvement Bonds  
Series 2016**

**DATED: March 23, 2016**

## **CUSIP NOS.**

<u>MATURITY</u>	<u>CUSIP</u>
2021	429519BQ3
2026	429519BR1
2029	429519BS9
2032	429519BP5

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NBS has relied upon information provided by sources which are believed to be reliable without independent verification; therefore, we express no opinion as to the completeness, accuracy or suitability of such information.

# 1. INTRODUCTION

---

This report (the “Annual Report”) provides certain required information in order to comply with the provisions contained in the Continuing Disclosure Agreement (the “Disclosure Agreement”) for the \$3,650,000 Hidden Valley Lake Community Services District Limited Obligation Refunding Improvement Bonds Series 2016 (the “Bonds”) in connection with the Sewer System Reassessment District No. 1 (the “Reassessment District”). The Disclosure Agreement was executed and delivered by the Hidden Valley Lake Community Services District (the “District”) for the benefit of the holders and beneficial owners of the Bonds and in order to assist the participating underwriter in complying with S.E.C. Rule 15c2-12(b)(5). This Annual Report will be disseminated via the Electronic Municipal Market Access (the “EMMA”).

## 2. CONTENT OF ANNUAL REPORT

---

### 2.1 Audited Financial Statements

The audited financial statements of the District for the Fiscal Year ended June 30, 2018 will be submitted to the EMMA under a separate cover.

### 2.2 Principal Amount of Bonds Outstanding

As of June 30, 2018, the principal amount of Bonds outstanding was \$3,334,000.

### 2.3 Reserve Fund and Reserve Requirement

As of June 30, 2018, the balance in the Reserve Fund was \$175,775.64. The Reserve Requirement, as of June 30, 2018, was \$144,900.

### 2.4 Redemption Fund

As of June 30, 2018, the balance in the Redemption Fund was \$393,680.68.

### 2.5 Delinquent Reassessment Installments

The following table provides the annual assessment installments billed and collected as of June 30, 2018, in addition to the total amount of delinquent assessments for Fiscal Year 2017/18:

Assessment Installments Billed for Fiscal Year 2017/18	Assessment Installments Collected for Fiscal Year 2017/18	Delinquent Amount	Delinquency %
\$301,108.06	\$283,701.22	\$17,406.84	5.78%

### 2.6 Foreclosure Proceedings

As of June 30, 2018, there were no foreclosure proceedings being pursued by the District with respect to delinquent reassessment installments.

### 2.7 Assessed Value

As of June 30, 2018, the assessed value of all property within the Reassessment District was \$295,131,898.

### 3. REPORTING OF SIGNIFICANT EVENTS

---

According to the Disclosure Agreement, significant events are as follows:

- 1) Principal and interest payment delinquencies;
- 2) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 3) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 4) Substitution of credit or liquidity providers, or their failure to perform;
- 5) Issuance by the Internal Revenue Service of proposed or final determination of taxability or a Notice of Proposed Issue (IRS Form 5701-TEB);
- 6) Tender offers;
- 7) Defeasances;
- 8) Rating changes;
- 9) Bankruptcy, insolvency, receivership or similar proceedings;
- 10) Modifications to the rights of Bondholders;
- 11) Optional, unscheduled, or contingent Bond calls;
- 12) Release, substitution, or sale of property securing repayment of the Bonds;
- 13) Non-payment related defaults;
- 14) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- 15) Appointment of a successor or additional trustee or the change of the name of a trustee.

## 4. CONCLUDING STATEMENT

---

This Continuing Disclosure Annual Report was prepared on behalf of the District in accordance with the Disclosure Agreement of the Bonds, in order to provide required information to the marketplace as provided for under S.E.C. Rule 15c2-12(b)(5). Such required information may include, but not be limited to, annual financial information, certain operating information and disclosures concerning specific events.

NBS has relied upon information provided by sources which are believed to be reliable without independent verification. The reader understands and agrees that NBS is entitled to rely on all information and documents supplied to NBS by the District or any of its agents or contractors and other government sources or proxies thereof as being accurate and correct and NBS has no obligation to confirm that such information and documentation is correct and that NBS has no liability if such information is not correct.

The information contained within this report, has been reviewed, approved and authorized for dissemination via EMMA by the District.

Hidden Valley Lake Community Services District

---

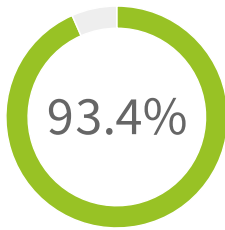
Kirk Cloyd  
General Manager

# Executive Summary Report

Generated for HVLCS D for February 2019



## Health Score



### Breakdown

Proactive Monitoring	100%	Server Availability	99.5%	Failed Login Attempts	0%
Antivirus	96%	Patch Management	72.1%	Backup	92.9%
Coverage	92.9%	Coverage	100%		
Protection	99%	Protection	44.1%		

## Managed Devices

### Devices

14

- 1 Server
- 12 Desktop
- 1 Laptop

### Checks Passing

Application	99%
Disk/File	100%
Event	100%
Network	100%
Script	100%
Service	99%
System	99%
Task	100%

### Alerts Resolved

492

## Protection Effectiveness

### Antivirus

Devices with Antivirus	13
Frequency of up-to-date Devices	99.0%
Threats Quarantined/Resolved	1

### Backup

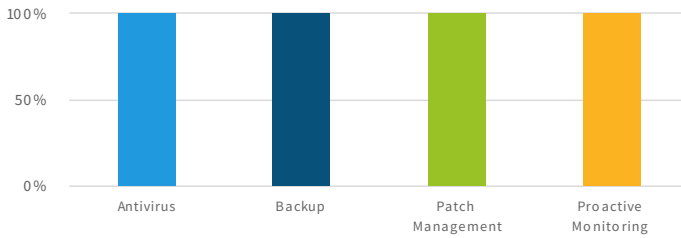
Devices with Backup	2
Data Backed Up (GB)	349
Successful Backups	39

### Patch Management

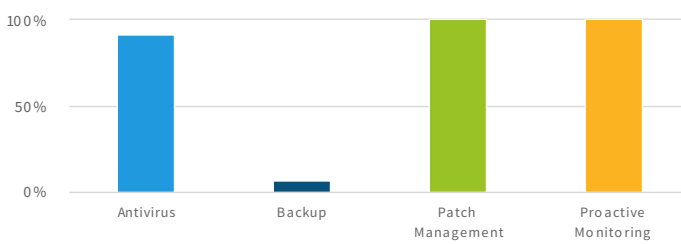
Devices with Patch Management	14
Patches Detected	34
Patches Installed	15

## Coverage

### Servers



### Workstations



## Operating Systems



## Top 5

### Devices with Failing Checks

HVLCSD2016-05  
 HVLCSD2016-04  
 WATERLEADOPERAT  
 HVLCSD-02  
 HVLCSD2016-01

### Devices at Risk

HVLCSD2016-01



## Terminology Explained

---

### Health Score

A weighted aggregation of the systems health across various components. If a feature is not enabled, the health score will not be negatively impacted.

### Alerts Resolution

The number of outages that occurred over the course of the month which were closed or cleared.

### Checks Passing

The percentage of checks that have passed throughout the month. Checks are grouped into categories. For example, System category comprises of Failed login, Server performance monitoring, OSX update, Package management, and Physical memory checks.

### Frequency of Up-to-Date Devices

How often AntiVirus checks have been up-to-date across Servers and Workstations throughout the entire month.

### Top 5 Devices at Risk

Devices which have the most common failures of Antivirus, Vulnerability, Risk Intelligence and Web Protection checks throughout the entire month.

**ACTION OF  
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

**DATE:** March 19, 2019

**AGENDA ITEM:** Discussion and Possible Action: Discuss and recommend payment source for multiple pumper truck invoices as a result of WWTP inundation 2/25-3/4/2019 (Round 2)

---

**RECOMMENDATIONS:** Identify most appropriate source of funding for these unanticipated costs.

---

**FINANCIAL IMPACT:** \$166,542.50

**Fund Availability**

313 (Operating Reserves)
\$241,533.90

---

**BACKGROUND:** Hidden Valley Lake received substantial rainfall which caused an inundation at the WWTP, and resulted in Sewer System Overflow (SSO) within the Community. To prevent additional SSOs, pumper trucks were hired to mitigate the effects of the excessive rains. An estimated total in excess of 2 million gallons were pumped during this time, and all pumper truck invoices have been received and are under review.

APPROVED  
AS RECOMMENDED

OTHER  
(SEE BELOW)

---

Modification to recommendation and/or other actions:

---

I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on March 19, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent

---

Secretary to the Board



**Action Sanitary, Inc**  
 707-994-5068  
 ActionSanitary@gmail.com  
 PO Box 492  
 Lower Lake, Ca 95457

# Invoice

Date	Invoice #
3/4/2019	20087

Bill To
HIDDEN VALLEY LAKE COMMUNITY SERVICE DIST 19400 HARTMANN RD HIDDEN VALLEY, CA 95467-8371

P.O. No.	Terms	Project
ORDERED BY DENNIS	Due on receipt	

Quantity	Description	Rate	Amount
126	5400 GALLON TRACTOR TRAILER-76 DOWN START: 2-26-19 0700 END: 3-2-19 0500 = 94 HOURS START: 3-2-19 0900 END: 3-3-19 1700 = 32 HOURS APPX: 340,200 GALLONS PUMPED TAG#23315-- GRANGE RD MIDDLETOWN	250.00	31,500.00
122	5400 GALLON TRACTOR TRAILER-2017 DAVIDSON START: 2-26-19 1130 END: 3-2-19 0900 = 90 HOURS START: 3-2-19 0900 END: 3-3-19 1700 329,400 GALLONS PUMPED TAG#23315-- GRANGE RD MIDDLETOWN	250.00	30,500.00
120	10 Wheeler Vacuum Truck Fee- 96 KW START: 2-26-19 1300 END: 3-2-19 0500 = 88 HOURS START: 3-2-19 0900 END: 3-3-19 1700 =32 HOURS 272,000 GALLONS PUMPED TAG#23316-- HIDDEN VALLEY LEVY	200.00	24,000.00

**Thank you, we appreciate your business!**

<b>Invoice Amount Due</b>
<b>Account Balance Due</b>



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 707-994-5068  
 ActionSanitary@gmail.com  
 PO Box 492  
 Lower Lake, Ca 95457

# Invoice

Date	Invoice #
3/4/2019	20087

Bill To
HIDDEN VALLEY LAKE COMMUNITY SERVICE DIST 19400 HARTMANN RD HIDDEN VALLEY, CA 95467-8371

P.O. No.	Terms	Project
ORDERED BY DENNIS	Due on receipt	

Quantity	Description	Rate	Amount
120	10 Wheeler Vacuum Truck Fee- 91 PETE START: 2-26-19 1300 END: 3-2-19 0500 = 88 HOURS START: 3-2-19 0900 END: 3-3-19 1700 = 32 HOURS 240,000 GALLONS PUMPED TAG#23316-- HIDDEN VALLEY LEVY	200.00	24,000.00
90	10 Wheeler Vacuum Truck Fee- 96 PETE START: 2-27-19 1900 END: 3-2-19 0500 = 58 HOURS START: 3-2-19 0900 END: 3-3-19 1700 198,000 GALLONS PUMPED TAG#23317-- HIDDEN VALLEY LEVY	200.00	18,000.00
90	10 Wheeler Vacuum Truck Fee- 15 PETE START: 2-27-19 1900 END: 3-2-19 0500 = 58 HOURS START: 0900 END: 1700 204,000 GALLONS PUMPED TAG#23317 HIDDEN VALLEY LEVY	200.00	18,000.00
	Sales Tax Lake County 7.25%	7.25%	0.00

**Thank you, we appreciate your business!**

<b>Invoice Amount Due</b>	<b>\$146,000.00</b>
<b>Account Balance Due</b>	<b>\$205,950.00</b>



**BACKHOE SERVICE**

9439 Wildcat Rd  
Kelseyville, CA 95451  
(707) 279-4423

**Invoice**

Date	Invoice #
3/4/2019	2908

Bill To

Hidden Valley Lake Community Services Dis  
c/o Alyssa Gordon  
19400 Hartmann Road  
Hidden Valley Lake, CA  
95467

Quantity	Description	Rate	Amount
52.5	Use of 4,200 gallon 2012 Peterbilt vacuum truck -Hourly -Emergency rate \$165/hour -Pumping water for HVLCSO -1pm Friday 3/1/19 through 530PM Sunday 3/3/2019	165.00	8,662.50
Tax ID# 81-3906294. Please remit to above address. All payments through escrow incur \$100.00 fee.		<b>Total</b>	\$8,662.50



**BACKHOE SERVICE**

9439 Wildcat Rd  
Kelseyville, CA 95451  
(707) 279-4423

**Invoice**

Date	Invoice #
3/1/2019	2907

Bill To

Hidden Valley Lake Community Services Dis  
c/o Alyssa Gordon  
19400 Hartmann Road  
Hidden Valley Lake, CA  
95467

Quantity	Description	Rate	Amount
72	Use of 4,200 gallon 2012 Peterbilt vacuum truck -Hourly -Emergency rate \$165/hour -Pumping water for HVLCSO -1pm Tuesday 2/26/19 through 1pm Friday 3/1/2019	165.00	11,880.00
Tax ID# 81-3906294. Please remit to above address. All payments through escrow incur \$100.00 fee.		<b>Total</b>	\$11,880.00

**ACTION OF  
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

**DATE:** March 19, 2019

**AGENDA ITEM:** Discussion and Possible Action: Adopt Resolution 2019-02 Resolution for Cities/Counties/Special Districts Supporting SB 669 (Caballero), the Safe Drinking Water Trust

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**RECOMMENDATIONS:** Adopt Resolution 2019-02, A Resolution of support for SB 669 and approve the General Manager to sign letters of support, submitting them to the District's representative's

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**FINANCIAL IMPACT:** None

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**BACKGROUND:** ACWA and the California Municipal Utilities Association (CMUA) are sponsoring state legislation to create a Safe Drinking Water Trust. Instead of relying on a proposed statewide water tax, the Trust would be funded with General Fund dollars during one or more state budget surplus years. The net income from the Trust would create a durable funding source that will help community water systems in disadvantaged communities provide access to safe drinking water.

Why is there a need for safe drinking water funding in California?

- Most Californians have access to safe drinking water, but some disadvantaged communities do not
- Lack of access to safe drinking water is a public health issue the state must address
- A funding gap exists for operations & maintenance (O&M) costs for community water systems that treat water
- In general, O&M costs cannot be financed using existing state and federal drinking water funding sources
- In some situations, consolidation of a community water system may be the most effective solution
- A financial solution is needed for O&M and consolidation costs in disadvantaged communities that can complement existing federal and state funding sources for capital costs.

How would the ACWA/CMUA proposal for a Trust work?

- The Trust's principal would be initially financed with a one-time infusion of General Fund dollars during a budget surplus year
- There is a record budget surplus for the 2019-2020 Fiscal Year, which makes it the perfect time to create and fund the Trust
- Funding the Trust via the General Fund serves as a progressive source of revenue, as taxpayers with higher income would contribute more, while lower income taxpayers would contribute less
- The Trust's principal would be invested, and the net income would be transferred to a Safe Drinking Water Fund, which the State Water Board would administer

The governor and some legislators are proposing a statewide water tax on drinking water. How would that work?

- The state would levy a monthly tax on the water bills of more than 10 million water customers in California
- More than 3,000 local water agencies would serve as tax collectors for the state in collecting the tax on drinking water bills

- Local agencies would incur significant administrative and technology expenses associated with implementing new systems used for collecting water tax revenues from local water bills
- Revenues generated from the tax would be funneled through the State Water Resources Control Board, which would allocate funding to safe drinking water projects in the state

Recent Events

On Jan. 10, 2019, Gov. Gavin Newsom released his proposed budget for Fiscal Year 2019-'20 that includes a proposal for a Safe and Affordable Drinking Water Fund. Revenue for the fund would be collected through a statewide tax on drinking water and assessments on fertilizer sales and confined animal operations.

In 2018, despite attempts to create a new water tax, the Legislature's Budget Conference Committee rejected the statewide water tax proposed in the 2018 budget trailer bill and acted to include more than \$25 million in General Fund revenue for safe drinking water in the 2018-2019 Fiscal Year State Budget. Also, in 2018, California voters approved Proposition 68 with \$250 million for safe drinking water and clean water projects that is prioritized for disadvantaged communities.

Californians Oppose a Drinking Water Tax

Tulchin Research conducted a statewide poll in early 2018 based on a previous drinking water tax proposal. That poll showed that 73% of likely voters oppose a new tax on drinking water, both initially and even after hearing more information.

Additionally, 74% would prefer using existing funding sources rather than establishing a new tax on drinking water.

APPROVED  
AS RECOMMENDED

OTHER  
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on March 19, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board



 **OUTREACH ALERT**

SAFE DRINKING WATER TRUST/ DRINKING WATER TAX  
Feb. 22, 2019

## Members Urged to Support SB 669 (Caballero) – Safe Drinking Water Trust

*Member Agencies Asked to Support ACWA/CMUA-Sponsored Safe Drinking Water Trust Legislation and Maintain Opposition to Proposed Statewide Water Tax*

ACWA is urging members to support SB 669, which would create a Safe Drinking Water Trust that will help community water systems in disadvantaged communities provide access to safe drinking water. ACWA and the California Municipal Utilities Association (CMUA) are sponsoring the bill by Senator Anna Caballero (D-Salinas).

The Trust would be created in the State Treasury and funded with General Fund dollars during a state budget surplus year. The principal would be invested and the net income from the Trust would be transferred to a Safe Drinking Water Fund, which the State Water Resources Control Board would administer.

This proposal would create a durable funding source for costs associated with operation and maintenance (O&M) and consolidation efforts and would complement existing federal and state funding sources for capital costs. The record budget surplus for the 2019-'20 fiscal year makes this the perfect time to create and fund the Trust.

This solution is a better approach than the statewide water tax, which is being proposed by Gov. Gavin Newsom through budget trailer bill language (very similar to the 2018 budget trailer bill language). ACWA urges members to continue opposition to the proposed water tax, which could also be advanced in a regular bill.

### Take Action Now

ACWA is requesting that member agencies take the following actions immediately:

**1. Send a Support Letter for SB 669 to the Senate Environmental Quality Committee Members, the Committee's Chief Consultant and the Author.** A [sample support letter](#) is available for your use. Following are fax numbers for the Committee Members, the Committee's Chief Consultant, and the bill's Author – Senator Caballero.

Contact	Fax Number
Senator Benjamin Allen (Chair)	(916) 651-4926
Senator Patricia C. Bates (Vice Chair)	(916) 651-4936
Senator Jerry Hill	(916) 651-4913
Senator Nancy Skinner	(916) 651-4909
Senator Henry Stern	(916) 651-4927
Senator Jeff Stone	(916) 651-4928
Senator Bob Wieckowski	(916) 651-4910
Chief Consultant Gabrielle Meindl	(916) 322-3519
Senator Anna Caballero (cc)	(916) 651-4912

**2. Send Your Agency's SB 669 Support Letter to Your Local Senator(s) and Assembly Member(s) via a Fax.** Legislators' contact information can be found on the California Legislature's [website](#).

**3. Contact Your Senator(s) and Assembly Member(s) by phone.** Explain why your agency opposes the proposed statewide water tax and supports the Safe Drinking Water Trust in SB 669 as the better approach. [Talking points](#) are available for your use.

**Please Note:** For member agencies that opposed the statewide water tax budget trailer bill in 2018, ACWA plans to continue using your organization's name on coalition letters opposing the 2019 statewide water tax budget trailer bill (and any policy bills that are amended to include the proposal) which has essentially the same proposed water tax provisions.

**4. Send an Electronic Copy of the Letter to ACWA.** Please send electronic copies of your letter to [outreach@acwa.com](mailto:outreach@acwa.com) and [sorenn@acwa.com](mailto:sorenn@acwa.com).

**5. Testify at Upcoming Hearings.** Please plan to have an agency representative testify in opposition to the proposed statewide water tax budget trailer and in support of the Trust bill as a better approach at the following two hearings:

1. Assembly Budget Subcommittee No. 3, Wed., March 20, 3:30 p.m., State Capitol Room 447
2. Senate Budget Subcommittee No. 2, Thur., March 21, on adjournment of Senate Floor Session, State Capitol Room 112.

Please provide the information of the person(s) who will be giving brief testimony (e.g., name, agency name, and position) at the hearing by contacting ACWA State Legislative Analyst Soren Nelson at [sorenn@acwa.com](mailto:sorenn@acwa.com)

The Senate Environmental Quality Committee hearing date on SB 669 has not been scheduled yet. ACWA will send out a notification when the hearing has been scheduled and will be asking member agencies to testify in support of the bill at the first policy committee hearing.

## Updated Toolkit

In addition to the immediate requested actions listed above, ACWA urges its members to use the following updated materials to help educate key audiences about how the proposed Safe Drinking Water Trust would work and the potential negative impacts of the proposed tax.

- **Educate Key Audiences.** Talk to your customers, news media, local leaders and other key stakeholders about the investments your agency has made to ensure safe drinking water in your community and why these types of investments are often financially out of reach for disadvantaged communities. Educate them about how the Safe Drinking Water Trust would work and the potential negative impacts of a tax on your agency and the customers who would pay it. ACWA has updated the informational website [www.WaterTaxFacts.org](http://www.WaterTaxFacts.org) and created a new [fact sheet](#) and [infographic](#) about the Trust.
- **Pass a Board Resolution.** ACWA members interested in adopting a resolution in support of SB 669 (the Safe Drinking Water Trust) may use this [sample resolution](#).
- **Work with ACWA to Place a Local Op-Ed.** During the past two years, op-eds have played a critical role in educating Californians about the negative impacts of a proposed drinking water tax. ACWA is writing and coordinating placement of op-eds throughout the state. If you would like to work with ACWA on this effort, please contact ACWA Communications Specialist [Will Holbert](#) at (916) 441-4545.
- **Educate Using Social Media and Other Platforms.** ACWA members are encouraged to share educational messages on their social media accounts, websites, newsletters, or other platforms. ACWA has created [sample social media posts](#) for your use.

These tools and other resources have been posted on ACWA's website at [www.acwa.com/trust](http://www.acwa.com/trust). Log-in is required to access members-only tools.

## **Questions**

For questions about SB 669 (the Safe Drinking Water Trust) or opposition to a statewide water tax, please contact ACWA Deputy Executive Director for Government Relations [Cindy Tuck](#) at (916) 441-4545.

For questions about the toolkit items, please contact ACWA Director of Communications [Heather Engel](#) at (916) 441-4545.



## Hidden Valley Lake Community Services District

19400 Hartmann Road  
Hidden Valley Lake, CA 95467  
707.987.9201  
707.987.3237 fax  
www.hiddenvalleylakecsd.com

March 19, 2019

The Honorable [FIRST NAME] [LAST NAME]  
State Capitol [ROOM]  
Sacramento, CA 95814

RE: SB 669 (Caballero): Safe Drinking Water Trust – SUPPORT

Dear [Senator/Assembly Member] [Last Name],

Hidden Valley Lake CSD supports SB 669 (Caballero), which would create the Safe Drinking Water Trust (Trust) at the state Treasury. The purpose of the Trust would be to provide a durable funding source to help community water systems in disadvantaged communities provide their customers with access to safe drinking water. The Trust is a better approach than a statewide water tax.

There currently exists a funding gap for operation and maintenance (O&M) costs for the treatment of drinking water by community water systems in disadvantaged communities. O&M costs generally cannot be financed with existing federal and state safe drinking water funding sources that are available for capital costs. In some situations, the consolidation of a failing community water system with one or more systems may be the most effective solution. The Safe Drinking Water Trust proposed in SB 669 would provide a durable funding source to provide financial assistance for replacement water as a short-term solution, consolidation and ongoing O&M costs.

The Trust would be funded with an infusion of General Fund dollars during a budget surplus year. With the record budget surplus for the 2019-20 Fiscal Year, this is the perfect year to create and fund the Trust. The state would invest the Trust's principal, and the net income from the Trust would be transferred on an ongoing basis to a Safe Drinking Water Fund that would be administered by the State Water Resources Control Board.

The Trust is a better approach than a statewide water tax because it is not sound policy to tax a resource that is essential to life. Unlike a regressive water tax and the associated implementation costs at about 3,000 local water systems, the Trust would not drive up water costs and work against the state's Human Right to Water policy of affordable water.

For the above reasons, Hidden Valley Lake CSD respectfully asks you to vote "Aye" for SB 669.

Sincerely,

Kirk Cloyd, General Manager

cc: The Honorable Anna Caballero

**RESOLUTION 2019-02**

**Resolution for Cities/Counties/Special Districts  
Supporting SB 669 (Caballero), the Safe Drinking Water Trust**

**WHEREAS**, the Association of California Water Agencies and the California Municipal Utilities Association are sponsoring SB 669 (Caballero) to create the Safe Drinking Water Trust (the Trust); and

**WHEREAS**, drinking water is essential to life and the lack of access to safe drinking water in disadvantaged communities is a public health issue that the state should address; and

**WHEREAS**, a funding solution for operation and maintenance and consolidation costs is needed that can complement existing federal and state funding sources for capital costs; and

**WHEREAS**, ACWA and CMUA have developed the Trust proposal to provide the needed funding solution;

**WHEREAS**, SB 669 would create the Trust in the state Treasury; and

**WHEREAS**, the Trust would be funded with an infusion of General Fund dollars during a state budget surplus year; and

**WHEREAS**, there is a record General Fund budget surplus for the 2019-'20 fiscal year and a portion could be used to fund the Trust's principal; and

**WHEREAS**, the net income from the Trust would provide the needed durable source of funding; and

**WHEREAS**, a statewide water tax on local water bills of approximately 3,000 community water systems would work against the common goal of keeping water affordable;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of Hidden Valley Lake Community Services District formally supports SB 669.

**PASSED AND ADOPTED** on \_\_\_\_\_, 2017, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

\_\_\_\_\_  
Linda Herndon  
President of the Board of Directors

\_\_\_\_\_  
Kirk Cloyd  
Secretary to the Board of Directors

**ACTION OF  
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

**DATE:** March 19, 2019

**AGENDA ITEM:** Discussion and Possible Action: Approval of Director(s) attendance at ACWA Spring Conference May 7-10, 2019 at the Monterey Convention Center

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**RECOMMENDATIONS:** Approve Director(s) attendance at ACWA Spring Conference May 7-10, 2019 at the Monterey Convention Center

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**FINANCIAL IMPACT:** See Attached

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**BACKGROUND:**

APPROVED  
AS RECOMMENDED

OTHER  
(SEE BELOW)

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Modification to recommendation and/or other actions:

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I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on March 19, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent

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Secretary to the Board



# LEGAL BRIEFING & CLE WORKSHOP

May 7, 2019 • Monterey Conference Center



## AGENDA

Location: Steinbeck 1, Monterey Conference Center

**9:00 - 10:00 AM**

### **Changes in Managing Personnel: Top 10 Areas for Updating Public Agency Personnel Practices**

Times change. Laws change. Your agency changes. But have your personnel practices and policies kept up with these changes? Better yet, are you even following your agency's policies? This presentation will review 10 different areas of public agency personnel practices and policies that often need to be fine-tuned or even just implemented in the workplace. We will discuss why it is important to review and revise these personnel practices and policies to conform to the law and/or to better implement effective personnel management. Topics will include leave of absence rules, use of performance evaluations, probationary employment policies, harassment/discrimination/retaliation policies, and disciplinary investigations and procedures.

**10:00 - 10:15 AM**

### **Break**

**10:15 - 11:45 AM**

### **Water Agency Infrastructure Financing Options and Alternatives**

Historically, California water agencies have relied on tax-exempt bond financing and State grants and SRF loans to generate funds for their largest capital projects. Numerous factors, including challenges to raising customer rates for debt service payments and a rising interest rate environment, may make these methods of financing more challenging in future years. Water agencies may look to combine multiple financing sources – bond financing; WIFIA, Bureau of Reclamation and WRDA grants and loans; State grants and SRF loans; and funds generated through public-private partnerships (P3) structures – to fund needed infrastructure.

Our multidisciplinary panel includes experts on many of these alternative funding sources, all of whom work together to craft strategies that are economically and practically optimal for public agency clients.

**Noon - 1:00 PM**

### **Networking Lunch**

Ferrantes Bay View, Monterey Marriott





# AGENDA continued

PROGRAMS ARE SUBJECT TO CHANGE WITHOUT NOTICE

**1:00 - 2:00 PM**

## **Navigating LAFCO and County Processes in Formation of California Water Districts in the Age of SGMA**

This program will educate attorneys and industry members regarding the practical aspects of district formation from the initial meetings with landowners, county officers, outside consultants, and neighboring districts, as well as the interplay between LAFCO procedure and SGMA throughout the petition process, gathering signature, conducting the election, and initial meetings.

**2:00 - 3:30 PM**

## **Opportunities and Obstacles in Wastewater Recycling**

This program will address the legal requirements for securing approval of a wastewater change petition, including strategies for resolving protests based on environmental considerations (and in particular impacts to protected species), including how to proceed with projects in the face of uncertainty about project effects to protected species. Water agency staff responsible for planning and permitting for significant wastewater recycling projects in northern and southern California will present an overview of their projects, and the permitting processes, and strategies for successful resolution of permitting challenges, including protests based on concerns about effects to fish and wildlife.

**3:30 - 3:45 PM**

## **Break**

**3:45 - 4:45 PM**

## **Life After Retirement: Succession Planning and Hiring Retired Annuitants**

This program will provide valuable guidance to public agencies and utility managers who are nearing retirement from full-time employment. This session will discuss the elements of an effective plan of succession for senior managers of water and wastewater utilities, including mentoring, continuing education and cross-training, and explain why it is important to have a succession plan, with a particular emphasis on the views of credit rating agencies. Topics covered in this session will also include the laws governing post-retirement work, common retired annuitant exceptions, common mistakes agencies make when hiring or retaining retired annuitants, hiring retired annuitants as independent contractors, penalties for violations of post-retirement work restrictions, and much more. Practical tips and pitfalls to avoid in succession planning and hiring retired annuitants will be discussed in detail.



# LEGAL BRIEFING & CLE WORKSHOP

May 7, 2019 • Monterey Conference Center



## REGISTRATION FORM



**REGISTER ONLINE**

Go to **www.acwa.com** to register by April 19, 2019 for pricing listed below.

**QUESTIONS?**  
Contact us at  
(888) 666-2292

### REGISTRATION FEES

### ADVANTAGE

### STANDARD

**PLEASE NOTE:**

Advantage pricing applies to ACWA public agency members, associates & affiliates.

Standard pricing applies to non-members of ACWA.

Registration Onsite is an additional \$25.00

**CLE Workshop Registration with All Meals** .....

**\$275**

**\$400**

Includes: Continental Breakfast, Lunch and Materials

### HOTEL INFORMATION

*You must be registered for the ACWA CLE Workshop in order to make hotel reservations at the special room rate.*

**Monterey Marriott** (350 Calle Principal)  
Single/Double \$226/night + taxes & fees

**Portola Hotel** (2 Portola Plaza)  
Single/Double \$215/night + taxes & fees

**Hotel Pacific** (300 Pacific Street)  
Single/Double \$225/night + taxes & fees **(The cut-off date to receive this special rate is April 15, 2019)**  
Reservations will not be accepted until February 18.

*Any reservation made after April 15, 2019 is subject to the hotel's regular room rate and based on availability.*

**Hotel Questions, Cancellation or Changes:** Contact Monterey CVB at Housing@SeeMonterey.com

### PAYMENT METHODS

- Check payable to ACWA - 910 K Street, Ste. 100 • Sacramento, CA 95814
- Charge credit card: MasterCard or Visa by calling ACWA Accounting and providing information over the phone.



Registration Cancellation Deadline: April 19, 2019 4:30 p.m. (PST)  
Conference terms and conditions available at acwa.com in the event section.



March 13, 2019

Hidden Valley Lake Community Services District  
19400 Hartman Road  
Hidden Valley Lake, CA 95467

Please find an abbreviated proposal to provide management consulting services to the Hidden Valley Lake Community Services District. In respect for your core mission to provide, maintain and protect our community's water, I am pleased to submit this proposal. Per our discussion on March 9, 2019 with Board President Linda Herndon, I understand the objectives of this assignment include the following with some paraphrasing on my end:

- The Board would like to better understand their role as they interact with the General Manager and his staff.
- The Board would like direction in how to best implement a successful Board Governance and GM Operational Leadership model to foster a successful collaborative relationship.
- The Board would value some assistance in framing an appropriate contract capturing successful best practices in leading this type of role in an organization.
- The Board would like to better understand what is expected from the General Manager and what those results should reflect.
- The Board would like to know how to make the transition from knowing these core issues above on an intellectual basis and driving a successful implementation plan to best meet your District mission and service to our ratepayers.

You will find my CV attached to this proposal statement. I bring over 25 years' experience working in the water and wastewater sectors across many sectors of at the State, County, Municipal, Special District and other agency related experiences. I also share references from other recent, local water and wastewater clients who can speak to my experiences successful implementing these Board-GM success models and other interventions if you are interested. Please find on the following pages how we might best approach this scope of work at the least possible costs with the quality outcomes you are seeking. We are located in Benicia, California and service many other clients in your general area in varying industry sectors as well. My e-mail is [Larry@bienati.com](mailto:Larry@bienati.com) and cell is 91.718.4115 for any questions.

Sincerely,

**Consultants to Management, Inc.**

*Larry Bienati*

Lawrence M, Bienati, Ph.D., SPHR  
Senior Principal

Proposal for Services to HVLCS  
Page 2 of 4

## 1.0 **Proposed Scope of Work**

- 1.1. *Visit with the Board President and General Manager to understand the current environment and proposed consulting outcomes.* Establish an appropriate schedule, budget and target dates for the scope outlined below. Also, engage in whatever preparation is necessary to start this process. Share experiences and various models employed in past assignments that proved successful in the Board-GM collaboration model and other associated recommendations in the GM performance model.

Proposed date: Late March or Early April 2019

Time: 6-8 hours inclusive of preparation time, on-site visit.

- 1.2 *Meet with each Board Member 1:1.* The goal here is to spend a day on-site meeting with each board member to best appreciate their perspective on the project deliverables and outcomes we are seeking. It is important for the consultant to appreciate and understand these individual board perspectives and constructive suggestions to best achieve an interest based outcome in our Board-GM working model. While the consultant is aware of many successful Board models, including the Carver model among others, it is important to appreciate the culture and level of engagement needed to best serve the mission and rate payers of the District. During this process the consultant will also work with each Board member to advise them of best practice expectations found in successful General Manager Roles. These individual conversations will lead to a synthesis document for our offsite and further refine the General Managers contract and clarify goals and performance expectations. The consultant will make available his tools, resources, descriptions and performance appraisal models that have served his other General Managers and Boards over the last 20 years.

Proposed date: Late April 2019

Time: 8 hours inclusive

- 1.3 *Prepare a summary report and begin process for the Board-GM Facilitation Exercise.* Following task 1.2 above the consultant will summarize his notes, findings and recommendations. The consultant will also prepare a proposed outline to facilitate a strategic offsite between the Board and the General Manager to drive some of the key outcomes desired in this project.

Proposed date: Early May or sooner 2019

Time: 4-8 hours

- 1.4 *Facilitate an offsite meeting to develop and implement and appropriate Board-GM Collaboration Model.* This will be at least a 4-6 hour session where we discuss and decide on a successful Board Governance-Operational demarcation model to achieve the noted project outcomes. In successful water districts these models focus on an understanding of “swim lanes” that the Board follows at the governance and policy levels (the ends) while providing the General Manager appropriate latitude to collaborate on the implementation side of the mission and strategy (the means). The consultant will also assist the Board in refining the GM job description, performance appraisal and any expectations going forward from the Board’s lens. We will leave this session with an appropriate memorandum of understanding, code of conduct and other required documentation to chart a successful path of collaboration.

Proposed date: Early May 2019

Time: 10-14 hours inclusive of preparation time and likely follow-up documentation.

- 1.5 *Send any follow-up documentation or closure to task 1.4*

Proposed date: Within one week of task 1.4.

Time: 2-4 hours and varies

- 1.6 *Schedule a follow-up session with the Board and GM to assess progress with our proposed plan with our outcomes directed in task 1.4.* This will be a 60 or 90 day check-up of sorts to assess what is going well with our working model. We will discuss what may need to be tweaked as necessary to move closer to our outlined vision of the GM-Board relationship. It remains to be determined if another check-up session is worthwhile 90 days following task 1.6.

Proposed date: July 2019

Time: 2 hours or so...

- 1.7 Coaching for Board and GM. During this above noted process the consultant can allocate hours to assist the GM with his proposed job description and Board expectations and also being there for the Board on any counsel they desire.

Proposed date: Variable

Time: 2-4 hours (optional)

## 2.0 **Consulting Rate for Assignment**

- 2.1 *Travel time and costs.* To keep costs manageable the consultant may waive travel time and expenses. While it is a fair distance to the worksite the consultant will strive to tie in other client meetings in the Valley. The consultant respects the fiduciary responsibility of the Board and will work in earnest to cover some of these logistical expenses where possible.
- 2.2 *Hourly rate.* The consultant will reduce his hourly rate by 15% to accommodate the budgetary needs of the District provided some flexibility is offered in the consultant's desire to work this assignment in his backlog given the short notice. The rate will be \$225.00 per hour.
- 2.3 *Project Fee.* For the tasks outline above, and give the variability of the hours needed, we expect the total project fee to be in the range of 38-44 hours. This fee equates to \$8,550 to \$9,900 dollars.

## 3.0 **References (please advise if you plan to contact please).** They can speak to the work the consultant has done in Board-GM relationships, succession planning and strategy development.

- 3.1 Mr. Roger Bailey, PE, General Manager, Central Contra Costa Sanitation District, 925-229-7300  
  
Mr. David Williams, PE, Board President Central Contra Costa Sanitation District, Executive Director, BACWA, 925-229-7300  
  
Mr. Tim Healy, PE, General Manager, Napa Sanitation District, 707-258-6000  
  
Mr. Jerry Brown, General Manager, Contra Costa Water District, 925-688-8000  
  
Honorable Jill Techel, Mayor, City of Napa, Chairperson, Napa Sanitation District, 707-258-6000

Thank you for the opportunity to submit this proposal. We also have a power point presentation we will send if requested on what a typical Board-GM governance and operational model may resemble. Thanks for the opportunity to offer this bid for services. Have a successful day!



## Dr. Lawrence “Larry” Bienati

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Dr. Larry Bienati has over 35 years' senior level leadership experience in various organizational settings. Since 1988 Larry has taught in many Bay Area Universities, including Saint Mary's College where he served as lead faculty for the highly successful accelerated BA in Management Program, U.C. Berkeley's Worldwide Business Programs, the California Maritime Academy and his current role at Sacramento State University serving in faculty roles for many executive leadership development programs and the EMBA program. Larry is a respected professional speaker, consultant, author, and practitioner in the areas of human resource strategy, complex employee relations, investigations, labor relations, executive compensation, strategic planning, Carver Board Governance Models and high-level facilitations. In recent years, Larry has dedicated his practice to strategy formulation, change management, start-up ventures, merger integration, leadership development, mediation, succession planning and ownership transitions.

Larry held senior level positions at Safeway Stores, Longs Drug Stores and The Cooper Companies, Inc. He was a senior leader, principal owner in the Kleinfelder Group of Engineering Companies. Larry holds a BS Degree in HR/Labor Relations and an MBA in Strategic Management. After a 10-year reality check in business, while growing a family with his wife Cathy, he returned to school to earn his Ph.D. in Business Administration. His dissertation focused on original research in the rehabilitation of problem employees along with organizational turnaround strategies. Larry is also a Certified Compensation Professional and a lifetime recipient of the Senior Professional in Human Resources designation with SHRM for his early work in HR in advancing the legacy of the HR-OD profession. He is also a Certified Mediator with Mediators Without Borders.

Larry's life-long learning comes from Sicilian roots at their family-owned restaurant, Ann's Café, in Oakland, California. This wonderful 42-year legacy experience has helped shaped many of the qualities of leadership and people success he brings to the classroom and the business world. Ann's Café embodied all that was good in the "heart of leadership" and service to the community.

Larry consults for some of Fortune's top companies in America. He also brings 30 years of public sector experience having consulted for many leading Federal, State, County and local agencies, municipalities in a wide variety of strategic organizational and leadership transition interventions. He is the past volunteer Board President for the Sierra State Parks Foundation and served on various Boards and Advisory Groups. He is the current Board Chair for BSK Engineering and Laboratory

Services, Inc. His notable clients include: State of California, League of California Cities, The French Laundry, major wineries, biotechnology, technology, water, disposal, engineering organizations and over 200 clients across many industry sectors. Larry brings a rich diversity of experience, passion, practicality and inspiring engagement with his leadership development programs, seminars, keynotes, clients and executive MBA students.

Larry donates 10% of his practice each year to assisting non-profit organizations, veterans, at risk students and other noble social causes in advancing their missions and needs. Larry is known for building collaboration, enabling visions and mentoring successful leaders. He is passionate about inspiring others to become legacy leaders to take care of their most important asset—their employees!

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707.748.7550

## Dr. Lawrence “Larry” Bienati



Dr. Bienati has over 35 years' senior level leadership experience in numerous organizational settings. At various times since 1989, he held lead and core faculty positions at Saint Mary's College, School of Extended Education, Faculty Coordinator, Executive Leadership Programs, EMBA, Sacramento State University, CCE, and lecturer, U.C. Berkeley's Worldwide Business International Programs. As a consultant to management, his client base includes many leading firms in both the public and private sector. Larry is a respected professional speaker, facilitator, consultant, author, mentor and practitioner in the areas of leadership development, succession planning, human resource strategy, employee relations law and practice, investigations, mediation, executive compensation, strategic planning, change management, organizational strategy, board governance, sigma systems, project management, organizational outsourcing and process engineering. Larry's passion rests in strategic HR, Organizational Development (OD), Leadership Succession, assisting organizations advance to the next levels of sustained excellence.

### Education

- Ph.D.** Business Administration (Human Resources Management Emphasis), Golden Gate University, San Francisco, California, 1991, *Dissertation focus: Performance Management and Organizational Turnaround Strategies.*
- MBA** Management Sciences and Strategy, California State University, Hayward, California, 1980.
- BS** Industrial Relations and Personnel Administration, California State University, Hayward, California, 1979  
Coach, Intercollegiate Speech and Debate Team. Eagle Scout Award. Vigil Honor, Order of the Arrow.

### Professional Certifications

- SPHR** Senior Professional in Human Resources, **Lifetime** Certification, SHRM along with **SHRM-SCP** certifications as well
- CCP** Certified Compensation Professional, World at Work, ACA, December 1996 to December 2018

### Other Certifications

*Professional Speaker*, National Speakers Association, since 1984; Certificate in International Human Resource Management, SHRM, *Certified by Consulting Psychologist Press* in levels a, b, and c psychological instruments; *Certificate in Employee Relations Law*, *Certified Mediator*, Mediators without Borders. Pre-certified management consultant for 22 management/quality process areas State of California.

### Previous Leadership Positions Held (Past 30 Years)

**Global Vice President, Organizational Development, (Current)** The Cooper Companies, Inc. a 1.7 billion dollar, NYSE global medical device, firm, 10,000 employees worldwide, Pleasanton, California. Previously VP of HR, CooperVision Inc., before promotion.

**CEO and Founder, Bienati Consulting Group, Inc.** Consultants in Organizational Strategy and Strategic HR founded in 1985, d.b.a. Consultants to Management<sup>SM</sup>. Founder of [www.onestophr.com](http://www.onestophr.com) (OneStop<sup>TM</sup> HR)—an on-line self-service Human Resources Web Site

**Vice President, Principal Owner.** The Kleinfelder Group of Companies, a national/international ENR top 100 engineering consulting firm. Period of service: July 1989 to 2005.

**Manager, Employee Relations/HR.** Longs Drug Stores, a 3 billion, 15,000 employee base, 247 Retail Drug Store Chain. Period of service: June 1985 to July 1989. Working with a great team, introduced over 25 new innovations to the company.

**Manager, Human Resources and Benefits.** Safeway Stores, Inc., Northern California Division, 300 stores, 18,000 employee base. Period of service: May 1974 to June 1985. Other promotional positions during this tenure included: 1974-1980: Food Clerk while completing BS, MBA Degrees; 1980-1981: Employment Representative/Affirmative Action; 1981-1983: Supervisor, Training and Development; 1983-1985: Supervisor, Benefits, Labor Relations, Human Resources; facilitated HR Liquor Barn start-up operations.

### Partial client base where teaching, mentoring, HR outsourcing and organizational consulting services provided (by key sector):

**Technology/Health Services:** Intel, IBM, Sybase, Silicon Graphics, HP, Adaptec, Trinity Partners, Arcus Technology, Brass Ring Systems, Exemplar Logic/Mentor Graphics, IC Verify/Cyber Cash, MANPOWER Technical Services, EpiStaff, Ascend Communications, Microsoft, TransEDA (US), Blue Pearl Software, E-Trade, E-Bay E-Employee.com, MediaRing.com, Valuestar.com, Interhealth, BioMarin Pharmaceuticals, AlphaOne/Arriva Pharmaceuticals (Baxter), AGY Therapeutics, Cloudscape/Informix, Biotech HRN, Pangea Systems/DoubleTwist.com, PC-Doctor, Inc., Outsource Group, Inc., Blaze, Blue Pearl, Exelixis, Minitab, Applied Health Outcomes, AXIS.

**Engineering/Transportation:** Cooper Labs, Brown & Caldwell, Kleinfelder, Anderson, Jones & Stokes, ASFE, CAI, Weiss, Subsurface Consultants, CH2MHill, Bechtel, Strata, Fugro West, West-Yost, McClaren-Hart, Dudek Engineering and Environmental, EQE, Quake Safe, CGEA, ACEC, TJH2B. EBMUD, SMUD, Towill, TerraCon, Strata Geotechnical Services, Stetson Engineers, Hayashida Architects, MSRC, Pasha Group of Companies, Marine Spill Response Corporation, American President Lines, Matson Navigation Systems, various Ports.

**Winery/Hospitality:** Regusci Vineyards, Pride Mountain Vineyards, Niebaum-Coppola, Francis Coppola Presents, Rubicon Estates, Laird Family Estates, Joseph Phelps, Franciscan Estates, Icon Estates, Wente Vineyards, Mondavi, Chateau Sovereign, Rodney Strong, Silver Oak, Domaine Chandon, Cakebread Cellars, TKRG Group (The French Laundry, Bouchon, Per Se), Frogs Leap, Caymus, Terra Valentine, Dana Estates, Castelllo di Amorosa, V. Sattui, Alpha Omega, Del Dotto, Pineridge, Buccella, Vineyard 29, Opus One Winery, the Bounty Hunter

**Private Sector (General):** Bradshaw Companies, California Water Services, Pac Bell, Bank of America, Mechanics Bank, Milwaukee Tool Company, Great West Bank, Garaventa Enterprises, Broadcast Sales Industry, Chevron-USA, Jenkins/Athens Insurance, Diversified Risk, Inc., ICEE-USA, Icon Estates, Automatic Rain, The Source, Evergreen Marketing Group, Institutional Financing Services, Hunter Industries, Beverages and more!, Longs, Safeway and Lucky Stores, RGL LLP, BisNet, Inc, Sunshine Foods, Payroll Masters, Mason McDuffie, Realty Executives, Prudential, Corey Delta Constructors, Loan Toolbox, Fasteners, Raleys/BelAir/Nob Hill Supermarkets, CRI Intl., ADP, Vanderbilt Construction, CRM. Inc., Cultured Marble Products, MIV Insurances Services, North Bay Auto, WorkRite, Padre Dam W.D.



**Public Sector (General):** CSUS, NDOT, CalTrans, Cities of Stockton, Reno, Roseville, Newark, Sparks, Las Vegas, Oakland, Pittsburg, Antioch. Counties of Alameda, Placer, Contra Costa. OSCI, CA State Training Center, State Board of Pharmacy (CA), Department of Labor (OSHA), DFEH, FEHWA, GSA, American Waterworks Association, DCA-California Office of Examination Resources, San Ramon Fire, California Water Services, Otay Water District, Las Vegas Valley Water District, Department of Motor Vehicles, California Highway Patrol, TRB, California Department of Corrections, California Youth Authority, Department of Water Resources, CalSTRS, CalPers, Department of Social Services, TCPUD, Cal-EPA/DPR, Dept of Health Services, California League of Cities, NLTRA, PARSAC, ABAG, CAJPA. Pharmacy, EDD-SDI Programs (CA), Department of Personnel Administration, MOFD, Sac Metro Fire, Central Fire District, FDAC.

**Non-Profit Sector:** (*Larry donates 10% of his practice to help these socially responsible organizations.*) VSP, Medical Alert Foundation US/International, KQED, League to Save Tahoe, Boy Scouts of America, Komen Foundation, March of Dimes, American Diabetes Association, Juvenile Diabetes Association, Mothers of Diabetics, Napa Valley Support Services, Homeless Groups, Battered Women, COPIA (American Center for the Wine, Foods and Arts), Asian Mental Health Services, NCHRA, Childstart, Hospice-Napa Valley, CRRC.

**International Sector:** Sodexo/Marriot International, Exemplar Logic (UK), TransEDA (Europe, Asia), Hyundai (Korea), U.C. Berkeley Infotech (Mexico), R.Xiberta Corks (Spain), Watagate Software (Asia), U.C. Berkeley Worldwide Assignments, Korean Telecom, Pasha.

**Limited Sample of Graduate and Undergraduate Courses Taught (over 25 years):**

Food Industry Management Program (JFKU)	International Strategic Management (SMC, CSUS, CSUM)
Principles of Marketing (CSUH, SMC)	BA in Law Studies (SMC)
Management Theory and Practice of Management (SMC)	Graduate Health Services Management (SMC)
Organizational Behavior (JFKU, CSUS EMBA)	Certificate in HR Management/HRCI (GSA, GGU, UCB)
Decision-Making Theory (SMC)	Personnel Administration (JFKU, GGU)
Project Management (SMC, CSUS)	Modeling Quality Leadership and Metrics (CSUS)
Employee and Labor Relations (UCB, SMC)	Faculty Coordinator, Executive Leadership Programs (CSUS)
Leadership, Change, Ethics (EMBA Sac State)	International HR Management (UCB Worldwide Programs)
Executive Decision Making (EMBA, Sac State)	Organizational Development (MBA, EMBA, CSUS)

**Director and Board Advisor Roles:** Board Chair, CTM, Inc and BCG, Inc., Board Advisor, GVE, Inc., Board Advisor, Brass Ring Systems, Board President Sierra State Parks. Foundation, Board Chair, BSK, Inc., Advisor, CRI International, Inc., MSPOA President

**Books, Publications and Articles:**

Bienati, Lawrence M., When Eagles Fly in Formation, Leadership and Strategy Manuscript in Progress, Finalization: August 2017.  
Bienati, Lawrence M. How Can I Get The Experience if You Won't Let Me have the Job, Amazon Publishing, July 2017.  
Bienati, Lawrence M., Salvaging the Problem Employee. Ann Arbor: UMI International, 1992.  
Bienati, Lawrence M., Competing Through Talent: An Anthology for the Talent-Focused Enterprise. Waltham, MA: BrassRing LLC, 2002.  
Cases in Government Succession Planning, Rothwell et al. HRD Press: Massachusetts, 2008. Contributing Author.  
Over 60 self-published papers, articles, handouts. Listing available on request.

**Select Contributions to Various Organizations (Detailed Project Listing Available Upon Request)**

**Professional Speaking.** Since 1983, Dr. Bienati has conducted over 300 formal speaking engagements on a host of management/leadership topics. In addition, he has appeared on local TV shows like "Make it Your Business" and national satellite downlinks in the United States.

**Leadership Development.** Co-developed a monthly public management development series, "The Management Leader Program." This monthly leadership development process provides leadership training for key management positions in private and public organizations. Since 1988, over 1000 leaders have been trained in 45 different industry settings with measurable outcomes. Facilitates many executive leadership development programs through UC Berkeley, California State University, Sacramento and Saint Mary's College.

**Organizational Development/Strategic Planning.** Facilitated TQM, Reengineering and Strategic Planning Sessions in over 50 private and public organizations. Served as mentor to leaders of private and public sector organizations engaging in significant change management processes. Provided counsel to many business enterprises embarking on business development, leadership transition, and preparation for IPO activities. Assisted many municipalities, counties and state agencies with business realignment/integration processes. Coincident with this process has conducted numerous teambuilding sessions focus on challenging employee relations, team and process related issues.

**CEO/Executive Mentor.** Assisted many CEOs and aspiring HR professionals at the start-up and the turnaround phases. Implemented strategies across all business processes including: HR, management, marketing, operations, sales, finance and MIS. Primary focus is to assist organizations experiencing leadership transitions and significant growth. Helped CEOs evolve into organizational structures to support business processes resulting from realignment and IPO preparation. Helped facilitate the integration of 10 mergers since 1994. .

**Outsourcing.** Facilitated complete and partial human resource outsourcing activities for at least 50 organizations since 1992. Worked with strategic partners to handle all human resources, payroll, benefit and insurance processes for organizations.

**Succession Planning:** Developed and implemented formal assessment center processes to assist organizations in identifying and developing current organizational leaders. Specializes in technical leader transformation to management-leaders through original 360-degree assessment and executive coaching systems. Certified, experienced consultant in the area of succession planning and executive coaching.

**Employee Rehabilitation.** As a part of published Ph.D. research, he implemented over 250-performance action plans (PAP) in seven industry settings since 1985. The PAP is an original methodology to assist organizations in rehabilitating non-performing personnel. The PAP process is experiencing a 70% success rate in "salvaging the problem employee." Larry specializes in resolving complex ER issues.

**Strategic Compensation and Complex Employee Relations.** As a certified compensation professional, he introduced many salary, incentive, pay for performance, stock systems and enlightened total compensation system to organizations in the private, public and non-profit sector. Provided mediation and conflict resolution services to organizations experiencing employee relations and labor/management problems. Additional support provided in resolving lawsuits, negotiating settlements and creating preventative employee relations and labor relations practices. Specializes in handling complex performance issues at all levels of the organization.

**ACTION OF  
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

**DATE:** March 19, 2019

**AGENDA ITEM:** Discussion and Possible Approval: Discuss and recommend staff to proceed with the rate increase based on the NBS Rate Study

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**RECOMMENDATIONS:** Approve the NBS Rate Study as presented. Authorize staff to proceed with the rate increase based on the Study and staff to begin public outreach and the 218 process.

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**FINANCIAL IMPACT:** Estimated \$3,500 for printing and mailing

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**BACKGROUND:**

APPROVED  
AS RECOMMENDED

OTHER  
(SEE BELOW)

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Modification to recommendation and/or other actions:

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I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on March 19, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent

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Secretary to the Board



**HIDDEN VALLEY LAKE**  
**COMMUNITY SERVICES DISTRICT**

## **WATER, SEWER & RECYCLED WATER RATE STUDY REPORT**

*Administrative Draft Report*

**October 2018** (Revised February 2019)

**OFFICE LOCATIONS:**

*Temecula – Headquarters*  
32605 Temecula Parkway, Suite 100  
Temecula, CA 92592

*San Francisco - Regional Office*  
San Francisco, CA 94102

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## SECTION 1. BACKGROUND, PURPOSE AND OVERVIEW OF THE STUDY

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### BACKGROUND

In 2014, the Hidden Valley Community Services District (“District”) retained NBS to complete a water and sewer rate study which resulted in a March 2015 rate study report, and new rates were implemented soon after. However, within a month, the San Juan Capistrano court decision was issued; this decision had significant implications for how tiered rates are designed. Essentially, the decision required water agencies to “*demonstrate that the tiers correspond to the actual cost of providing service at a given level of usage.*” In addition, the severe drought across California and mandated conservation prompted the District to replace its four-tiered rates with a new uniform (single tier) rate and new drought surcharges.

***“Significant declines in water use have impacted the District’s revenues and reserves.”***

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Since then, the District has been pondering additional changes in consumption patterns, water supply limitations, future CIP funding requirements, and the desire to continue to improve the fairness and equity of rates. In light of these considerations, an updated rate study was needed.

### PURPOSE

The District retained NBS again in December 2017 to re-evaluate its water, sewer and recycled water rates to ensure its rates meet basic Proposition 218 (Prop 218) requirements, industry standards, and reflect the District’s priority of maintaining transparent communications between the District and its residents and businesses.

### OVERVIEW OF THE STUDY

In developing the proposed new water and sewer rates, NBS and District Staff worked cooperatively to develop and present an overview of study results and rate alternatives to the District’s Board on February 12, 2019. The Board provided NBS and District Staff with direction and feedback. Based on this input, NBS recommends the water, sewer and recycled water rates summarized below.

**Key Issues Addressed** – In addition to ensuring that water and sewer rates collect sufficient revenue to meet the annual operating costs and capital improvement plans, other key issues addressed included:

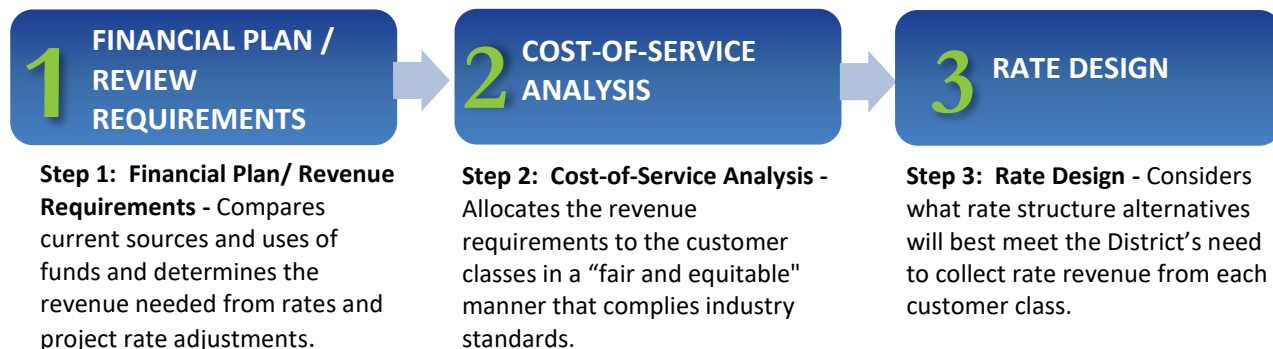
- Lower water sales over the last few years due to the drought and conservation concerns
- In particular, consumption records indicate that commercial water use has significantly increased while residential has significantly decreased
- Chromium 6 treatment costs
- Water supply limitations and potential need to build a new well
- Changes in annual operating costs, including potential adjustments resulting from the District’s salary survey
- The need to build adequate CIP and replacement reserves
- SRF loans and debt service payments

**Recommendations** – As a part of the long-range financial plan, NBS evaluated projected revenues and expenditures to determine net revenue requirements. In light of the water utility’s declines in water sales and planned capital improvements, it will be critical to rebuild water reserve funds. While the sewer utility has reasonably healthy reserves, those reserves will be needed to cover current deficits and fund capital projects. NBS recommends the District adopt the rate increases shown in the water, sewer and recycled water rates described below in this report.

## RATE STUDY METHODOLOGY

**Components of the Rate Study Methodology** – A comprehensive utility rate study typically has three major components: (1) the utility’s overall revenue requirements and financial plan, (2) the cost-of-service for each customer class, and (3) rate structure design, as shown in **Figure 1**. These components reflect industry standards, primarily from the American Water Works Association (AWWA)<sup>1</sup>, and address the general requirements for equity and fairness. In terms of the chronology of the study, these three steps represent the order they were performed in this study.

**Figure 1: Primary Components of a Rate Study**



The following sections in this report present an overview of the methodologies, assumptions, and data used along with the financial plans and rates developed.

**Rate Design Criteria** – Several criteria are typically considered in setting rates and developing sound rate structures. The fundamentals of this process have been documented in several rate-setting manuals. For example, the foundation for evaluating rate structures is generally credited to James C. Bonbright in the *Principles of Public Utility Rates*<sup>2</sup>, which outlines pricing policies, theories, and economic concepts along with various rate designs. The other common industry standard is AWWA Manual M1. The following is a simplified list of the attributes of a sound rate structure:

- Rates should be easy to understand from the customer’s perspective.
- Rates should be easy to administer from the utility’s perspective.
- Rates should promote the efficient allocation of the resource.
- Rates should be equitable and non-discriminating (e.g., cost based).
- There should be continuity in the rate making philosophy over time.
- Other utility policies should be considered (e.g., encouraging conservation & economic development).
- Rates should consider the customer’s ability to pay.
- Rates should provide month-to-month and year-to-year revenue stability.

The following section covers basic rate design criteria that NBS and District staff considered as a part of their review of the rate structure alternatives.

<sup>1</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, M1, AWWA, seventh edition, 2017.

<sup>2</sup> James C. Bonbright; Albert L. Danielsen and David R. Kamerschen, *Principles of Public Utility Rates*, (Arlington, VA: Public Utilities Report, Inc., Second Edition, 1988), p. 383-384.

**Rate Structure Issues** – The relationship between fixed costs and variable costs is one of the most fundamental rate structures considerations. Fixed costs typically do not vary with the amount of water consumed. Debt service and District personnel are examples of fixed costs. In contrast, variable costs such as the cost of chemicals and electricity tend to change with the quantity of water sold. The vast majority of rate structures contain a fixed or minimum charge in combination with a volumetric charge.

The District’s rate design objectives are not necessarily the same as those in other communities. For example, some communities, particularly those with very expensive purchased water costs, place a very high priority on conservation-oriented rates. Other communities, particularly those who have many low-income customers, want to implement low-income subsidies.

In the last rate study, the District considered various combinations of fixed vs. variable charges, and determined that collecting 60 percent of rate revenue from fixed charges and 40 percent from variable charges was preferred. Additionally, the previous four-tiered volumetric rates were replaced with a single-tier (uniform) volumetric rate. This water rate design still appears to be a good fit in light of the District’s projected water sales and need to consider revenue sufficiency going forward.

### **Key Financial Assumptions**

Following are the key assumptions used in the water, sewer and recycled water rate analyses:

- **Funding of Capital Projects** – After extensive review of the planned capital improvement projects (CIP) and funding requirements by the District and its engineering consultant, the District has decided that the water utility will fund 50% with SRF loans and the other 50% with Prop 1 Grants to fund the high CIP costs over the next several years. The sewer and recycled water utility will fund the majority of the projects with rate revenue.
- **Reserve Targets** – The water utility reserves are below target levels, while the sewer utility reserves are currently in decent shape and slightly above target levels. Going forward, the target reserves for operations and maintenance (O&M) and capital rehabilitation and replacement (R&R) follow general industry standards for utility fund management. This includes approximately 90-days of O&M expenses for both the water and sewer Operating and Maintenance Reserves, and approximately 3% of net assets as the target reserve level for the Rehabilitation and Replacement Reserves.
- **Inflation and Growth Projections:**
  - ✓ Customer growth is assumed to be 0.25% annually. While some additional growth may occur<sup>3</sup>, NBS did not rely on any additional growth during the next five years.
  - ✓ General cost inflation is about 3% annually.
  - ✓ Operating expenses, which include among other things labor costs, health benefits, and retirement benefits, are inflated at a rate of approximately 3% to 4% annually.
  - ✓ No inflation is added to other costs.

The next two sections discuss the water, sewer and recycled water rate studies.

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<sup>3</sup> The District has roughly 700 undeveloped lots, these are not expected to develop within the timeframe of this study.



## SECTION 2. WATER RATE STUDY

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### A. KEY WATER RATE STUDY ISSUES

The water rate analysis was undertaken with a few specific objectives, including:

- Analyze consumption data changes over past several years.
- Generating additional revenue to meet projected funding requirements and rebuild reserve funds,
- Consider the percent of water rate revenue collected from volumetric rates vs. fixed monthly charges in light of recent conservation. In 2017, the District’s water rates collected approximately 60% of rate revenue from fixed charges and 40% from volumetric rates, which was the rate design adopted in the last rate study.
- Update fixed charges and volumetric rates to reflect changes in consumption patterns.

NBS developed several water rate alternatives over the course of this study based on industry standards and cost-of-service principles. The fixed and volumetric charges were calculated based on the net revenue requirements, number of customer accounts, water consumption, and other District-provided information. The following are the basic components included in this analysis:

- **Developing Unit Costs:** The water revenue requirements were “functionalized” into three categories: (1) fixed capacity costs; (2) variable costs (or volume-based), and; (3) customer service costs. Unit costs for each of these categories were then allocated to functional areas, including water consumption, peaking factors, number of accounts by meter size, and customer class.
- **Determining Revenue Requirements by Customer Class:** The total revenue collected from each customer class was determined using the unit costs and the total units belonging to each class. For example, volume-related costs are allocated based on the water consumption for each class, while customer costs are allocated based on number of meters. Once the revenue requirement for each customer class is determined, collecting these revenue requirements from each customer class is addressed in the rate design task.
- **Rate Design and Fixed vs. Variable Costs:** The revenue requirements for each customer class are collected from fixed charges and volumetric rates. The cost of service analysis indicated that an allocation of 60% of the costs to fixed and 40% to variable rates is a reasonable basis for rate design. State agencies, such as the California Water Efficiency Partnership, would like water utilities to collect at least 70% of rate revenue from volumetric rates. However, many utilities prefer to collect less than 70% from volumetric rates because of the revenue instability that can result when water use drops unexpectedly. As a compromise, NBS recommends the rates proposed in this report collect 40% of revenue from volumetric charges and 60% from fixed charges.

*“The best way to promote financial stability is to collect fixed costs through fixed charges.”*

### B. WATER UTILITY REVENUE REQUIREMENTS

Rate increases for municipal utilities are governed by the need to meet operating and capital costs, and maintain adequate debt coverage. It is also important to maintain reasonable reserves in order to handle minor emergencies, fund working capital, maintain a good credit rating, and generally follow sound financial management practices. The current financial state of the District’s water utility is as follows:



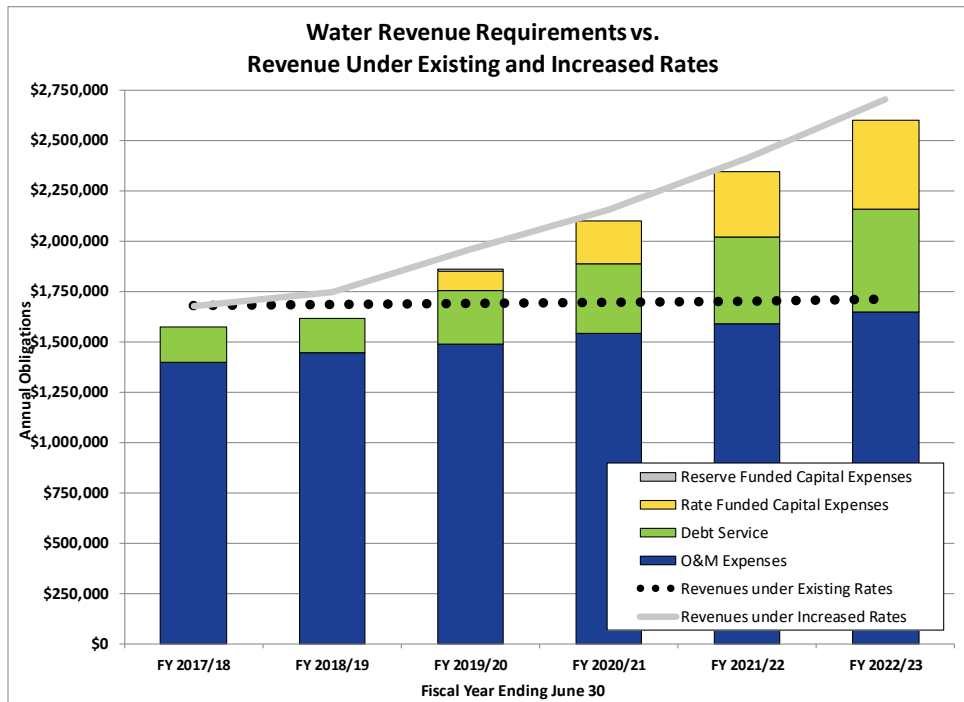
**Meeting Net Revenue Requirements:** For Fiscal Years 2017/18 through 2022/23, the projected net revenue requirement that must be recovered from rates increases by almost 68%, from \$1.50 million to \$2.26 million, as shown in **Figures 2 and 3**. Although the water utility's current rates produce a small surplus, without additional rate increases that surplus will turn into a deficit of almost \$900,000 by FY 2022/23.

**Figure 2. Summary of Water Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements <sup>1</sup>	Budget		Projected			
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Sources of Water Funds</b>						
Rate Revenue Under Existing Rates	\$ 1,606,921	\$ 1,610,938	\$ 1,614,966	\$ 1,619,003	\$ 1,623,051	\$ 1,627,108
Other Operating Revenue	69,800	69,912	70,024	70,137	70,250	70,363
Interest Earnings	500	1,926	3,440	5,895	8,414	11,355
<b>Total Sources of Potable Funds</b>	<b>\$ 1,677,221</b>	<b>\$ 1,682,776</b>	<b>\$ 1,688,430</b>	<b>\$ 1,695,035</b>	<b>\$ 1,701,714</b>	<b>\$ 1,708,826</b>
<b>Uses of Water Funds</b>						
Salaries & Benefits	\$ 637,403	\$ 657,036	\$ 679,277	\$ 704,353	\$ 732,619	\$ 764,604
Water Rights	70,000	72,380	74,551	76,788	79,015	81,306
Repair & Replacement	185,000	191,290	197,029	202,940	208,825	214,881
Electricity	107,711	109,865	112,063	114,304	116,590	118,922
All Other Expenses	399,009	413,111	426,215	439,759	453,357	467,403
Potable System Debt Service	171,672	171,374	262,384	345,953	427,641	509,435
Rate-Funded Capital Expenses	-	-	97,780	213,747	325,917	441,138
<b>Total Use of Potable Water Funds</b>	<b>\$ 1,570,795</b>	<b>\$ 1,615,056</b>	<b>\$ 1,849,298</b>	<b>\$ 2,097,843</b>	<b>\$ 2,343,963</b>	<b>\$ 2,597,688</b>
<b>Surplus/(Deficiency) before Rate Increase</b>	<b>\$ 106,426</b>	<b>\$ 67,720</b>	<b>\$ (160,868)</b>	<b>\$ (402,808)</b>	<b>\$ (642,249)</b>	<b>\$ (888,862)</b>
Additional Revenue from Rate Increases	-	64,438	268,730	458,243	709,281	991,634
<b>Surplus/(Deficiency) after Rate Increase</b>	<b>\$ 106,426</b>	<b>\$ 132,158</b>	<b>\$ 107,862</b>	<b>\$ 55,435</b>	<b>\$ 67,032</b>	<b>\$ 102,772</b>
<b>Projected Annual Potable Rate Revenue Increase</b>	<b>0.00%</b>	<b>8.00%</b>	<b>8.00%</b>	<b>10.00%</b>	<b>12.00%</b>	<b>12.00%</b>
<b>Net Revenue Requirement - Potable System</b>	<b>\$ 1,500,495</b>	<b>\$ 1,543,218</b>	<b>\$ 1,775,834</b>	<b>\$ 2,021,811</b>	<b>\$ 2,265,300</b>	<b>\$ 2,515,970</b>
<b>Overall Debt Coverage Ratio</b>	<b>6.05</b>	<b>6.36</b>	<b>4.87</b>	<b>4.18</b>	<b>3.92</b>	<b>3.80</b>

1. Revenues and Expenditures budgeted for FY 2017-18 found in source file: #1 - Approved 2018-2018 budget.pdf

**Figure 3. Water Revenue Requirements through FY 2022/23**



The District is planning on using SRF funding as well as Prop 1 Grant funding to pay for the Capital Improvement Plans. To fund the debt service that will start in FY 19/20, recommended annual rate increases of 8%, 8%, 10%, 12% and 12% are needed starting in FY 18/19 to fund all O&M costs and CIP debt service payments.

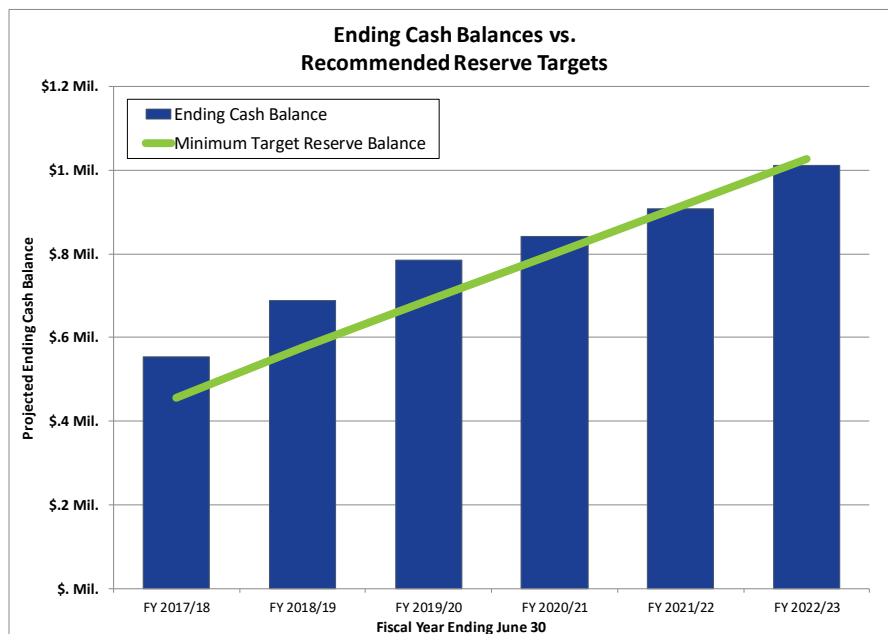
**Figure 4** summarizes the projected reserve fund balances and reserve targets for the next five years. **Figure 5** indicates that, assuming the proposed rate increases are adopted, the District’s reserves will increase over the next five years, and will keep up with the reserve fund target, which is growing to account for the additional capital improvements the District will be building.

**Figure 4. Summary of Water Reserve Funds**

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget		Projected			
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Operating Reserve <sup>1</sup></b>						
Ending Balance	\$ 350,000	\$ 361,000	\$ 372,000	\$ 385,000	\$ 398,000	\$ 412,000
<i>Recommended Minimum Target</i>	<i>350,000</i>	<i>361,000</i>	<i>372,000</i>	<i>385,000</i>	<i>398,000</i>	<i>412,000</i>
<b>Water Capital Fund <sup>2</sup></b>						
Ending Balance	\$ 204,963	\$ 327,014	\$ 413,962	\$ 456,397	\$ 510,429	\$ 599,200
<i>Recommended Minimum Target</i>	<i>105,400</i>	<i>216,000</i>	<i>317,100</i>	<i>415,900</i>	<i>515,200</i>	<i>614,900</i>
<b>Debt Reserve <sup>3</sup></b>						
Ending Balance	\$ 171,672	\$ 171,374	\$ 172,231	\$ 173,523	\$ 175,258	\$ 177,449
<i>Recommended Minimum Target</i>	<i>171,672</i>	<i>171,374</i>	<i>262,384</i>	<i>345,953</i>	<i>427,641</i>	<i>509,435</i>
<b>Total Ending Balance</b>	<b>\$ 726,635</b>	<b>\$ 859,388</b>	<b>\$ 958,193</b>	<b>\$ 1,014,919</b>	<b>\$ 1,083,686</b>	<b>\$ 1,188,649</b>
<b>Total Recommended Minimum Target</b>	<b>627,072</b>	<b>748,374</b>	<b>951,484</b>	<b>1,146,853</b>	<b>1,340,841</b>	<b>1,536,335</b>

1. Water Operations Cash balance found in Source File: #3 - FY End 2017 Hidden Valley Lake Audit.pdf, Page 12.
2. Water Operations restricted for capital facilities found in Source File: #3 - FY End 2017 Hidden Valley Lake Audit.pdf, Page 13.
3. Water Operations restricted for debt service found in Source File: #3 - FY End 2017 Hidden Valley Lake Audit.pdf, Page 13.

**Figure 5. Water Reserve Funds through FY 2022/23**



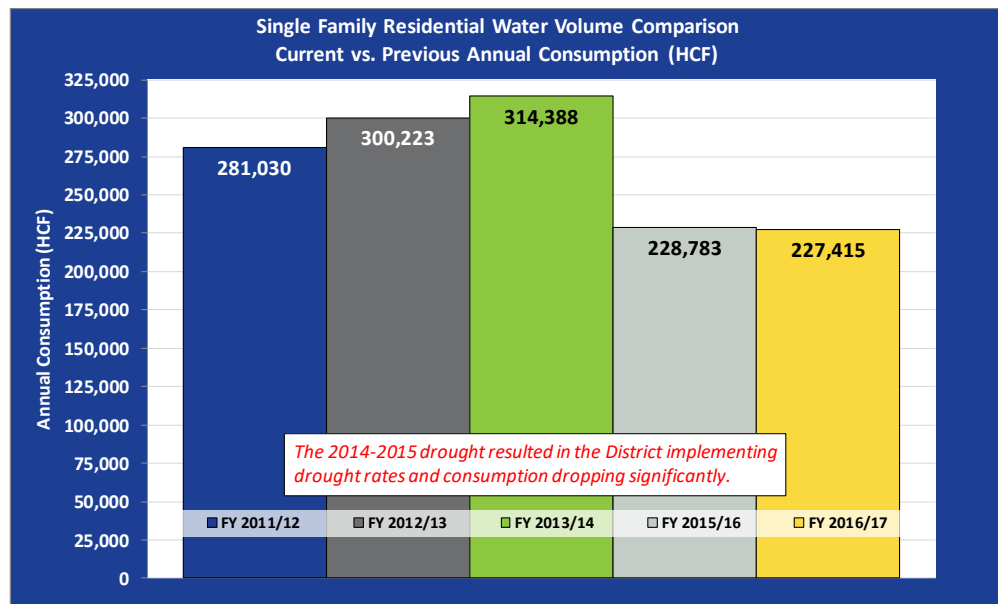
**Building and Maintaining Reserve Funds:** The Water Utility should maintain sufficient reserves. NBS recommends the District adopt and maintain the following reserve fund target balances:

- ✓ **Operating Reserve** should normally be equal to 25% of the Utility’s budgeted annual operating expenses, which is equal to a three-month (or 90-day) cash cushion for normal operations. An Operating Reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures. Fluctuations might be caused by weather patterns, the natural inflow and outflow of cash during billing cycles, natural variability in demand-based revenue streams (e.g., volumetric charges), and – particularly in periods of economic distress – changes or trends in age of receivables.
- ✓ **Capital Rehabilitation and Replacement (R&R) Reserve** are typically about 3% of net depreciable capital assets, which equates to a 33-year replacement cycle for capital assets.
- ✓ **Debt Reserve** is the reserve requirement for the CEIDB loan of approximately \$170,000.
- ✓ **OPEB<sup>4</sup> Reserve** – The District’s is establishing this reserve fund to begin addressing its current liability for post-retirement benefits, with the intent of increasing annual contributions in the future.

A summary of the water utility’s proposed 10-year financial plan is included in Appendix A – Water Rate Study Summary Tables. These tables include revenue requirements, reserve funds, revenue source and proposed rate increases for the 10-year period.

**Summary of Changing Consumption Patterns:** NBS confirmed that customer billing data indicates that the District has experienced lower than expected water rate revenues. This was primarily related to the drop in residential water use shown in **Figure 6**, which indicate that residential consumption decreased by 27%. This reflects the drought and drought-related conservation mandates that impacted water supplies throughout most of California. An additional factor that affected consumption was the drought surcharges that the District implemented from 2015 until April 2017.

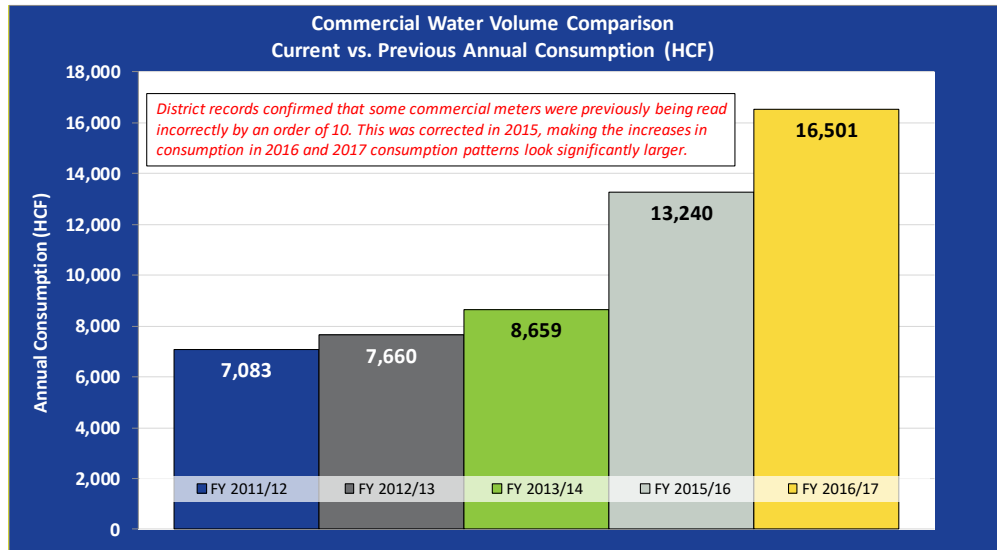
**Figure 6: Annual Water Consumption for Single Family Residential Customers from 2011-2017**



<sup>4</sup> OPEB refers to “Other Post-Employment Benefits”.

District staff also became aware of an issue of incorrect meter readings for some commercial and municipal customers. The lower than actual readings gives the impression that there were significant increases in commercial water use after 2013-14, as shown in **Figure 7**. However, it is likely that the previous consumption was just under-recorded.

**Figure 7: Annual Water Consumption for Commercial Customers from 2011-2017**



**C. CURRENT VS. PROPOSED WATER RATES**

Currently, the District charges all customer classes with a standard 5/8” meter a monthly fixed charge of \$33.93, plus a uniform commodity rate of \$2.30/hcf for all water consumed. The proposed new rates follow this same rate design. **Figure 8** compares the current and proposed rates for Fiscal Year 2018/19 through 2022/23. **Figure 9** compares monthly bills for residential customers under current and proposed rates at varying levels of water consumption, and **Figure 10** provides a comparison of water bills for other regional communities.

**Figure 8. Current and Proposed Water Rates for FY 2018/19 through 2022/23**

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<i>Projected Increase in Rate Revenue</i>		8.00%	8.00%	10.00%	12.00%	12.00%
<b>% Fixed</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>
<b>% Variable</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>
<b>Fixed Service Charge</b>						
<i>Monthly Fixed Service Charge:</i>						
5/8 inch	\$33.93	\$34.15	\$36.88	\$40.57	\$45.44	\$50.89
3/4 inch	\$33.93	\$34.15	\$36.88	\$40.57	\$45.44	\$50.89
1 inch	\$81.37	\$81.93	\$88.49	\$97.34	\$109.02	\$122.10
1.5 inch	\$160.42	\$161.57	\$174.50	\$191.95	\$214.98	\$240.78
2 inch	\$255.28	\$257.14	\$277.71	\$305.48	\$342.14	\$383.20
<b>Potable Water Commodity Charges</b>						
Uniform Rate						
SFR and MFR:	\$2.30	\$2.53	\$2.74	\$3.01	\$3.37	\$3.77
Commercial	\$2.30	\$2.74	\$2.96	\$3.26	\$3.65	\$4.08
Municipal	\$2.30	\$3.03	\$3.27	\$3.60	\$4.03	\$4.52

Figure 9. Comparison of Monthly Water Bills for Single-Family Residential Customers

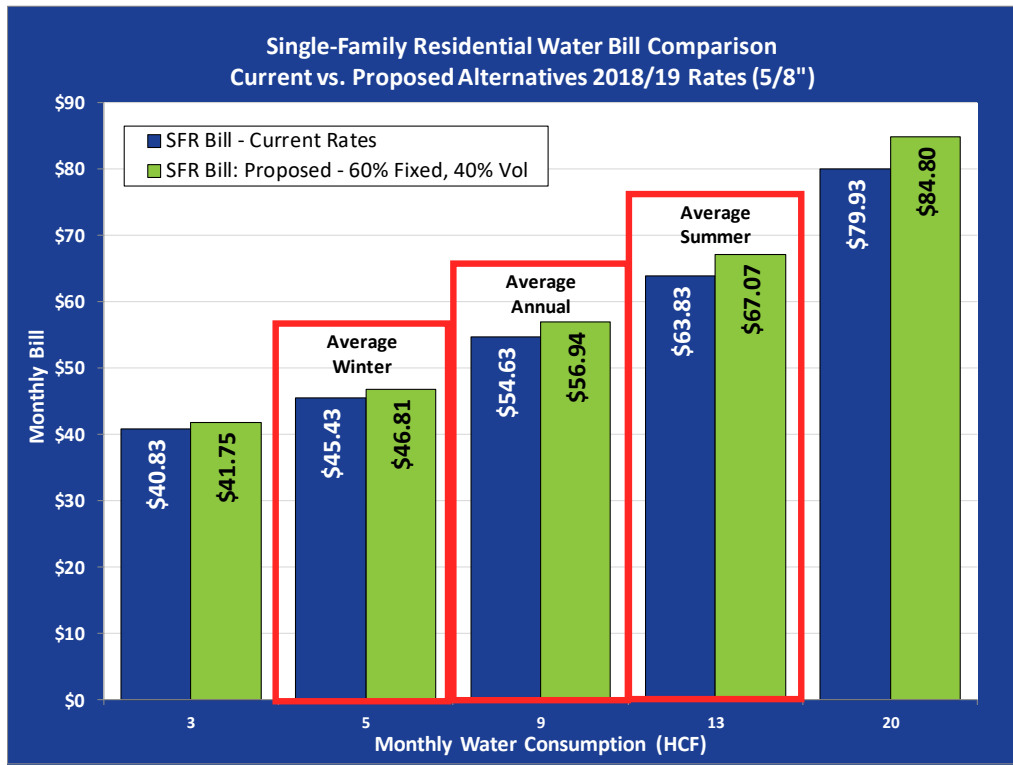
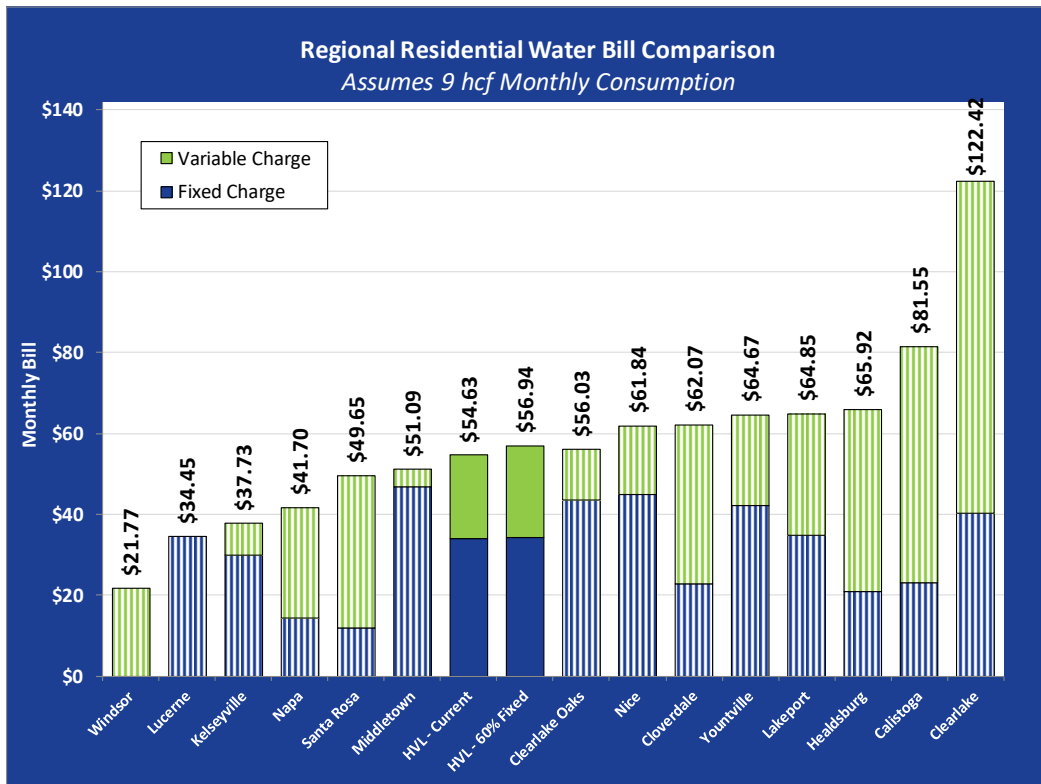


Figure 10. Regional Comparison of Monthly Water Bills for Single-Family Residential



## SECTION 3. SEWER AND RECYCLED WATER RATE STUDY

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### A. KEY SEWER AND RECYCLED WATER RATE STUDY ISSUES

Some of the specific objectives addressed in the sewer rate analysis included:

- Generating additional revenue needed to meet projected funding requirements.
- Updating the volumetric-based charge for residential customers that maintains the average winter water use basis. This is more equitable than a 100-percent flat rate because it reflects the differences in effluent generation and therefore better aligns with the cost of service.
- Updating the volumetric rate for commercial customers that relies on average winter water use for improving equity, as explained below there have been significant changes in consumption data and the cost-basis for commercial customers that NBS believes is better represented by winter water use.
- Updating recycled water rates for the one customer within the District, which is the Golf Course.

As with the water rates, the proposed sewer rates were developed based on industry standards and cost-of-service principles, and reflect input from District staff and the District Board. However, it is ultimately the District Board that decides whether to adopt and implement these recommended rates.

The proposed rate structure for residential customers continues to include a fixed monthly charge per housing equivalent unit (HEU) plus a volumetric rate based on their average winter water consumption. This volumetric charge is used to set the volumetric charge each month for the subsequent 12 months and, in this respect, acts like a fixed charge except it varies based on each customer's winter consumption. The rate structure for commercial customers is similar, with a fixed monthly charge per HEU plus a volumetric rate based on *monthly* (not average winter) water consumption.

The updated rates were set based on the net revenue requirements, number of customer accounts and housing equivalent units, water consumption, and the estimated volume and strength of the effluent. The following are the basic components of this analysis:

- **Customer classes:** Customer classes are typically determined by grouping customers with similar flow and strength characteristics in order to reflect the cost differences in serving each type of customer. The District's existing customer classes have been retained in the proposed rates developed:
  - **Residential** – Consists of single-family and multi-family residential properties; multi-family accounts are assessed fixed charges based on the number of housing equivalent units (HEUs), with single-family account representing one HEU.
  - **Commercial** – Includes all commercial, industrial and municipal users.
  - **Recycled Water** – The District has only one recycled water meter, which is at the golf course. The recycled water rate represents the additional treatment costs of recycled water, which should not be paid by sewer customers.
- **Cost Allocation Factors:** For the purpose of allocating costs to customer classes, the sewer revenue requirements were "functionalized" into five categories:
  1. Flow (volume) related costs
  2. Strength costs related to biochemical oxygen demand (BOD)
  3. Strength costs related to total suspended solids (TSS)
  4. Customer service-related costs, and
  5. Recycled water related costs.

These cost allocation factors represent varying levels of the cost of service. For example, effluent with higher levels of BOD and TSS is costlier to treat and, therefore, should be allocated a greater proportion of treatment costs. Details documenting these cost allocations are shown in Appendix B.

- **Determining Revenue Requirements by Customer Class:** Based on these cost allocation factors, revenue requirements were allocated to each customer class. For example, customer costs are allocated based on number of accounts and billable units, flow-related costs are allocated based on the estimated effluent generated by each class, and strength-related costs are allocated based on estimated strength of wastewater discharged by each customer class. Once the revenue requirement for each customer class is determined, collecting these revenue requirements from each customer class is reflected in the rate design.
- **Rate Design:** The revenue requirements collected from residential customers were based on the number of housing equivalent units and, for residential customers, the average winter water consumption. Average winter water use is the best means of estimating potential flow to the wastewater treatment plant because outdoor irrigation is typically at its lowest during the winter months. Revenue requirements recovered from commercial and industrial customers through fixed charges are based on the number of HEUs; their monthly water consumption is applied to monthly water use. This is because the amount of wastewater discharged by commercial users is generally assumed to correlate to their water use.

## B. SEWER UTILITY REVENUE REQUIREMENTS

Rate increases are governed by the need to meet the operating and capital costs, debt service payments and reserves included in the revenue requirements. The District's sewer utility is summarized as follows:

- **Meeting Net Revenue Requirements:** The District's sewer utility is currently running a small structural deficit that is likely to increase to over \$400,000 per year without rate increases. The proposed rate increases would stabilize this deficit over the next five years. Projected net revenue requirements (i.e., total annual expenses less non-rate revenue) increase by approximately 30% in Fiscal Years 2018/19 through 2022/23 from about \$1,350,000 to \$1,760,000.
- **Building and Maintaining Reserve Funds:** The District should maintain sufficient reserves for the Utility. NBS recommends that the District adopt and maintain the following reserve fund targets:
  - ✓ **Operating Reserve** equal to 25% of the Utility's budgeted annual operating expenses. This reserve target is equal to a three-month (or 90-day) cash cushion for normal operations. An Operating Reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures.
  - ✓ **Capital Facilities Reserve** equal to a minimum of 3% of net depreciable capital assets (or approximately \$100,000 based on a total system asset value of approximately \$3.4 million). This reserve provides for capital repair and replacement needs.
  - ✓ **Debt Reserve** equal to the reserve requirements for the existing and planned debt, which is approximately \$32,000 annually.

Figures 11 and 12 summarize the sources and uses of funds, including net revenue requirements, and the recommended annual percent increases in total rate revenue for the next five years. This figure shows the small deficit in FY 2017/18 and, without rate increases, grows to over \$400,000 by FY 2022/23. With rate increases, the deficit turns into small but increasing surpluses in subsequent years. These surpluses are used to replenish reserves, with the intent of meeting future target reserve-fund balances.

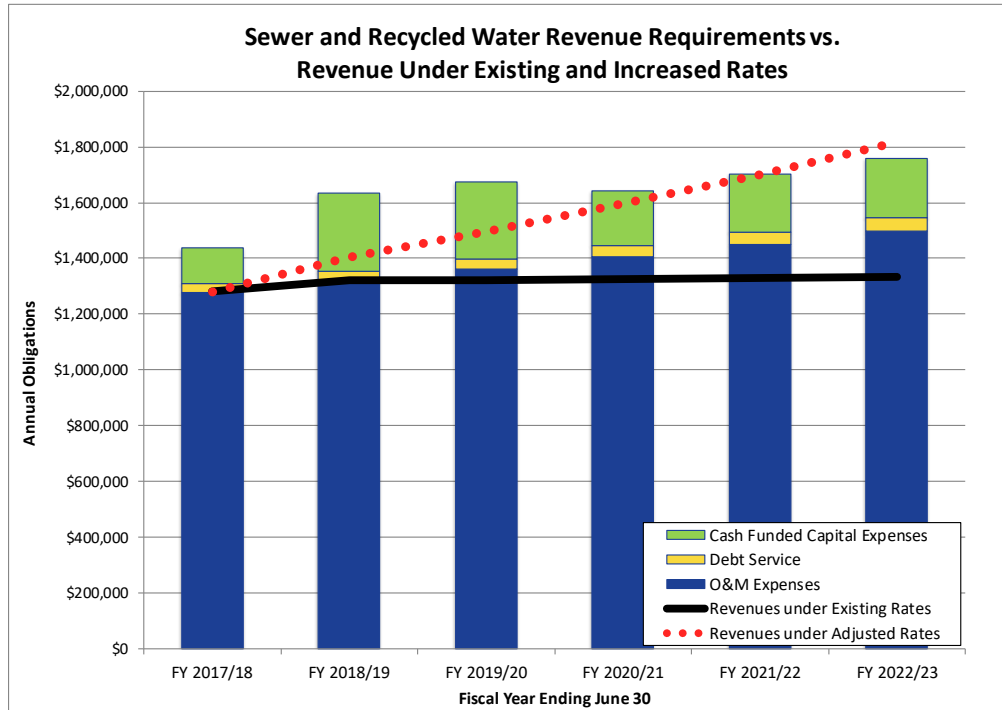
**Figure 11. Summary of Sewer Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budgeted		Projected			
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Sources of Sewer Funds</b>						
Rate Revenue Under Current Rates - Sewer	\$ 1,180,469	\$ 1,183,420	\$ 1,186,379	\$ 1,189,345	\$ 1,192,318	\$ 1,195,299
Rate Revenue Under Current Rates - RW	90,000	125,000	125,000	125,000	125,000	125,000
Non-Rate Revenues	8,500	8,521	8,543	8,564	8,585	8,607
Interest Earnings	500	3,204	3,469	3,891	4,753	5,986
<b>Total Sources of Funds</b>	<b>\$ 1,279,469</b>	<b>\$ 1,320,145</b>	<b>\$ 1,323,390</b>	<b>\$ 1,326,800</b>	<b>\$ 1,330,656</b>	<b>\$ 1,334,892</b>
<b>Uses of Sewer Funds</b>						
Operating Expenses	\$ 1,278,383	\$ 1,320,734	\$ 1,362,781	\$ 1,406,221	\$ 1,450,635	\$ 1,496,511
Existing Debt Service	32,218	32,245	32,258	32,255	32,238	32,205
New Debt Service	-	-	3,644	7,397	11,262	15,244
Rate Funded Capital Expenses	-	-	23,353	145,307	207,656	213,886
<b>Total Use of Funds</b>	<b>\$ 1,310,601</b>	<b>\$ 1,352,979</b>	<b>\$ 1,422,035</b>	<b>\$ 1,591,180</b>	<b>\$ 1,701,791</b>	<b>\$ 1,757,846</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (31,132)</b>	<b>\$ (32,834)</b>	<b>\$ (98,645)</b>	<b>\$ (264,380)</b>	<b>\$ (371,135)</b>	<b>\$ (422,954)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	82,839	171,906	267,654	370,568	481,170
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (31,132)</b>	<b>\$ 50,005</b>	<b>\$ 73,261</b>	<b>\$ 3,274</b>	<b>\$ (567)</b>	<b>\$ 58,215</b>
<b>Projected Annual Rate Revenue Increase - Sewer</b>	<b>0.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>
Cumulative Increases	0.00%	7.00%	14.49%	22.50%	31.08%	40.26%
<b>Projected Annual Rate Revenue Increase - RW</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Cumulative Increases	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Net Revenue Requirement <sup>2</sup></b>	<b>\$ 1,301,601</b>	<b>\$ 1,341,254</b>	<b>\$ 1,410,024</b>	<b>\$ 1,578,725</b>	<b>\$ 1,688,453</b>	<b>\$ 1,743,253</b>

1. Assumes new rates are implemented January 1, 2019

2. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from rates.

**Figure 12. Sewer Revenue Requirements through FY 2022/23**



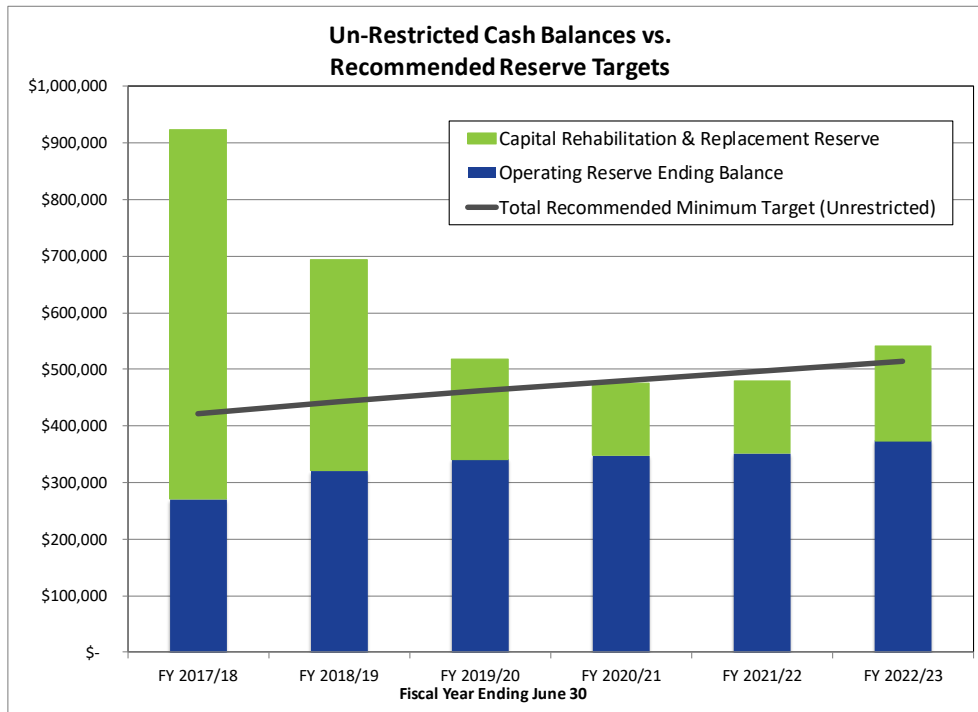
Figures 13 summarizes the projected reserve fund balances and reserve targets, for the next five years. Figure 14 indicates that, assuming the proposed rate increases are adopted, the District’s initial surplus reserves will be drawn down over the next two years, but will then keep up with the reserve fund target, which is growing slightly due to the addition of capital improvements over the next five years.



**Figure 13. Summary of Sewer Reserve Funds**

Beginning Reserve Fund Balances and Recommended Reserve Targets	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
	<b>Operating Reserve</b>					
Ending Balance	\$ 270,653	\$ 320,771	\$ 341,000	\$ 348,269	\$ 351,891	\$ 374,000
<i>Recommended Minimum Target</i>	<i>320,000</i>	<i>330,000</i>	<i>341,000</i>	<i>352,000</i>	<i>363,000</i>	<i>374,000</i>
<b>Capital Facilities Reserve</b>						
Ending Balance	\$ 652,596	\$ 372,951	\$ 177,837	\$ 127,000	\$ 127,000	\$ 167,492
<i>Recommended Minimum Target</i>	<i>102,000</i>	<i>112,000</i>	<i>121,000</i>	<i>127,000</i>	<i>134,000</i>	<i>141,000</i>
<b>Debt Reserve</b>						
Ending Balance	\$ 32,345	\$ 32,345	\$ 32,345	\$ 32,345	\$ 32,345	\$ 32,345
<i>Recommended Minimum Target</i>	<i>32,345</i>	<i>32,345</i>	<i>32,345</i>	<i>32,345</i>	<i>32,345</i>	<i>32,345</i>
<b>Total Ending Balance</b>	<b>\$ 955,594</b>	<b>\$ 726,067</b>	<b>\$ 551,182</b>	<b>\$ 507,614</b>	<b>\$ 511,236</b>	<b>\$ 573,837</b>
<i>Total Recommended Minimum Target</i>	<i>\$ 454,345</i>	<i>\$ 474,345</i>	<i>\$ 494,345</i>	<i>\$ 511,345</i>	<i>\$ 529,345</i>	<i>\$ 547,345</i>
<i>Total Recommended Minimum Target (Unrestricted)</i>	<i>\$ 422,000</i>	<i>\$ 442,000</i>	<i>\$ 462,000</i>	<i>\$ 479,000</i>	<i>\$ 497,000</i>	<i>\$ 515,000</i>

**Figure 14. Sewer Reserve Funds Through FY 2022/23**



A summary of the sewer utility’s proposed 10-year financial plan is included in Appendix B – Sewer Rate Study Summary Tables. These tables include revenue requirements, reserve funds, revenue source and proposed rate increases for the 10-year period.

**C. SEWER CUSTOMER CHARACTERISTICS**

The five factors used in allocating costs as a part of the sewer cost-of-service analysis are effluent (flow), BOD, TSS, customer costs, and recycled water costs. Water consumption data from January 2017 through December 2017 was used to estimate the flows to the District’s wastewater treatment plant. Residential bills reflect average winter consumption because it is correlated to the amount of residential effluent that goes to the treatment plant.

For residential customers, the average winter water consumption used to calculate their bills is assumed to include four billing periods; December 2016 - March 2017 were considered the “winter” months because consumption is lowest in these months. Based on water consumption records summarized in **Figure 15**, residential customers account for approximately 95.6% of effluent at the plant (i.e., single-family = 93% and multi-family = 2.6%). Commercial customers account for the remaining 4.4% of the flow.

**Figure 15. Summary of Estimated Flow to Treatment Plant**

Development of the FLOW Allocation Factor						
Customer Class	Number of HEUs <sup>1</sup>	Annual Volume (hcf)	Average Winter Monthly Consumption <sup>3</sup> (hcf)	Annual Winter Average Based Volume (hcf)	Adjusted Annual Volume (hcf)	Percentage of Adjusted Volume
Single Family Residential	1,444	150,261	7,342	88,109	124,553	93.0%
Multi-Family Residential	54	3,615	201	2,417	3,416	2.6%
Commercial	35	10,224	347	4,158	5,878	4.4%
Municipal	1	63	5	61	87	0.1%
<b>Total <sup>2</sup></b>	<b>1,534</b>	<b>164,163</b>	<b>7,895</b>	<b>94,745</b>	<b>133,934</b>	<b>100.0%</b>
					133,934	Flow (hcf/yr.)
					1.41	Flow Adj. Factor

1. Consumption and Meters from source files: *NBS 2018 - #17\_Manipulated Sewer Billing Data.xlsx* (data combined and summarized in pivot tables).

2. Recycled Water excluded from flow allocation factor. One customer only in the District, volumetric rate only.

3. Includes months of December 2016 through March 2017.

**Customer Class Effluent Strengths** – Effluent strength factors for individual customer classes<sup>5</sup> are shown in **Figure 16** and described below.

**Figure 16. Summary of Annual Flow and Strength Characteristics by Customer Class**

Development of the STRENGTH Allocation Factor									
Customer Class	Adjusted Annual Flow (hcf)	Biochemical Oxygen Demand (BOD)				Total Suspended Solids (TSS)			
		Average Strength Factor (mg/l) <sup>2</sup>	Calculated BOD (lbs./yr.)	Adjusted BOD (lbs./yr.)	Percent of Total	Average Strength Factor (mg/l) <sup>2</sup>	Calculated TSS (lbs./yr.)	Adjusted TSS (lbs./yr.)	Percent of Total
Single Family Residential	124,553	200	155,401	181,420	93.0%	180	139,861	150,306	93.0%
Multi Family Residential	3,416	200	4,262	4,976	2.6%	180	3,836	4,123	2.6%
Commercial <sup>1</sup>	5,878	200	7,334	8,562	4.4%	180	6,601	7,094	4.4%
Municipal	87	200	108	126	0.1%	180	97	105	0.1%
<b>Total</b>	<b>133,934</b>		<b>167,105</b>	<b>195,084</b>	<b>100%</b>		<b>150,395</b>	<b>161,627</b>	<b>100%</b>
		<i>Target, from WWTP Data</i>		<i>195,084 BOD (lbs./yr.)</i>				<i>161,627 TSS (lbs./yr.)</i>	
				<i>1.17 BOD Adj. Factor</i>				<i>1.07 TSS Adj. Factor</i>	

1. Commercial was previously billed on monthly water use, now if billed on average winter; as a result it is more typical of indoor/residential strengths.

2. Typical strength factors for BOD and TSS are derived from the State Water Resources Control Board Revenue Program Guidelines, Appendix G.

- **Residential** customers, including single-family, multi-family and mobile homes, have BOD and TSS strength factors of 200 mg/l, which is within the normal range for residential users.
- **Commercial** customers can have individual strength factors that are higher or lower than residential, depending on the particular type of commercial uses. In the District’s case, NBS and the District believe that commercial effluent is, on average, consistent with residential strengths. Therefore, strength factors assigned to commercial class customers are the same as residential customers.

<sup>5</sup> Strength factors for each customer class were derived from the State Water Resources Control Board Revenue Program Guidelines, Appendix G, page G-21 “Commercial User Strength Characteristics.”

**Figure 17** compares the total number of accounts and billing units (depending on how customers are billed) by customer class. **Figure 18** then summarizes the total rate revenue requirements by customer class resulting from the cost-of-service cost allocation components previously shown in Figure 12 (Revenue Requirements), Figure 15 (Flow and Strength Characteristics), and Figure 16 (Customer Costs).

**Figure 17. Number of Accounts and Billing Units by Customer Class**

Development of the CUSTOMER Allocation Factor					
Customer Class	Number of Accounts	Percentage of Accounts	Number of HEUs	Percentage of Assigned HEUs	Average HEUs per Account
Single Family Residential	1,444	97.0%	1,444	94.2%	1.00
Multi-Family Residential	27	1.8%	54	3.5%	2.00
Commercial & Industrial	15	1.0%	35	2.3%	2.30
Municipal	1	0.1%	1	0.1%	1.00
Recycled Irrigation	1	0.1%	0	0.0%	0.00
<b>Total</b>	<b>1,488</b>	<b>100.0%</b>	<b>1,534</b>	<b>100.0%</b>	<b>1.03</b>

**Figure 18. Summary of Rate Revenue Requirements by Customer Class**

Allocation of FY 2018/19 Revenue Requirements by Customer Class							
Customer Class	Cost Classification Components					Cost-of-Service Net Revenue Req't.	% of COS Net Revenue Req't.
	Volume	Treatment		Customer Related	Recycled Water		
		BOD	TSS				
<b>Net Revenue Requirements</b> <sup>1</sup>	<b>\$ 550,641</b>	<b>\$ 282,746</b>	<b>\$ 282,746</b>	<b>\$ 146,794</b>	<b>\$ 128,332</b>	<b>\$ 1,391,260</b>	--
	39.6%	20.3%	20.3%	10.6%	9.2%	100.0%	
SFR and MFR	\$ 526,117	\$270,154	\$270,154	\$145,117	\$ -	<b>\$1,211,542</b>	87.1%
Commercial	24,167	12,410	12,410	1,480	-	<b>50,466</b>	3.6%
Municipal	356	183	183	99	-	<b>821</b>	0.1%
Recycled Irrigation	-	-	-	99	128,332	<b>128,431</b>	9.2%
<b>Total</b>	<b>\$ 550,641</b>	<b>\$ 282,746</b>	<b>\$ 282,746</b>	<b>\$ 146,794</b>	<b>\$ 128,332</b>	<b>\$1,391,260</b>	<b>100%</b>

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

#### D. CURRENT VS. PROPOSED SEWER RATES

Currently, all customers pay the same fixed monthly charge based on their number of household equivalent units (HEUs). Both residential and commercial customers also pay a volumetric monthly rate, but the uniform volumetric rate for residential customers is applied to average winter water use, while commercial customers pay a slightly higher volumetric rate that is applied to monthly water use.

**Changes in Residential vs. Commercial Sewer Rates** – The proposed rates retain the same customer classes, which combine single- and multi-family residential customers, and combine commercial with municipal customers. However, as previously noted, water consumption for commercial customers is now significantly higher than previously thought due to meter misreads that have now been corrected. That new consumption data has increased the costs allocated to commercial customers and, as a result, NBS is recommending realigning commercial fixed and volumetric rates to account for these higher costs as follows: (1) higher commercial costs are largely allocated to their fixed charges, and (2) the volumetric rate for commercial was set equal to the residential volumetric rate.

The rationale for this approach is that since commercial customers tend to be larger water meters and have higher consumption, but on average have the same strength as residential customers, it makes more sense to have the same volumetric rates as residential customers but a higher fixed charge (which reflects capacity-related costs). Therefore, while all customers will continue to pay a volumetric rate, this rate will now be the same for both residential and commercial customers. In contrast, the fixed monthly charge, which is currently the same for all customers, will now be higher for commercial customers, who will pay a fixed rate of \$91.24/HEU vs. the proposed residential fixed charge of \$52.57/HEU per month.

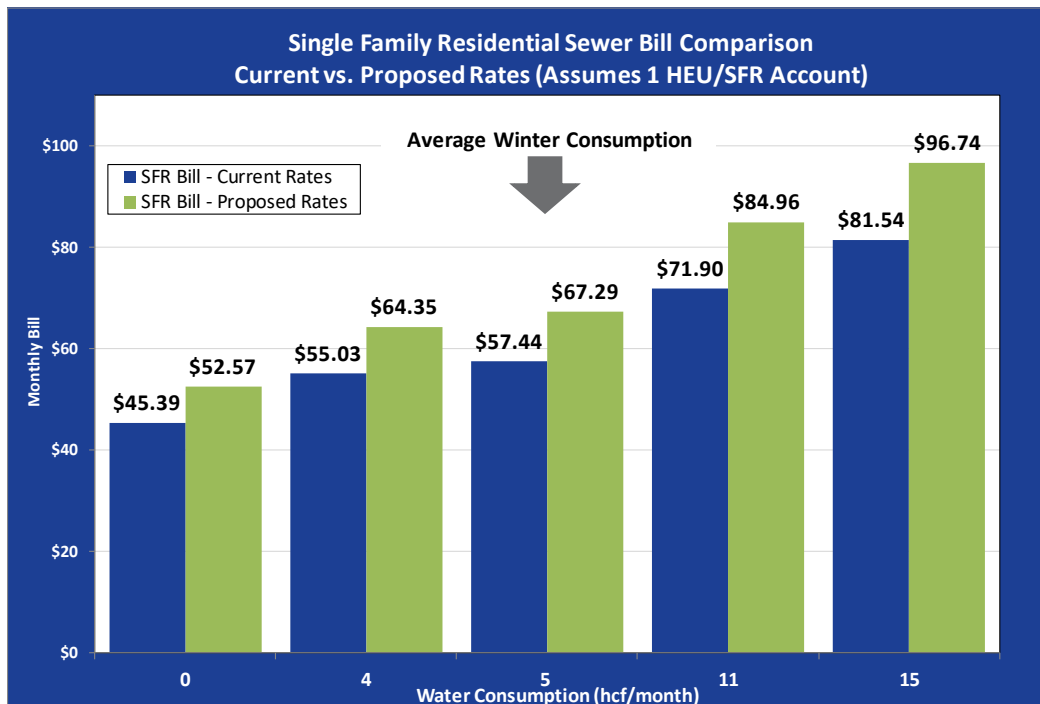
Figure 19 shows current and proposed sewer rates for FY 2018/19 through FY 2022/23. Figure 20 compares the average monthly sewer bills for residential customers under current and proposed rates. Figure 21 compares commercial bills under current vs. proposed rates.

**Figure 19. Current vs. Proposed Sewer Rates**

Sewer Rate Schedule	Current Rates <sup>1</sup>	Proposed Sewer Rates				
		FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<i>% Increase in Annual Rate Revenue:</i>		7.00%	7.00%	7.00%	7.00%	7.00%
<b>Fixed Service Charge per HEU</b>						
Residential	\$45.39	\$52.57	\$56.25	\$60.19	\$64.40	\$68.91
Commercial and Municipal	\$45.39	\$91.24	\$97.63	\$104.47	\$111.78	\$119.60
<b>Volumetric Charge (\$/hcf)</b>						
Residential (Applied to <u>Avg. Winter Water Use</u> )	\$2.41	\$2.94	\$3.15	\$3.37	\$3.61	\$3.86
Commercial and Municipal (Applied to <u>Avg. Winter Water Use</u> ) <sup>2</sup>	\$2.62	\$2.94	\$3.15	\$3.37	\$3.60	\$3.85

1. Sewer customers are charged on the basis of their number of assigned Housing Equivalent Units (HEUs).
2. Commercial and Municipal volumetric charges, currently based on monthly water use and now will be based on average winter water use.

**Figure 20. Residential Sewer Bill Comparison – Current vs. Proposed Rates**



**Figure 21. Commercial Sewer Bill Comparison – Current vs. Proposed Rates**

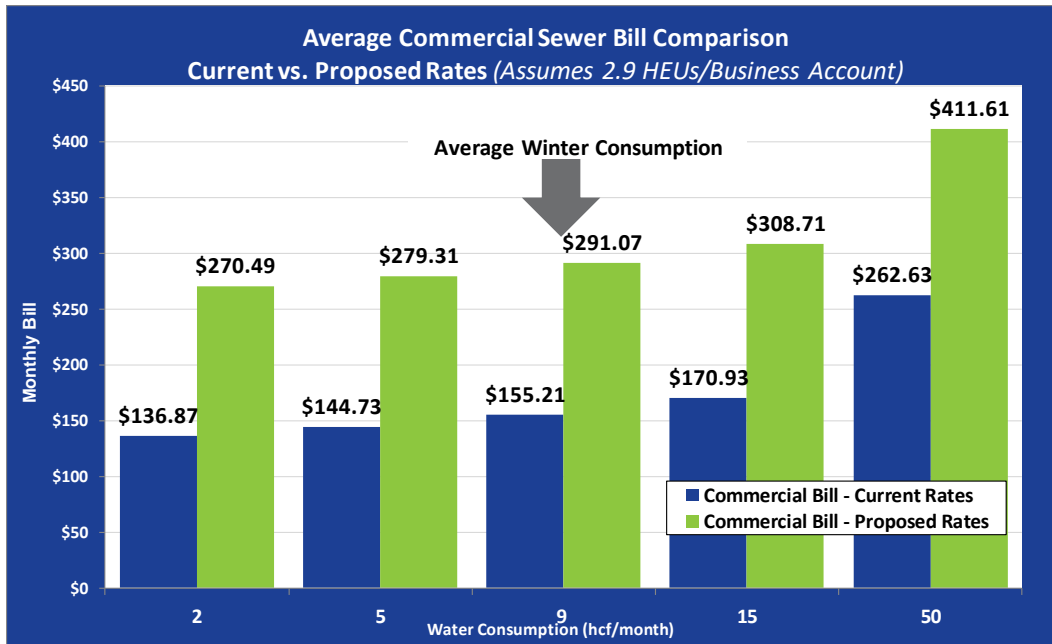
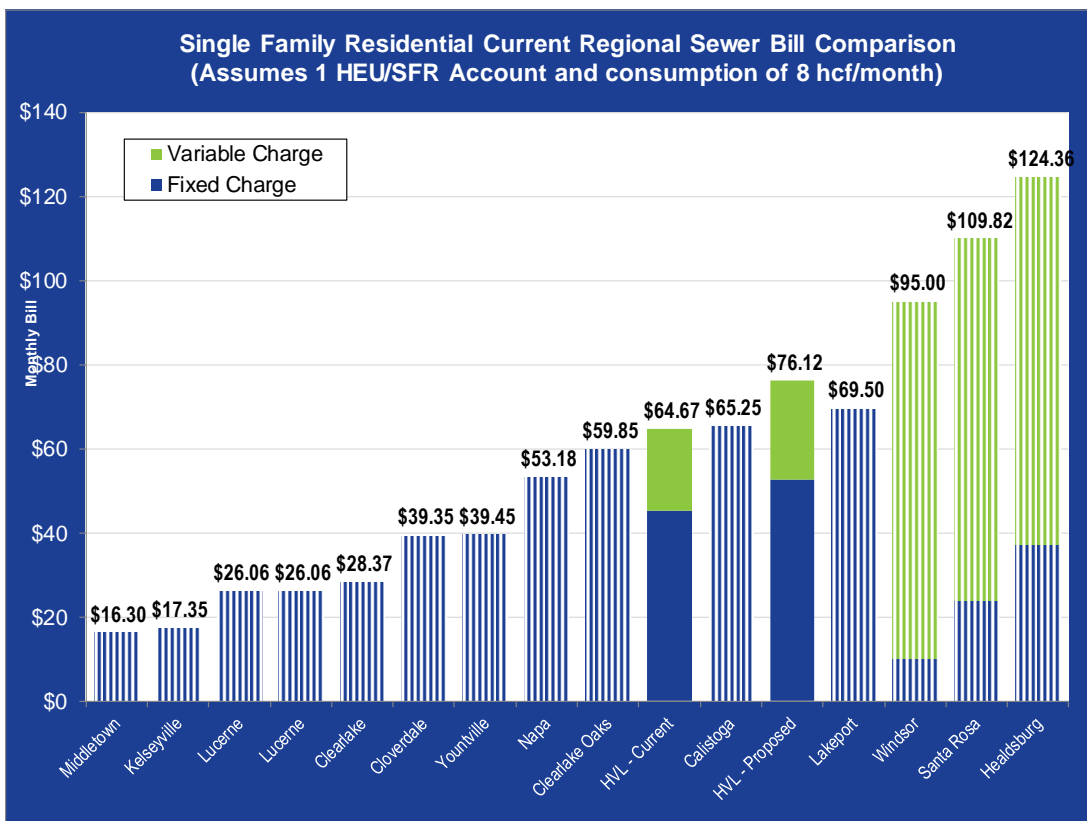


Figure 22 provides a comparison of monthly sewer bills for other communities in the region.

**Figure 22. Regional Sewer Bill Comparison – Single Family Residential**



**E. CURRENT VS. PROPOSED RECYCLED WATER RATES.**

The District has maintained one recycled water customer and has not evaluated the rate structure since its inception. The current rate is \$291.75 per acre foot. NBS considered the sewer utility’s annual expenses and how those expenses might be allocated to the recycled water customer. The District’s one recycled water customer, the golf course, is owned by the homeowner’s association, who are to a large extent the same properties receiving water and sewer service provided by the District.

**Basis for Setting Recycled Water Rate** – There is no established industry standard for setting recycled water rates, and many agencies arbitrarily set rates at some percent below potable volumetric rates. There is also no clear allocation of benefits accruing from a recycled water program: are there benefits to using recycled water instead of discharging effluent from the treatment plant? Do the lower water quality standards for recycled water make it less valuable than potable water? Do the additional constituents in recycled water translate into higher costs for recycled water irrigation systems? The answers to these questions is generally “yes”.

Whether there is an issue of allocating recycled water costs to individuals within the homeowner’s association, such as golfers vs. non-golfers, is an issue that would be more appropriately addressed by the homeowner’s association rather than the District.<sup>6</sup>

**Proposed Recycled Water Rate** – In view of these factors, the current recycled water rate is, in NBS’ opinion, a reasonable and fair rate. However, we did calculate an updated rate using the annual recycled water consumption and a reasonable allocation of the annual revenue requirement. A recommended volumetric rate is \$292.31 per acre foot. **Figure 23** summarizes the calculation of the recycled water charge.

**Figure 23. Proposed Recycled Water Rates**

Customer Class	Total Annual RW Use <sup>1</sup>	Annual Rev. Req’t			Monthly Fixed Charge	Volumetric Charge
		Total	Fixed	Volumetric		
Recycled Irrigation (hcf)	191,386					
Recycled Irrigation (Acre Ft)	439	\$128,431	\$0	\$128,431	\$0.00	\$0.67/hcf \$292.31/AF

1. Actual 2017 consumption

<sup>6</sup> For example, recycled water costs could be incorporated into green fees and/or other charges paid by golfers.

## SECTION 4. RECOMMENDATIONS AND NEXT STEPS

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### CONSULTANT RECOMMENDATIONS

A number of factors have impacted the District's water and sewer rates in the last several years. The drought and its mandated conservation efforts, the corresponding lower water sales, and the correction of some commercial water reading problems have been notable. In light of these factors, NBS has reevaluated water, sewer and recycled water rates and made adjustments that, in our opinion, best represent the overall rate objectives of the District in a fair, equitable, and defensible manner. NBS

The following are NBS' recommendations for the District following careful review of this report:

- **Approve and Accept This Study Report:** NBS recommends the District Board formally approve and adopt this report, its recommendations, and accompanying appendices. This will document the rate study analyses and the basis for recommended rates.
- **Complete a Review by a Qualified Attorney:** This rate study outlines proposed new rates. Because NBS are not attorneys, we do not provide legal opinions and, therefore, must defer to the review by legal counsel with respect to compliance with Proposition 218 and related State laws, as well as legal assistance developing acceptable language for new resolutions to implement these rates.
- **Implement Recommended Levels of Rate Increases and Proposed Rates:** Based on the analysis presented in this report, the District Board should implement the proposed rates recommended in this report (see Figures 8, 19, and 23) for the next five years. These rate adjustments are structured based on industry standards and are necessary to ensure the following objectives are met:
  - Water rates that promote water conservation and reflect the cost of providing water service to each customer class.
  - Sewer rates that more appropriately reflect the cost of providing sewer service to each customer class; in particular, commercial fixed charges based on better consumption data to improve equity between customers in the sewer utility.
  - Maintaining the financial health of the District's water and sewer utilities.
  - Recycled water rates that can reasonably be considered fair and equitable to both the golf course and the District.
- **Adopt Reserve Fund Targets:** NBS recommends the District Board adopt the proposed reserve fund targets described in Sections 2 and 3 of this report for the water and sewer utilities. The District should periodically evaluate reserve fund levels and make it a long-term goal to achieve and maintain these levels for the Operating, Capital, and Debt Reserves.

### NEXT STEPS

- **Annually Review Rates and Revenue** – Any time an Agency adopts new utility rates or rate structures, those new rates should be closely monitored over the next several years to ensure the revenue generated is sufficient to meet the annual revenue requirements. Changing economic, water consumption patterns, new regulatory mandates, and unplanned capital improvements all underscore the need for this annual review.

*Note: The attached Technical Appendices provide more detailed information on the analysis of the water and sewer revenue requirements, cost of service and rate design analyses that have been summarized in this report.*

## **PRINCIPAL ASSUMPTIONS AND CONSIDERATIONS**

In preparing this report and the recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, number of customer accounts, billing records, and other conditions and events that may occur in the future. This information and assumptions, including the District's budgets and customer account information provided by District staff, are sources we believe to be reliable, although NBS has not independently verified this data.

While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, some assumptions will invariably not materialize as stated herein or may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.



**APPENDIX A – WATER RATE ANALYSIS**

## APPENDIX B – SEWER RATE ANALYSIS